



G ECONOMIC DIPLOMACY
S FOOD SECURITY
NEXUS OF WATER FOOD & ENERGY
MULTI-STAKEHOLDER PLATFORMS
INCLUSIVE





International Partnerships for Sustainable Development

# FROM PLEDGES TO IMPLEMENTATION







Annual Report 2022



"Let's NWFE Together!"

@RaniaAlMashat

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### STATEMENT BY H.E. PRESIDENT ABDEL FATTAH EL-SISI

The 2022 United Nations Climate Change Conference (COP27)

Today, what our world needs to overcome the current climate crisis and to reach what we have agreed on as goals in the Paris Agreement, surpasses slogans and words. Today, our peoples expect from us rapid, effective and equitable implementation. Our peoples expect us to take real and concrete steps towards reducing emissions, enhancing adaptation with the consequences of climate change, and providing the necessary financing for developing countries that suffer the most from the current climate crisis. Therefore, we have been keen to call the COP27 Conference: "Implementation Summit", which is the goal that all our efforts and endeavours must centre around.

Despite all the challenges that we have faced and still face, as well as all the factors, which I know, cast shadow on our ability to reach the Paris Agreement goals and to protect our planet from a future in which temperature increase reaches 2.5° C and 3° C, there is evidence that make us hold on to hope in humanity's ability to make a better future for generations to come. Generations that must not bear the consequences of mistakes they have not made. People who have become more aware and knowledgeable of the scale of the challenges and the requirements to address them, and the high price of inaction. There is also hope in governments that know what they need to do and seek to do that according to their capabilities and hope in a global business sector and civil society that own the tools that qualify them to play important roles within this framework.

In Egypt, we have set ambitious goals expressed in Egypt's National Strategy to Address Climate Change. We are working diligently to accelerate the pace of green transformation by expanding reliance on renewable energy and clean

transport. We have taken concrete steps towards the structural transformation of bills, legislation and government working mechanisms so as to contribute to the promotion of green investments.

Egypt's Country Platform for the Nexus of Water, Food and Energy projects (NWFE) that the country has recently launched is an embodiment of this ambition and trend. Egypt's transition towards a low-emission green economy in all areas is a practical demonstration for the need for effective implementation on the ground and is a good example that hope still exists to overcome the challenges imposed by climate change, if there is will and determination.

If we truly want to walk into a future where we ensure that temperatures remain below 2 °C and if we are truly determined to create a future for all by all, it is my duty to honestly share a few concerns that we should not overlook. Our ability as an international community to move ahead in a unified and coordinated manner to implement our commitments and pledges in accordance with the Paris Agreement is contingent on the level of trust we are able to build among us.

It is, therefore, necessary for developing countries, especially in our African continent, to feel that their priorities are addressed and taken into consideration. These countries bear their responsibilities, to the best of their abilities and the amount of appropriate support and finance, in accordance with the principle of common but differentiated responsibilities, granting them some satisfaction with their position on global efforts to combat climate change.

This will only materialise by building mutual trust to motivate and support more constructive work. Also, it will not materialise without developed countries taking additional serious steps to fulfil the pledges they have taken upon themselves to finance and support adaptation efforts and address the losses and damages resulting from climate change in developing and the least developed countries. This shall take place in a manner that ensures the formulation of practical tracks to achieve a balanced transition towards a green economy and takes into account the special circumstances and conditions of these countries.

When the world convened at COP27 in Sharm El-Sheikh, this was a confirmation of the attention we all accord to climate change action, which I hope will reflect on the alignment of countries' positions with the title of the summit: Implementation.

I suggest more nationally determined contributions, raising the ambition of your strategies to reduce emissions, launching ambitious and effective initiatives that gather proactive actors around clear goals with regard to adaptation and financing, following-up on the implementation of previously launched initiatives and joining the new ones, which Egypt launched during the conference.

The hope I share with you is not merely wishful, but rather one driven by the ability to work and act. Many of our countries have been able, over the past year, to provide bright examples of this work and this ability, advancing forward with the implementation of their commitments, despite all difficulties.

From here, I call on you to follow these models and not allow any factors to undermine our resolve and ability to combat the challenge of climate change, which will not recede nor stop without our intervention.

Time is pressing and the end of this decade is a few years away. We have to make the best of these years to win this battle in a way that we want and are satisfied with.

Now is the time for action and implementation. There is no room to retreat or use challenges as pretexts to justify that. Missing the opportunity means squandering the legacy of future generations; our children and grandchildren.

I have confidence in your wisdom, in your understanding of this crucial moment in the life of our planet. I know that we all measure up to the responsibility entrusted to us. Let us now move together towards implementation and nothing but implementation.

# FOREWORD

#### **FOREWORD**

For more than three years, multilateralism was put to the test with massive and successive global shocks including COVID-19 pandemic, the war in Ukraine and climate change.

In these times of rapid change, consecutive challenges, and shifting global priorities, the world has reached a critical juncture, where balancing priorities has become more complex and solutions require more innovative approaches.

We applaud the spirit of solidarity that brought together different stakeholders around the world since 2020 which demonstrated once and again that multilateralism is still alive. Meanwhile, we recognize that scaling up action that can drive measurable change and foster resilience requires revitalizing effective international cooperation that is more integrated and better financed.

With firm conviction that sustainable and low carbon development pathway is only attainable through inclusive partnerships, we at the Ministry of International Cooperation, work diligently to strengthen cooperation with all stakeholders including, bilateral and multilateral development partners, private sector, think tanks and philanthropies.

Our aim is to push forward our common development agenda, whilst building resilience to shocks through leveraging synergies, enhancing policy coherence, and promoting alignment with national objectives and sustainable development goals (SDGs) at all levels.

With our international partners, we work together with the spirits of unity to create

an enabling environment for renewed multilateralism anchored in the principles of equity, transparency, and mutual accountability.

The year 2022 represented an important milestone for climate action, with Egypt hosting COP27 as the 'Implementation COP'. It laid the foundation for a more robust climate finance system and called upon the international community to push forward a transformative agenda that accounts for developing countries' development priorities and ensures equitable access to financial and technical resources.

The 2022 Annual Report presents a vibrant collage of yearlong activities unveiling the narratives of global partnerships for climate action, innovative developments across sectors, just financing all while emphasizing ownership through inclusive country platform

Through deploying the three principles of economic Diplomacy, namely: organizing Multi-Stakeholder Platforms, mapping Official Development Assistance (ODA) to SDGs and pushing forward the Global Partnerships' Narrative that puts People at the Core, Projects in Action and Purpose as the Driver, we managed to accelerate green, inclusive and sustainable development.

In 2022, the Ministry of International Cooperation secured a total of \$13.7 billion in development financing to support Egypt's development objectives. This includes \$11.1 billion directed to sovereign projects within various economic and social activities in agriculture, transport, energy, environment, housing, and education among other sectors; and \$2.6 billion for the private sector; each

of which are detailed within the report.

#### A Brief of the Year

This year witnessed on-ground implementation of country commitments, such as the National Climate Change Strategy (NCCS) for 2050 on a local level and the breakthrough agreement on Loss and Damage for countries in need during COP27.

Following the endorsement of Egypt's National Climate Change Strategy 2050 and the corresponding country's NDC, we identified a set of high priority projects for adaptation and mitigation that are aligned with the national and international climate agenda and launched Egypt's country platform for the Nexus of Water, Food and Energy NWFE . أَنُوْفُ

Leveraging Egypt's Partnerships with diverse stakeholders, the Ministry of International Cooperation led efforts to mobilize finance, avail technical assistance and catalyze private investments through innovative financing modalities including blended finance and debt-for-climate swap under the NWFE وَنُوْفُ program, thus presenting a practical demonstration for country ownership that can be replicated in other regions worldwide to strengthen climate action.

Moreover, during the Finance Day at COP27, we launched the Sharm El-Sheikh Guidebook for Just Financing that was a product of widescale inclusive consultation with more than 100 stakeholders. The Guidebook emphasizes the need to scale-up investments towards climate adaptation and mitigation projects, while highlighting the importance of improved access to quality and quantity

climate financing that leaves no one behind through a variety of mechanisms and tools to promote just financing.

It contributes to filling the information gap for both national governments and investors to reduce the risk and uncertainty associated with climate investments, while identifying key barriers to private investments and proposing solutions to overcome them.

The Guidebook concludes with an actionable agenda for each stakeholder that lists the roles they could play to achieve just financing outcomes and maximize the effectiveness and efficiency of existing climate finance architecture.

One main highlight of 2022 was also the second edition of the Egypt – International Cooperation Forum (Egypt – ICF) and the Meeting of the African Ministers of Finance, held under the patronage and with the participation of H.E. President Abdel-Fattah El-Sisi, President of the Arab Republic of Egypt. This year's Forum was a launchpad to COP27 as it was organized 60 days ahead. It thus hosted constructive discussions on financing adaptation and mitigation, enhancing access to finance and strengthening the role of philanthropies and private sector in climate action and sustainable development.

In light of the achievements of the year, I would also like to take this opportunity to recognize each member of the Ministry of International Cooperation family for their unwavering commitment, dedication and diligence.



I also extend my appreciation to all our development partners and various stakeholders, as together we have set an example of how multilateralism can be effective and transformative.

To describe the year as challenging would be an understatement, but we have been able to reach new highs with distinguished new partnerships, analytical work, and innovative financing modalities.

This year opened horizons for new partnerships, increased the scope for innovative projects and helped us work together to strengthen international cooperation.

I look forward to continuing our impactful engagement in 2023.

Together, we are going from pledges to implementation.

!Together نُوَفِّي Together لُوَفِّي

H.E. Dr. Rania A. Al-Mashat

Egypt's Minister of International Cooperation

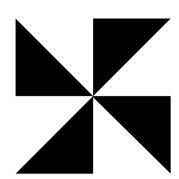
Introduction

## GOVERNANCE IN A CHANGING GLOBAL CONTEXT

From Pledges To Implementation in the Ever-Changing Economy

# THE YEAR 2022 HAS UNDOUBTEDLY BEEN CHALLENGING.





In recent years, climate change has emerged at the forefront of every country's development agenda as its consequences seep into all aspects of the socioeconomic sphere. The world now has reached a critical juncture, facing cumulative challenges — from the COVID-19 pandemic and its aftermath to climate change, its impact on the environment, and the Russian-Ukrainian war and its effect on economies and food and energy security.

Needless to say, balancing priorities has become more complex and requires more innovative approaches.

In the past 12 months, given various global issues, collective action and multilateralism cannot be emphasized enough. We witnessed the true power of partnerships, proving that a multi-stakeholder approach to development is the most effective way to build back better.

Streamlining efforts for the green transition through the establishment of country strategies, the Ministry of International Cooperation set out to collaborate with all development partners

and stakeholders, as well as national entities, all in line with national objectives.

This year included both preparatory meetings, development across sectors to ensure an eco-friendly approach, and global highlevel panel discussions ahead of Egypt hosting COP27 in Sharm El-Sheikh.

Moreover, the focus of the work this year has been centered around green, inclusive and resilient recovery, intertwining both national climate and

development objectives that incorporate food and energy security at the forefront.

This includes the launch of the Egypt Country Platform for the NWFE نُوقَيُ Program, the nexus of water, food and energy projects, the launch of the Sharm El-Sheikh Guidebook for Just Financing, and hosting the second edition of the Egypt - International Cooperation Forum, under the patronage of H.E. President Abdel Fattah El-Sisi; more of each will be detailed in the coming chapters.



Introduction

International Partnerships For Sustainable Development



In 2022, the Ministry of International Cooperation secured a total of









\$13.72 BILLION

OF DEVELOPMENT FINANCING DEDICATED TO VARIOUS ECONOMIC SECTORS IN LINE WITH EGYPT'S VISION 2030.

This includes

\$11.1 BILLION

DIRECTED TO PUBLIC SECTOR DEVELOPMENT.

This includes

\$2.6 BILLION

DIRECTED TO PRIVATE SECTOR DEVELOPMENT.

Total ODA Directed to Finance Public and Private Sector Development in 2022

SECTOR AMOUNT (in USD million)

Total ODA Finance directed to public sector development 11106

Total ODA Finance directed to private sector development 2616

TOTAL 13,722



































#### Total ODA directed to Finance Public Sector Development through Multilateral and Bilateral Development Partners in 2022

	SECTOR	AMOUNT (in USD million)	DEVELOPMENT PARTNER	SDGS
	Budget Support	1818	WB, AIIB, Japan, AFDB	3 materia. 7
<u>本本</u> <u>Q</u> D	Agriculture, Supply and Irrigation	137	Germany, USA, IFAD,EU	5
	Transport	2553	EIB, WB, Spain, AFD, Korea, EBRD	9 manager 11 manager ABA
- (3)	Energy, Renewable Energy and Petroleum	31	AFD, Germany, SIBA	7 manuar 12 manuar 13 mm 15 mm
	Environment	38	USAID, Germany, AFD	6 minus. 9 minus 11 minus 16 minus 16 minus 14 m
	Housing and Utilities	184	AFD, Germany, EU, EIB	Garage Parameter 11 annual American
	Education	161	USAID, Germany, Japan	4 min 5 min 8 maran 9 maranta 10 min (\$\display \)
å	Governance	85	USAID, Germany	16 (20 cm) 77 (20 cm) 17 (20 cm) 18 (20 cm) 19 (20 cm)
	MSMEs	3	EU, AFD	8 months 9 months 6
₽"	Gender & Social Protection	1	AFD, Spain	1 1 5 107. 8 1000 10 10 10 10 10 10 10 10 10 10 10 1
	Trade and Industry	13	Germany	8 marrier 9 marrier 12
C.	Health	20	USAID	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
	Framework Agreements	6063	ITFC, China	7 : 11 : 11 : 12 : 12 : 13 : 13 : 13 : 13

**TOTAL** 

11,106

Total amount of signed ODA finance USD 7467 Million
Total amount of ODA finance pending final signature USD 1238 Million

18

#### Ä

The Ministry of International Cooperation secured development financing agreements in 2022 with a total of

\$2.6 BILLION

through direct financing to private sector companies as well credit lines to commercial banks for the financing of SMEs.

Addressing SDG 8: Decent Work and Economic Growth and SDG 9: Industry, Innovation and Infrastructure,



this amount was secured through partnerships with:



















#### Total ODA directed to Finance Private Sector Development through Multilateral and Bilateral Development Partners in 2021

DEVELOPMENT PARTNER	AMOUNT (in USD million)
African Development Bank	21.5
European Bank for Reconstruction and Development	558
Credit Line between JICA and Mitsubishi Financial Group	200
OPEC Fund for International Development	1210
French Development Agency	159
European Union	15
International Finance Cooperation	233
World Bank Group	50
European Investment Bank	170
TOTAL	2,616

While the world is being faced with successive challenges, our answer to navigating the road ahead is multilateralism; mitigating effects on the economy and pushing development, despite differences.



"At the present time, the world is being faced with unprecedented and successive challenges, ranging from geopolitical issues to post-pandemic recovery and climate change. However, the core of multilateralism is not for us to be on the same page all the time, but to rather work together despite our differences and navigate the road ahead." Minister of International Cooperation," H.E. Dr. Rania A. Al-Mashat.

# THIS PAST YEAR HAS PRESENTED:



1.

The urgency of ensuring food and energy security given geopolitical challenges.

**2**.

A need for a commitment to implementing an actionable and achievable climate agenda.

3.

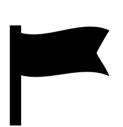
The importance of private sector engagement and collaboration with philanthropic organizations.

4.

Putting plans into action by multiplying financial resources and achieving distributional justice across regions.

**5**.

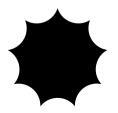
The role of country platforms in implementing development initiatives that contribute to the global agenda.













The work of the Ministry of International Cooperation is in line with the Egypt Vision 2030 and all national strategies. Thus the country's vision is the driving force behind setting country strategies and partnerships with the many development partners, the work of which will be broken down into the coming chapter, covering the year 2022.

# THE EGYPT VISION 2030

is a long-term strategic plan to achieve the principles and goals of sustainable development, in line with the UN Sustainable Development Goals (SDGs) and the Egypt Government Action Plan (2023- 2027).

In line with this, the Ministry of International Cooperation's role clearly defines the importance of sustainable, inclusive development, innovative financing, efficient and effective monitoring of development projects, and continuous cooperation with development partners and all stakeholders.

- Developing and strengthening the economic cooperation between the Arab Republic of Egypt and other countries, as well as international and regional organizations.
- Proposing the criteria for obtaining external financing, both funds and grants.
- Following up and monitoring ministries and national agencies that benefit from foreign financing within the framework of the general economic policy of the country to ensure the achievement of economic development goals.
- Managing Egypt's economic relations with international organizations of economic cooperation, international financial institutions and specialized agencies of the UN.

towards sustainable

through effective

partnerships, the

Cooperation puts

and this has been

Partnership for

Ministry of International

forth the principles of Economic Diplomacy,

shaped by the "Global

Effective Development Cooperation" (GPEDC)

through the principles:

development



Alignment of development partners' interventions with countries' national development agendas and priorities, and use of available country systems.

Focus on Results Use of countries' results frameworks and monitoring and evaluation systems for achieving measurable results.

Inclusive Partnership Engagement of civil society and the private sector in development activities through Official Development Assistance (ODA) projects.

Transparency & Mutual Accountability Accessibility to development cooperation information is a shared responsibility by all stakeholders.













Briefly, on the Ministry's Economic Diplomacy, we are coordinating with all international financing institutions and multilateral development banks through a framework for international cooperation that consists of three principles:

Multi-stakeholder platforms for streamlining projects with relevant stakeholders.

ODA-SDG mapping to ensure transparency and identify funding gaps, which has revealed that the Ministry of International Cooperation's ongoing development cooperation portfolio includes 352 projects worth \$22.7 billion in various sectors, prioritizing an inclusive, green and digital economy.

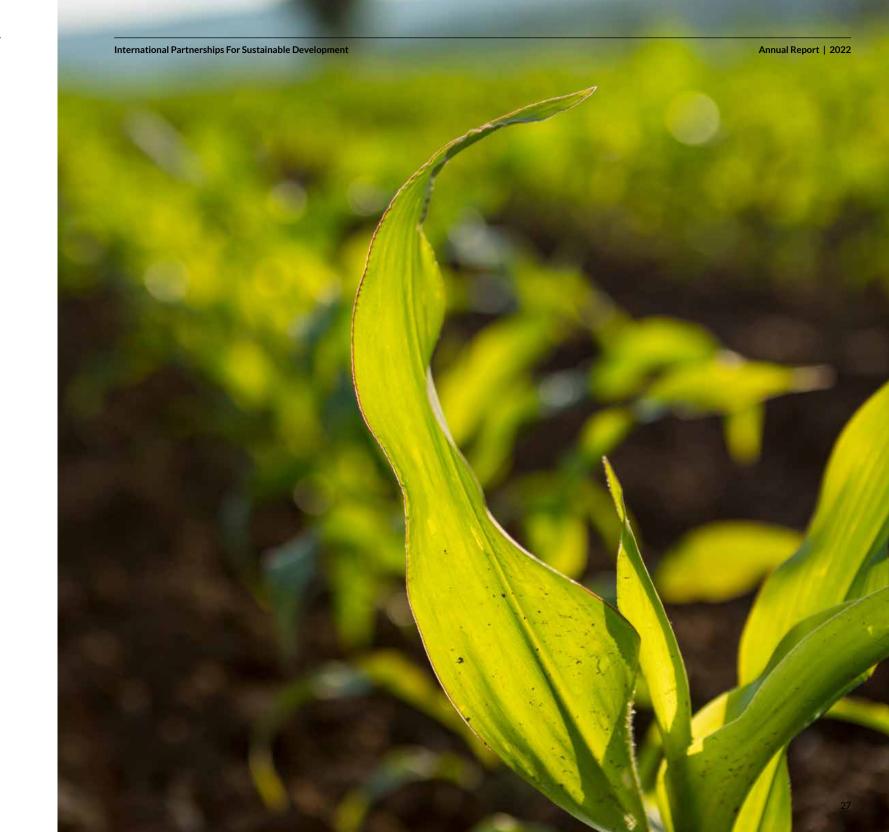
A Global Partnerships Narrative to document success stories, creating clear and transparent communication between all stakeholders.

Through this framework, the Ministry aims to:

Maximize socio-economic returns from ODA.

Ensure the alignment of development interventions with national objectives as well as with the SDGs.

Enhance the management of development cooperation for better implementation of development projects within Egypt.



Introduction

### The global conversations have been loud and clear, revolving around climate action, clean energy, food security and economic resilience.

Advancing the climate agenda hinges on not only inclusive dialogue and partnerships, but also the delivery of tangible results on the ground. This means enhancing equitable access to climate finance and paving a green pathway that promotes carbon-neutral investments, green jobs, and reduced pollution to achieve sustainable development.

The first Intergovernmental Panel on Climate Change (IPCC) Working Group report showed that global warming has already reached 1.1°C and could reach 1.5°C well before 2040. Even with less than 2°C of warming, some key risks are expected to result in widespread, invasive and potentially irreversible impacts, particularly in the case of high exposure and insufficient adaptation. Either way, risks associated with warming will inevitably increase in the short term. The observed impacts, projected risks, current trends in vulnerability and the limits of adaptation show that there is a more vital need for action on climate-resilient development than previously assessed.

Hence, Global Greenhouse Gas emissions (GHG) must be reduced by almost 50% by 2030 and by 80% by 2040 compared to 2019 to limit the rise in temperature to 1.5°C. Nevertheless, the distribution of GHG emissions continues to vary unequally, both geographically and socially.

For example, the 10% of households with the highest per capita emissions in developed countries contribute 34-45% of overall household greenhouse gas emissions, while the African continent as a whole contributes less than 5%. There is a need for more just financing to support Africa's sustainable development agenda, especially given the COVID-19 pandemic and Russian-Ukrainian war.

Climate Action further increases the cost of development for developing and transition economies. African countries have proposed ambitious Nationally Determined Contributions (NDCs), requiring around \$2.46 billion, as per the UNFCCC and close to \$3 trillion, according to the African Development Bank (AfDB), to implement and necessitate significant, accessible and predictable inflows of climate financing. As COP27 presidents, Egypt is committed to delivering results that allow African countries to upscale their capacity to mobilize climate finance and also consider ways to catalyze additional finance, including through innovative instruments and ideas focusing on flows of highly concessional finance.

To that end, there is a need for international cooperation more than ever, putting climate action and development as a priority on a national level to be reflected on a global scale.





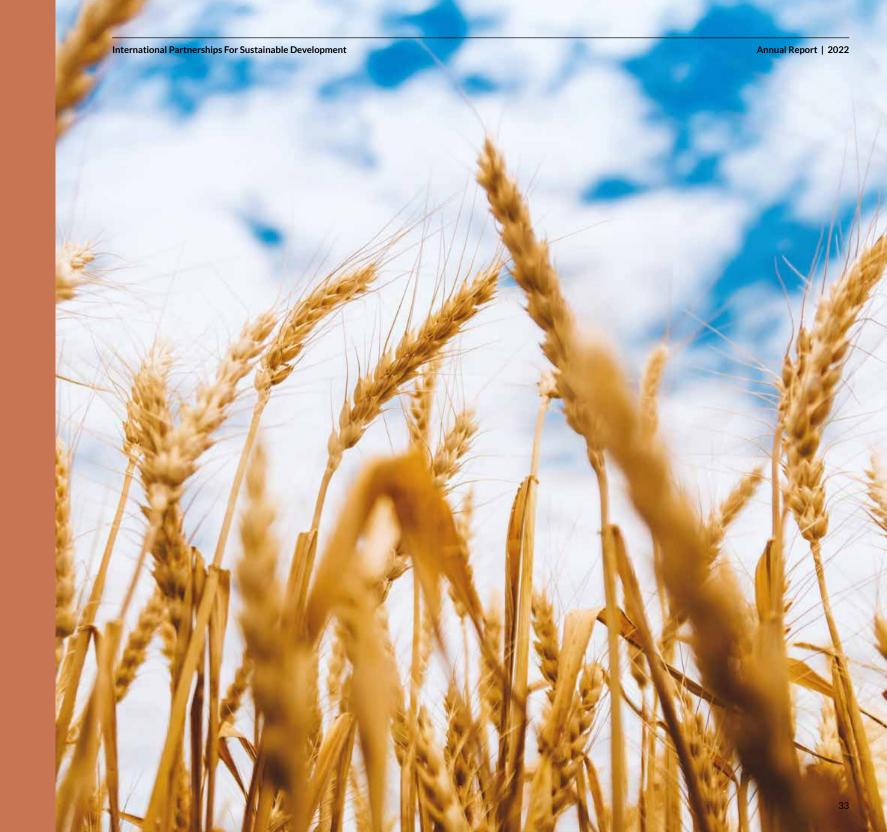
Swift Responses for Urgent Needs:

# RECOVERY & RESILIENCE



**Chapter 1** 

# FOOD SECURITY AT THE FOREFRONT



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#### NAVIGATING UNFORESEN CHALLENGES WITH INCLUSIVE PARTNERSHIPS

One of the main challenges, and most urgent matters of 2022 was that of food security, especially due to the Russian-Ukrainian war.

Given that both are major exporters of food commodities to developing and emerging countries, the Russian-Ukrainian crisis has had a major impact on food security in the world, also creating a decline in global efforts to recover from the COVID-19 pandemic and disrupting global supply chains.

Supporting the country during these challenges, the Government of Egypt is committed to efforts to enhance food security and develop solutions, providing basic commodities and wheat imports from other countries, noting that the state has, over the past years, increased agricultural production thus, securing a strategic stock of basic commodities.

In line with Egypt's food security plans, the Ministry of International Cooperation secured several development financing agreements with development partners to support national objectives.

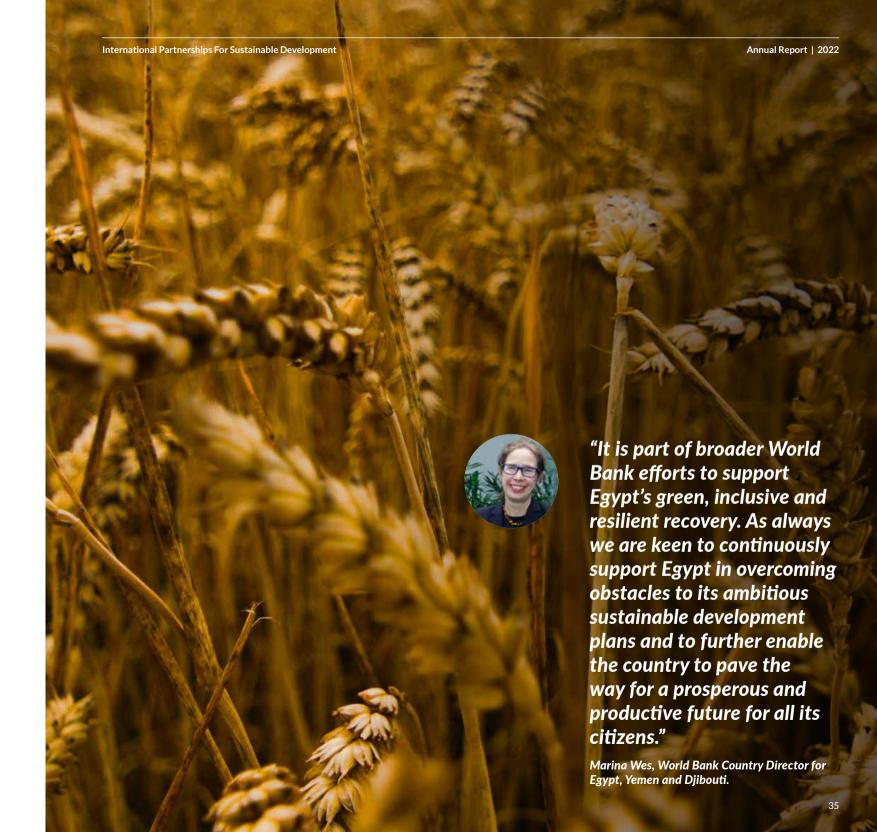
This includes a \$500 million development financing agreement with the World Bank Group (WBG) to enhance the resilience of Egypt's agriculture sector and a \$271 million agreement with the African Development Bank Group (AfDB) in support of "Egypt's Food Security and Economic Resilience Support Program".

The agreements come on the back of the government policy reforms that have been implemented to bolster the country's longer-term food security strategy. This includes expanding climate-resilient wheat silos, enhancing agricultural productivity and sustainability, and ensuring resilience.

The WBG's "Emergency Food Security and Resilience Support Project" cushions the impact of the Russian-Ukrainian war on food and nutrition security in Egypt, supporting low-income citizens and supporting the country's efforts in reducing waste and loss in the wheat supply chain via climateresilient wheat silos. This agreement also comes as part of the WBG's announcement in the 2022 Spring Meetings to curb the impact of the war.

The project will finance the public procurement of imported wheat, equivalent to one month of supply for the Bread Subsidy Program, which supports around 70 million low-income Egyptians. The project will also support national efforts to reduce waste and loss in the wheat supply chain through the upgrade and expansion of climate-resilient wheat silos, sustainably improve domestic cereal production, and strengthen Egypt's preparedness and resilience to future shocks.

The new financing also supports Egypt by mobilizing immediate short-term relief to address supply and price shocks while simultaneously bolstering Egypt's longer-term food security strategy and improved nutrition for those in-need.



"This project supports the government's strong commitment to ensuring that the needs of citizens continue to be met even amid a very challenging global context caused by concomitant crises such as COVID-19 and the war in Ukraine...In addition to ensuring sustained food security, this project supports national climate efforts by increasing agricultural resilience."

H.E. Dr. Rania A. Al-Mashat.

Also in the same line of agreements, the AfDB approved \$271 million dedicated to Egypt's Food Security and Economic Resilience Support Program, which includes two major components: Support for the Food Security Response and Build Private Sector and Fiscal Resilience.

"This new operation integrates emergency measures as well as structural measures. Its objectives: strengthen food security and improve the resilience of the private sector and public finances".

Mohamed El Azizi, African Development Bank Director General for North Africa.

"With food security quickly becoming a global challenge, international partnerships are needed to curb the impact of successive global crises, ensuring self-sufficiency and resilience. Egypt's Food Security Response and Economic Resilience Support Program with the African Development Bank comes on the back of the government policy reforms that have been implemented to enhance agricultural productivity and sustainability, mitigate food security risks on vulnerable populations, enhance private sector resilience, and strengthen fiscal resilience and transparency."

H.E. Dr. Rania A. Al-Masha

The **first component** seeks to increase national agricultural productivity and mitigate food security risks for people in vulnerable situations. The program will support broad-based growth by increasing agricultural productivity and sustainability by setting additional incentives to encourage local farmers to grow wheat and increasing their share of subsidized fertilizers.

The **second component** will help enhance Egypt's private sector and fiscal resilience as a resilient private sector can be instrumental in reducing the economic and social impacts of the exogenous shocks.

Also in 2022, and during the **47th Annual Meetings of the Islamic Development Bank Group (IsDB) in Sharm El-Sheikh**, and in the presence of our Prime Minister H.E. Dr. Mostafa Madbouly, a **\$6 billion agreement** was signed with the Ministry of International Cooperation to renew a five-year framework agreement, the largest in terms of dollar amounts, to extend the Framework Agreement signed in 2018 to meet Egypt's food and energy needs.



#### Total ODA Directed to Finance Agriculture, Supply and Irrigation in 2022



SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
AGRICULTURE, SUPPLY AND IRRIGATION	137		
Sustainable Transformation for Agricultural Resilience $(STAR)^1$	65	Grant/Loan	IFAD
Nile Delta Water Management Program <sup>2</sup>	7	Grant	Germany
The European Union's Joint Rural Development Program in Egypt <sup>2</sup>	32	Grant	EU
Agribusiness for Rural Development and Increasing Incomes (ARDII) Seventh Amendment <sup>1</sup>	12	Grant	USA
Joint Integrated Sector Approach-JISA <sup>2</sup>	21	Loan / Grant	Germany

1: Signed in 2022.

2: Declared Effective in 2022

# Section 1 International Partnerships For Sustainable Development

### Moreover in 2022, the Ministry of International Cooperation secured \$137 million in the agriculture, supply and irrigation sectors.

Based on the development finance table above, this year has seen resilience within the agriculture sector as a whole with various projects including the "Sustainable Transformation for Agricultural Resilience in Upper Egypt" with the International Fund for Agricultural Development (IFAD) to contribute to better livelihoods for small farmers and vulnerable women and youth in rural areas of Upper Egypt; enhancing income and resilience.

#### Implemented in 3 governorates: Minya, Assuit and Sohag, the STAR program has 3 main components:

- 1) Strengthening rural institutions, enterprises and markets.
- 2) Improvement of smallholder productivity and resilience.
- 3) Programme management and policy engagement.

Another key project highlighted in the financing table is the European Union's Joint Rural Development Program in Egypt which is a flagship initiative of the European Union in co-operation with Italy and our Egypt. As agriculture is a key component of the economic sector, promoting a sustainable development of rural areas is fundamental.

This project strengthens agricultural infrastructures and the capacities of existing active rural associations, co-operatives and unions of producers working in sectors of interest, in terms of the sustainable management of local resources. As such, it will support the socio-economic development of the rural beneficiaries in the target areas, which are among the most vulnerable populations of Egypt.

Additionally, another key agriculture project is the Agribusiness for Rural Development and Increasing Incomes which aims to increase agricultural productivity and raise farmers' incomes to become more self-reliant. It enables farmers to purchase land, improve farm management techniques and have access to financial services.

Chapter 1

# THE FOOD SECURITY SYMPOSIUM

This year, the Ministry of International Cooperation and World Food Programme (WFP) also hosted the inaugural Food Security Symposium, a 2-day event that brought together key stakeholders to work out solutions for the intertwined threats of food security and climate. This featured the WFP's CFO Manoj Juneja, Country Director Praveen Agrawal, and Corrine Fleischer.



"We are committed to working towards enhancing partnerships with all our development partners to mitigate the global food security challenges, ensuring the needs of citizens and their livelihoods." H.E. Dr. Rania A. Al-Mashat.



"Our agenda is full of solutions that have been implemented to mitigate the impact of climate change and reduce food security." Deputy Executive Director and Chief Financial Officer of the World Food Programme (WFP) Manoj Juneja.



"Our responsibility is not only to save lives, but also to change them." Egypt's World Food Programme Country Director Praveen Agrawal.

In this context, and understanding the urgency of acting on food security, the Ministry of International Cooperation worked with several development partners, ensuring secured financing that would support this sector.





#### Within Takaful & Karama

To expand and strengthen Egypt's flagship Social Safety Net Program, also known as Takaful and Karama, the WBG announced \$500 million in financing.

The financing marks a third phase of collaboration between the Bank and the Government of Egypt to support the establishment of an efficient and effective cash transfer program, supporting beneficiaries and generating sustainable incomes.

#### The new financing aims to:

- Expand the program's coverage.
- Enhance the program's social registry by making it more adaptive to respond to emergencies, including climate-related shocks.
- Enhance access of the poor and vulnerable to economic inclusion opportunities, paving the way for more sustainable livelihoods that do not depend on cash transfers.



"The new financing agreement builds on the success of the first and second phases of Egypt's Takaful and Karama program and initiates its third phase of cooperation. The timing of the program is particularly important as the Government is expanding social safety nets to mitigate the repercussions of exogenous price shocks by enhancing cash transfers, strengthening institutional capacities and providing technical support. The ongoing collaboration with the **World Bank continues to support** the country in maintaining and enhancing positive human capital outcomes." H.E. Dr. Rania A. Al-Mashat.



"Takaful and Karama is Egypt's main social safety net program that supports social justice policies, and promotes inclusion of the country's most poor and vulnerable households including families with school age children, elderly, orphans and people with disabilities...This new financing continues our collaboration with the World Bank on this very important program, and will help support government efforts to build an integrated, adaptive and shock responsive social protection system, in view of the challenging global context."

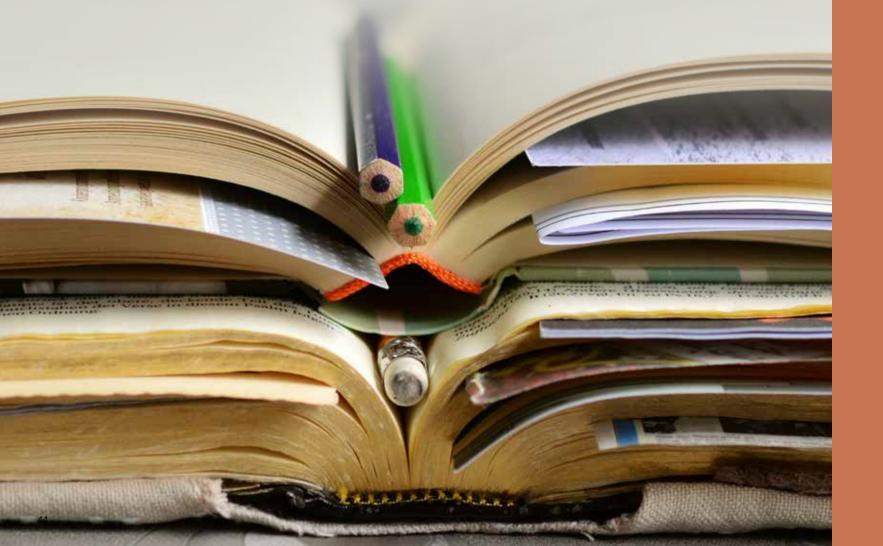
H.E. Dr. Nivine El Kabbag, Egypt's Minister of Social Solidarity.



International Partnerships For Sustainable Development

Ensuring better living conditions is the cornerstone of development in any country, and a main factor when negotiating for development finance with development partners. This includes youth, women and people with disabilities.

More is detailed on youth and women in section 3, but within the Takaful and Karama theme and scope of work, the Ministry of International Cooperation secured \$161 million in the education sector, \$20 million in the health sector, and \$38 million in the environment sector.





#### Total ODA Directed to Finance Public Sector through Multilateral and Bilateral Development Partners in 2022



SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
EDUCATION	161		
Technical Support for the Comprehensive Technical Education Initiative -TSTI <sup>2</sup>	25	Grant	Germany
Basic Education II -Sixth Amendment <sup>1</sup>	8	Grant	USA
Technical Cooperation Project to Support the Teaching of the French Language in Egypt Government Schools $^{\rm 1}$	1	Grant	AFD
Rehabilitation of Vocational Schools <sup>2</sup>	14	Grant	Germany
Financial support for the Comprehensive Technical Education Initiative-FCTI $^{\mathrm{2}}$	32	Grant	Germany
Financial support for the Comprehensive Technical Education Initiative –FCTI $^{\mathrm{1}}$	39	Grant	Germany
Strengthening of Metrology for the Competitiveness In the Egyptian Economy $^{\rm 2}$	1	Grant	Germany
Construction of outpatient Facility at Cairo University Specialized Pediatric Hospital <sup>2</sup>	1	Grant	Japan
The U.SEgypt Higher Education Initiative <sup>1</sup>	40	Grant	USA

1: Signed in 2022.

2: Declared Effective in 2022



#### Total ODA Directed to Finance Public Sector through Multilateral and Bilateral Development Partners in 2022

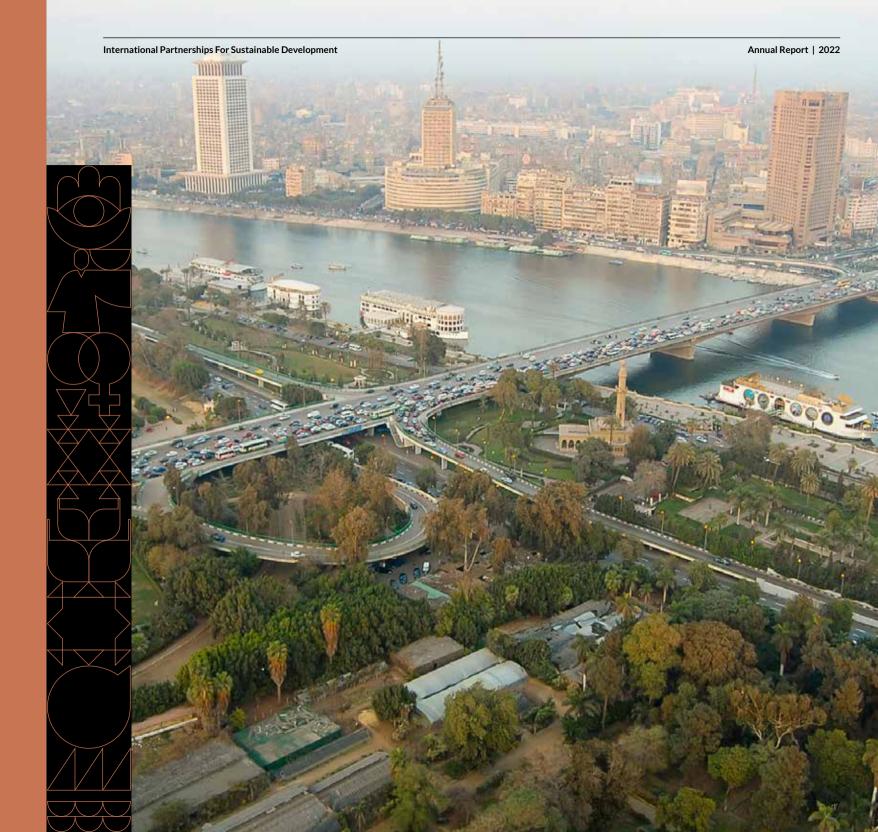


SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
HEALTH	20		
Health Outcomes for Target Populations Improved-Fifth Amendment $^{\mathrm{1}}$	13	Grant	USA
Support urgent needs in response to COVID-19 <sup>1</sup>	7	Grant	USA

1: Signed in 2022.

**Chapter 2** 

# A YEAR OF IMPLEMENTATION: HIGHLIGHTS ACROSS SECTORS



# ROAD TO COP27: PAVING THE WAY FOR SUSTAINABLE DEVELOPMENT



"Despite differences, addressing current climate change is a subject that unites the global community on every level. With Egypt's presidency of COP27 our position is impartial, as we aim to go from verbal commitments to onground implementation."

Minister of International Cooperation, H.E. Dr. Rania A. Al-Mashat.





Over the years, a number of global declarations and commitments have been made on urgent climate action, citing buzzwords and trendy terminology. But this year, and as a continuation of the successes and pledges witnessed at COP26 in Glasgow, the world has realigned and shifted its focus towards collaborative action in solving our most common, and pressing problem: climate change.

Going into COP26, the world's main objectives were centered around securing a global net zero and keeping the 1.5 degrees within reach, encouraging adaptation and mitigation efforts on a global scale, mobilizing finance, and working cooperatively to deliver on climate pledges.

With commitments made, we entered COP27 in Sharm El-Sheikh with our key objective being the move from pledges to implementation among which the main messages were that:

- Global climate financing is significantly lower than needed and is also unevenly distributed, with Africa receiving less than 5.5%.
- Innovative and collaborative financing models are required to finance urgent climate action, particularly in developing and emerging markets where it is needed most.

After two weeks in Sharm El-Sheikh, where the world convened, the COP27 closed with a breakthrough agreement to provide "loss and damage" funding for vulnerable countries hit hard by climate disasters.



"This outcome moves us forward...We have determined a way forward on a decades-long conversation on funding for loss and damage – deliberating over how we address the impacts on communities whose lives and livelihoods have been ruined by the very worst impacts of climate change." The UN Climate Change Executive

Secretary, Simon Stiell.

#### Interconnected Projects for Interconnected Progress

In 2022 specifically, the Ministry of International Cooperation secured development finance in priority sectors that cover the green transition exclusively with \$184 million in the housing, utilities and local development Sector; \$1.8 billion in the budget support sector; \$2.5 billion in the transport sector; \$31 million in the energy and renewable energy sector; \$137 million in the agricultural, supply and irrigation sector; and \$38 million in the environment sector. More of the details on the development finance can be found in the coming section and in the appendix.

International Partnerships For Sustainable Development

#### Valuing Water, Valuing Livelihoods

Zooming in on the water, this sector has seen massive developments in Egypt across the years, and is a main feature in improving the livelihoods of people.

In 2022, the Ministry of International Cooperation secured \$184 million in the housing, utilities and local development sector, featuring a variety of water development projects and \$31 million in the renewable energy, as well as \$38 million in the environment; all of which are intertwined across sectors, serving the main purpose of supporting the country's green transition.

#### Total ODA Directed to Finance Public Sector through Multilateral and Bilateral Development Partners in 2022



SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
ENERGY, RENEWABLE ENERGY AND PETROLEUM	31		
Rehabilitation of hydroelectric stations in Aswan Governorate - Phase II $^{\mathrm{2}}$	29	Loan	Germany
Egyptian - Swedish Collaboration for Improved Electricity Grid Stability and Efficiency <sup>2</sup>	1	Grant	SIDA
Memorandum of Understanding regarding strategic technical cooperation between Egypt and France to develop the green hydrogen sector in Egypt <sup>1</sup>	1	Grant	AFD

1: Signed in 2022.

2: Declared Effective in 2022



#### Total ODA Directed to Finance Public Sector through Multilateral and Bilateral Development Partners in 2022



SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
HOUSING, UTILITIES AND LOCAL DEVELOPMENT	184		
The Helwan Wastewater Treatment project <sup>1</sup>	88	Loan	EIB
The Helwan Wastewater Treatment project <sup>1</sup>	57	Loan	AFD
The Helwan Wastewater Treatment project <sup>1</sup>	27	Grant	EU
Nile Delta Water Management Program <sup>2</sup>	6	Grant	Germany
Urban Transportation and bus Rapid Transit (BRT) $^{ m 2}$	1	Grant	SIDA
Participatory Infrastructure Project <sup>2</sup>	2	Grant	Germany
Capacity building by developing Infrastructure works in areas affected by illegal immigration <sup>2</sup>	2	Grant	Germany

1: Signed in 2022.

2: Declared Effective in 2022

#### Total ODA Directed to Finance Public Sector through Multilateral and Bilateral Development Partners in 2022



SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
ENVIRONMENT	38		
Transforming Financial Systems for Climate (TFSC) in Egypt $^{\mathrm{1}}$	1	Loan	AFD
Climate Initiative Agreement <sup>1</sup>	15	Grant	USA
National Solid Waste Management Program (NSWMP) <sup>1</sup>	21	Grant	Germany

1: Signed in 2022.

52

This year, H.E. Dr. Rania A. Al-Mashat visited several water-based projects in the Governorate of Assiut that play a key role in Egypt's green transformation. These visits took place alongside the Major General Essam Saad, the Governor of Assiut, several representatives from development partners, including the Dutch Ambassador to Egypt Han-Maurits Schaapveld.

#### 1) The New Assiut Barrage

- This project serves over 24 million people and provides over 6,800 job opportunities.
- The project also addresses several of the Sustainable Development Goals, including; SDG 1: No Poverty, SDG 2: Zero Hunger, SDG 6: Clean Water and Sanitation, SDG 8: Decent Work and Economic Growth, and SDG 13: Climate Action.

Promoting climate-smart infrastructure in Assiut through international partnerships, the Minister visited the New Assiut Barrage project, which was completed last year in cooperation with Germany, covering an area of 650 thousand feddans.

The New Assiut Barrage Project was completed and inaugurated by H.E. President Abdel Fattah El-Sisi last year. This project included development financing via the KfW Development Bank worth €218.5, including a €2.4 million grant, to support the irrigation system, maintain and improve rural and agricultural development in Upper Egypt, and to provide over 6,800 job opportunities.

Moreover, the New Assiut Barrage Project is the third largest water facility recently built along the Nile to improve irrigation after the High Dam and the Naga Hammadi Barrage.

The Governor of Assiut Major General Essam Saad, expressed that the leadership of H.E. President Abdel Fattah El-Sisi, greater importance on the development of Upper Egypt has been stressed across various sectors. He also pointed to the participation of the German government represented by the KfW Development Bank, in supporting the New Assiut Barrage Project, one of the largest water projects on the Nile, amounting to EGP 6.5 billion over 6 years.

This project aims to promote the sustainable management of water resources and to control and improve irrigation water in 5 governorates: Giza, Fayoum, Beni Suef, Minya, and Assiut; serving 24 million citizens in central Egypt with an area of 1.65 million feddans, comprising 20% of the country's agricultural areas. This is in addition to improving river navigation and producing clean, environmentally-friendly electric power through a hydroelectric power plant consisting of 4 giant turbines to generate electricity with a capacity of 32 megawatts and a voltage of 66,000 watts.

#### 2) The Assiut Hydroelectric Power Plant

• This project supports over 130,000 homes with clean energy

As hydropower contributes significantly to the avoidance of greenhouse gas (GHG) emissions and to the mitigation of climate change, H.E. also visited the new Assiut hydroelectric power station, which is also implemented in cooperation with Germany to push Egypt towards a green transformation by reducing carbon emissions by 147 thousand tons annually.

The project received development financing from the KfW Development Bank worth €62.6 million, supporting over 130,000 families with clean energy, which enhances the Government of Egypt's efforts in shifting towards a green economy and in reducing harmful emissions by about 147 thousand tons annually.

The Assiut Hydroelectric Power Plant is part of the country's effort to increase the use of renewable energy sources to accelerate progress towards the SDGs, in terms of SDG 1: No Poverty, SDG 6: Clean Water and Sanitation, SDG 7: Affordable and Clean Energy, SDG 8: Decent Work and Economic Growth. In the past 7 years, Egypt has made great strides in clean energy through international partnerships.

#### 3) Assiut Potable Water and Sanitation Company

We also visited the Assiut Potable Water, and Sanitation Company, supported by the United States Agency for International Development (USAID), and aims to upgrade water and wastewater facilities in underserved cities and rural areas using low-maintenance technologies and local contractors, serving 180,000 beneficiaries.

The aforementioned projects contribute to improving irrigation and agriculture, promoting the sustainable management of water resources, accelerating progress towards a green economy, and producing clean energy.

This year featured various developments with bilateral partners across sectors.





To upgrade Egypt's climate-smart water infrastructure, an agreement was signed worth 52 million euros (loan) and a grant of 25.1 million euros from the European Union and managed by the French Development Agency to develop the **Helwan Wastewater Treatment Plant**, which targets a vast population of around 2,000,000 beneficiaries.

The project will also allow the Helwan Wastewater Treatment Plant to achieve regulatory thresholds in terms of water discharge into the canal, allowing for the safe reuse of at least 500,000 m3/day to 800,000 m3/day from treated wastewater for agricultural purposes.

Also this year, H.E. Dr. Rania A. Al-Mashat, and Director of the KfW Development Bank in Egypt, Dr. Bernd Siegfried, signed a development financing agreement worth €26 million to finance phase 2 of the Rehabilitation of Hydroelectric Power Plants in the Aswan Governorate project. This will be implemented by the Ministry of Electricity and Renewable Energy within the framework of development cooperation between the governments of Egypt and Germany.

The project aims to replace and renew the power transformers in the water station, while also maintaining the station's operational efficiency and increasing economic competitiveness.

The three hydroelectric stations in Aswan generate a combined energy of about 2,650 megawatts, benefiting 7.5 million people. Additionally, the project serves the irrigation systems in the governorate by regulating the flow of water and increasing protection from floods, explaining that the power transformers will be replaced to ensure maximum utilization of sustainable hydroelectric power supply in Egypt.



#### Total ODA Directed to Finance Public Sector through Multilateral and Bilateral Development Partners in 2022



SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
TRANSPORT	2553		
Supply of two levelling,lining and tamping machines and of two high capacity ballast distributing and profiting machines <sup>2</sup>	10	Loan	Austria
Scheme Alexandria Abu Qir Railway <sup>1</sup>	262	Loan	AFD
Scheme Alexandria Abu Qir Railway <sup>1</sup>	1	Grant	EBRD
Tanta – EL Mansoura – Damietta Railway Upgrading <sup>1</sup>	250	Loan	EIB
Tanta – EL Mansoura – Damietta Railway Upgrading <sup>1</sup>	106	Loan/Grant	AFD
Development of Railway Signaling Systems from Nag Hammadi to Luxor Egypt <sup>1</sup>	252	Loan	Korea
Manufacturing and supplying 55 air-conditioned trains for the first metro line $^{\mathrm{1}}$	854	Loan	France
Rehabilitation and Modernisation Cairo Metro Line 2 $^{\scriptscriptstyle 1}$	257	Loan/Grant	EBRD
Cairo Alexandria Trade Logistics Development Project <sup>1</sup>	400	Loan	WB
Rehabilitation 23 Trains For Cairo Metro Line 1 <sup>1</sup>	158	Loan	Spain
Grant assistance $^{2}$ in making purchases for a loan to purchase 100 tractors $^{1}$	1	Grant	EBRD
Preparing feasibility studies for the construction of the railway link between Egypt and Sudan $^{\mathrm{1}}$	2	Grant	KFAED

1: Signed in 2022.

2: Declared Effective in 2022

#### **Connecting the City**

The transportation sector is part and parcel of the national priority towards developing infrastructure and one of the main areas of cooperation between Egypt and its multilateral and bilateral development partners through development financing and technical support.

Multilateral and bilateral development partners have strong partnerships with Egypt in terms of implementing vital transportation projects, as the state had established the development of its railway system in cooperation with development partners. This includes the development of the metro's stages and dry ports.

#### In 2022, the Ministry of International Cooperation secured 2.5 billion in the transport sector through cooperation with multilateral and bilateral development partners.

Explained in more detail in the coming chapters, the Egypt Country Platform for the NWFE نُوَفِّي Program, encompassing projects in water, food and energy, also incorporates a fourth sector: transport, under the name NWFF+

This is all in line with the country's 2030 vision, as Egypt is currently implementing many mega national projects, including a high-speed electric train that will enhance connectivity across governorates and cities, and industrial areas, as well as a monorail that connects 6th of October City to the New Administrative Capital.

For example, the Government of Egypt and the French Development Agency signed an agreement to upgrade the **Tanta-Mansoura-Damietta Railway** worth €97 million, including €2 million as a grant for technical assistance

As smart transportation supports management, efficiency, and safety, using new and emerging technologies, the upgrading of the Tanta - Mansoura - Damietta railway, aims at improving the living standards of millions of Egyptian commuters, reflecting Egypt and France's strong partnership.

A financial protocol was also signed between Egypt and France to supply 55 trains and renew warehouse equipment for the first line of the subway, with soft development financing amounting to €776.9 million. A grant agreement was also signed for the project "Transforming Financial Systems for Climate (TFSC) ir Egypt" worth a total of €1.5 million.

Moreover, this year the World Bank Group (WBG) announced the approval of a \$400 million development financing agreement to develop sustainable infrastructure in the transport sector in Egypt, supporting the transition towards low-carbon transport along Alexandria-the 6th of October-Greater Cairo Area (GCA) railway corridor.

Within the framework of the Cairo Alexandria Trade Logistics Development Project, a railway will be constructed to decrease traffic. This will provide freight trains between the Alexandria Sea Port and the newly constructed 6th of October Dry Port, with an alternative route to the west of Greater Cairo.

The operational bypass will also allow 15 container trains per day by 2030, and as demand increases, 50 trains by 2060 to this dry port, along with additional freight trains flowing between the Alexandria Port, Upper Egypt, and the Red Sea.

This project will strengthen the railway network in Egypt, one of the largest railway networks in the African continent; enhancing the country's green transition and move towards low carbon emissions

Moreover, the WBG estimates that the project will reduce greenhouse gas emissions by 965,000 tons over 30 years



"This agreement will support the Government of Egypt's progress toward clean, smart transportation to reduce emissions, all within the framework of the green economy transition, while also increasing private sector participation in development efforts." H.E. Dr. Rania A. Al-Mashat.

"This operation is part of a wider set of efforts dedicated to offering timely and comprehensive support to Egypt's economic development and climate change plans. We hope that through supporting more job creation, including for women, a cleaner environment, and providing safer mobility, the operation will contribute towards a brighter and more prosperous future for all Egyptians," said

Marina Wes, WBG Country Director for Egypt, Yemen, and Djibouti.

Development financing approved by the WBG has a term of 29 years, including a 7 years grace period, while also including technical and institutional support for the National Railways Authority, emphasizing that this will also enhance Egypt's national efforts to increase private sector participation in development efforts.

n the metro development front, e Ministry of International poperation, Ministry of ansport, Japanese Embassy, and Japan International poperation Agency (JICA) gned the second tranche of the st phase in the Cairo Metro ne 4 implementation, worth ¥41 llion (\$301 million).

This was signed by H.E. Dr. Rania A. Al-Mashat and H.E. Minister of Transport Lieutenant-General Kamel Al-Wazir from the Egyptian side and Ambassador of Japan to Egypt Oka Hiroshi and Chief Representative of JICA in Egypt Masao Shino.

The finance will support the mplementation of the first phase of Cairo Metro Line 4, with a ength of 19 km and 16 stations, to connect the downtown area of Cairo with the Pyramids of Giza and the Grand Egyptian Museum, meeting the increasing demand for means of transportation and reducing traffic congestion, while also building on what was achieved through the first tranche of development financing amounting to ¥32.7 billion, made available during 2012.

#### Transport Recognized on A Global Level

his year, Egypt's 6th of October Port was awarded the IGlobal Transport Deal of the ear in the Middle East and North frica Region. This project, done to cooperation with the EBRD and under the bank's 1st Green ities Programme in Egypt, is Iso an exceptional example of ublic-private partnerships in the tansportation sector, one of the puntry's priority development reas.

**Chapter 3** 

# THE ROAD TO COP27





It is on all of us to work together towards climate action...

With the presidency of COP27, Egypt's position is impartial. Moving from commitments towards action and implementation is paramount and requires designing an international financing framework anchored to the collective efforts of all stakeholders to crowd in private sector commitments.

In the Financial Times Live "Looking Ahead to COP27", H.E. Dr. Rania A. Al-Mashat shared the story of Egypt's energy transition that was one of the results of our structural reforms, along with finance mobilization through multilateral and bilateral cooperation; all reflected in various adaptation and mitigation projects in water waste management, agriculture, renewable energy (solar and wind), and sustainable transportation; wrapping up many of the countries efforts alongside COP 26 President Alok Sharma, the CEO of the Climate Investment Funds Mafalda Duarte, and President and CEO of the European Climate Foundation Laurence Tubiana.

Throughout the year, many discussions have been held to pave the way for COP27, such as the World Bank Group (WBG) and International Monetary Fund (IMF) Spring and Annual Meetings, the MENA Climate Week, meetings in New York and the UN such as the High-Level Political Forum, the World Economic Forum (WEF) Annual Meetings, Africa CEO Forum, the OPEC Development Forum 2022, and many others.

Current global crises, particularly post the COVID-19 pandemic, created a sense of uncertainty. particularly in developing and emerging countries that are recovering from the pandemic and aiming for a green transition.

And while the world is working to strengthen multilateral cooperation and to mobilize international efforts so as to recover from the pandemic and accelerate progress towards a green transition, the challenges with food, commodity and energy prices as a result of war and conflict, has posed a challenge for developing and emerging countries, as stated by H.E. Dr. Rania A. Al-Mashat in the Economic Research Forum's 28th Annual Conference in a Session on "Macroeconomic Management in Times of Crisis".

Despite socioeconomic impacts, and as a silver lining, the COVID-19 pandemic also paved the way for digital transformations around the world, as well as the need to act resiliently and swiftly.

But at the same time, efforts to achieve the SDGs, and global agenda, has become impacted by global economic changes, and therefore, in addition to financial and monetary policies, it is necessary for the international community to utilize blended and innovative financing tools and to enhance publicprivate partnerships.

To that end, innovative financing tools can represent an incentive to continue development efforts, and to preserve the development that was already made in previous years, thus highlighting that multilateral cooperation is much-needed to move towards a green and sustainable recovery, alongside openingup prospects for private sector participation, and enhancing the role of the civil society, youth and women.



And this has been our focus for the past year...

#### Fostering Cooperation For a Full Recovery

Discussing joint efforts within the framework In line with this, Al-Mashat met with the of COP27. H.E. Dr. Rania A. Al-Mashat discussed the shift from climate pledges to implementation that requires innovative financing tools that stimulate private sector participation to allocate funds for developing and emerging countries with many development partners, paving the way for the establishment of several country strategies and country-led frameworks.

For example, H.E. Dr. Rania A. Al-Mashat held a virtual meeting with Vice Presidents of the European Investment Bank (EIB) Ambroise Fayolle and Gelsomina Vigliotti, to discuss ioint cooperation in the context of Egypt's preparations ahead of the United Nations Climate Change Conference (COP27), and to promote development cooperation in the green transformation.

Al-Mashat also met with Selwin Hart, the United Nations Special Adviser & Assistant Secretary-General for Climate Action, discussing COP27 and modalities to translate financial pledges into actionable projects. We emphasized the need to capitalize on the growing alignment between multilateral financial institutions, the private sector, and governments to accelerate the pace of action. Moreover, the Minister met with Vera Songwe, the former Executive Secretary of the United Nations Economic Commission for Africa, during her visit to Egypt and discussed the global geopolitical backdrop and impacts on the African continent. They underscored the challenges and opportunities for multilateral cooperation. crisis responses, and preparedness for COP27 in Sharm ElSheikh.

World Bank Group's Managing Director of Development Policy & Partnerships Dr. Mari Pangestu, within the framework of cooperation with the government in its presidency of COP27. The meeting was attended by several WBG officials, including: Marina Wes, Country Director for Egypt, Yemen and Djibouti; Robert Bou Jaoude, Operations Manager, Middle East and North Africa: Yasmine El Hini. Country Officer and Acting Country Director, IFC: Adeel Abbas, Senior Climate Change Specialist: and representatives from the Ministry of International Cooperation.

The meeting included discussions on a number of files, most notably Egypt's presidency of COP27, where the WBG had made several proposals for cooperation with the government, such as implementing development projects and providing technical assistance at the national and regional levels. The meeting also looked into ongoing projects with the WBG in the environment sector, and the joint country strategy between Egypt and the bank, as well as cooperation in the green transformation. and efforts done in the Hayah Karima Presidential Initiative (Decent Life). They also discussed the Country Climate and Development Report (CCDR), which aims to assess the risks of climate change, and identify opportunities for mitigation and adaptation actions, with a focus on water and agriculture, energy and industry, and resilient cities and coastal economies.

Egypt is working to advance climate action efforts regionally and internationally through its presidency of COP27, while strengthening national efforts in the country's green transformation through adaptation and

mitigation projects across sectors including energy, transportation, agriculture, and environment. Through the implementation of these mega projects, there is also a commitment to stimulating and encouraging the participation of the private sector, thus increasing innovative and blended finance.

H.E. also spoke to the WBG's Vice President of the Middle East and North Africa, Ferid Belhaj, alongside the presence of the Dean of the Board of Executive Directors at the WBG. Merza Hasan, with a World Bank delegation: the Multilateral Investment Guarantee Agency (MIGA) at the Ministry's headquarters to chart the roadmap for climate action and a green economy transition in Egypt; and Cheick-Oumar Sylla. the new Regional Director for North Africa at the International Finance Corporation, to discuss new opportunities to support the private sector and collaboration in the run-up to COP27

Considering the unprecedented challenges currently facing the world, particularly in developing and emerging economies, there is an emphasis to strengthen multilateral cooperation to accelerate progress towards the global development goals, climate action, and the green transformation.

Moreover, the Minister met with the Executive Vice President of the European Green Deal at the European Commission, Frans Timmermans, on enhancing bilateral cooperation between Egypt and the European Union, joint cooperation within the framework of Egypt's presidency of the COP27, and enhancing innovative financing to support accelerating sustainable development in Egypt.



#### **On-Ground Action**

A key reflection of Egypt's commitment to development and climate action can be seen in the Presidential initiative Havah Karima (Decent Life), a major part of the United Nations Sustainable Development Cooperation Framework (UNSDCF) 2023/2027. and for our future plans with development partners.

This year, the UN delegation held 25 meetings with relevant entities and visited villages supported by Hayah Karima to discuss proposed activities that can contribute to the implementation of the presidential initiative, presenting 4 tracks of contributions via human capital development activities across villages supported by the presidential initiative.

H.E. Dr. Rania A. Al-Mashat met with Antonio Vigilante. International Consultant and the former Resident Coordinator in Egypt for the UN and the UNDP, alongside Elena Panova, the current United Nations Resident Coordinator in Egypt, during the end of his visit, where a number of coordination and consultation meetings with ministries and relevant entities took place. The visit included discussions establishing an integrated approach for the United Nations interventions with the Government of Egypt within the framework of the rural development program, Hayah Karima (Decent Life) presidential initiative.

Panova proposed the tracks of contribution from the UN for the Havah Karima initiative. The first track is to "Continue. Expand, Extend", following up on existing activities and expanding

implementation in cooperation with government entities, which currently includes 400 ongoing activities that are directed to over 1.4 million beneficiaries. The second track is "Coordinated, Synchronized, and Refined Contribution" by investing in human capital in several areas such as, health, education, empowering youth, strengthening governance, supporting climate action, and empowering women and girls. This is alongside benefiting from previous national and international experiences and by placing the Hayah Karima initiative as a priority within the UNSDCF 2023/2027. The third track is "Enabling a UN Joint Programme" incorporates aligning the presidential initiative's goals with that of the UN SDGs. with strengthened monitoring and evaluation systems. Lastly, the fourth track is "Capturing and Disseminating Hayah Karima as an Anti-poverty and SDG Best Practice'

Another key part of our development work in Egypt is with the International Fund for Agricultural Development (IFAD).

partnership between Egypt and the IFAD contributes to developing the agricultural sector, achieving rural development, and supporting the country's commitment to achieving sustainable development within the framework of its 2030 vision. Moreover, the Government of Egypt is looking forward to expanding the scope of cooperation with the IFAD through new development projects, in line with presidential initiatives, to improve the livelihoods of citizens in rural Egypt.

The continuous support and coordination to implement partnerships and achieve desired goals, including the Promotion of Rural Incomes through Market Enhancement (PRIME) project: the Sustainable Agriculture Investments and Livelihoods (SAIL) project: and the Promoting Resilience in Desert Environments (PRIDE) project; all of which promote rural development and achieve sustainable economy growth by focusing on the agriculture sector, one of Egypt's most vital sectors for the economy.

Egypt is committed to opening the door to more prospects for joint work, to expand the implemented projects to promote rural development, to transition towards a smart and sustainable agricultural sector, and to reach more beneficiaries to meet the state's development priorities, in addition to expanding the scope of the private sector's participation.

The total development cooperation portfolio with the IFAD amounts to \$1.1 billion, supporting the development of 14 projects with the The strategic cooperation and strong participation of various development partners, of which the IFAD financed \$520 million. These projects are aimed at creating sustainable agricultural development and increasing the income and resilience of small farmers, alongside 3 major projects that are currently being implemented; PRIME, SAIL and PRIDE.

The Core of the Work in 2022:

#### **SETTING THE CLIMATE STRATEGY**

Partnership is crucial towards a successful financial scheme that engages the private sector. Through Egypt's green transition success, we need to show the world that adaptation mitigation. resilience, loss, and damage can all be achieved at once. intertwining both climate action and development.

Recent events have highlighted the need for urgent and holistic climate action, with geopolitical events underscoring the fragility of essential systems such as food and energy.

As COP27 Presidents, the Government of Egypt explored solutions that can help address climate challenges but also help build the resilience of vulnerable systems and promote sustainable development.

To that end, Egypt has defined a comprehensive National Climate Change Strategy (NCCS) for 2050. Within the scope of the NCCS, the Government of Egypt has defined a set of highest priority projects to be implemented before 2030. Projects in scope are bundled into portfolios and are:

1) Distributed across the three climate action pillars: Mitigation, Adaptation Resilience and Loss Damage, with a Just Transition lens

2) Centered around the Energy, Food and Water nexus.

Using an integrated framework to tackle the food, water and energy nexus could provide an effective and human centric approach to address climate change impacts drivers, and this is أَوَفِّي how Egypt's innovative country platform for the NWFE Program came to be.

Delivering climate action with this nexus approach maximizes impact, achieves a just transition path, increases financing potential and links emission reduction with additional human development objectives and the Sustainable Development Goals (SDGs).

This model, as developed by Egypt, could be replicated in other regions worldwide in the medium to long term once the Egyptian pilot has demonstrated its feasibility. Leveraging climate finance for these projects will be key to support and accelerate the transition of Egypt, and other developing countries, to low-carbon, resilient and inclusive development models.



# **THE NCCS 2050**

The 5 Main Pillars & Objectives

# GOAL 1

# Achieving Sustainable and Low Emission Economic Growth in the Different sectors

- Objective (1.a): Energy transition by increasing the share of all renewable and alternative energy sources in the energy mix
- Objective (1.b): Reducing emissions associated with the use of fossil fuels.
- Objective (1.c): Maximizing energy efficiency.
- Objective (1.d): Adopting sustainable consumption and production trends for the reduction of greenhouse gas emissions from other non-energy activities.

# GOAL 2

# Enhancing Adaptive Capacity and Resilience to Climate Change and Alleviating the Associated Negative Impacts

- Objective ( 2 .a): Protecting citizens from the negative health impacts of climate change.
- **Objective (2.b):** Minimizing loss and damage to country assets and ecosystems by preserving them from the impacts of climate change.
- Objective (2.c): Preserving country's resources from the impacts of climate change.
- **Objective (2.d):** Resilient infrastructure and services in the face of climate change impacts.
- **Objective ( 2 .e):** Implementing disaster risk reduction concepts.
- Objective ( 2 .f): Preserving and expanding green spaces.
- Objective (2.g): Enhancing women's response considerations to help them adapt to climate change.

# GOAL 3

# Enhancing Climate Change Action Governance and Management

- Objective (3.a): Defining the roles and responsibilities of the different stakeholders in order to achieve the strategic goals.
- Objective (3.b): Improving the rank of Egypt in the international profile to climate change actions to attract further investments and climate finance opportunities.
- Objective (3.c): Sectoral Policy reform to capture the required climate change mitigation and adaptation interventions
- Objective (3.d): Enhancing institutional, procedural and legal arrangements such as monitoring, reporting and verification (MRV) systems.

# GOAL 4

# Enhancing Scientific, Technology Transfer Knowledge Management and Awareness to Change

- Objective ( 4 .a): Promoting Local Green Banking And Green Credit Line.
- Objective (4 .b): Promoting Innovative Financing Mechanisms Prioritizing adaptations actions, e.g. green bonds.
- Objective (4 .c): Private sector engagement in climate finance and promotion of green jobs.
- Objective (4 .d): Compliance with multilateral development banks (MDB guidelines for climate finance.
- Objective ( 4 .e): Building on success of the current climate finance programs.

# GOAL 5

# Enhancing Scientific, Technology Transfer Knowledge Management and Awareness to Change

- Objective (5.a): Strengthening the role of scientific research and technology transfer in climate change mitigation and adaptation.
- Objective (5.b): Facilitating the dissemination of climate relevant information and knowledge management among government institutions and citizens
- Objective (5.c): Raising awareness on climate change among different stakeholders (high level policy/decision makers, citizens, and students

# Each of the pillars of the NCCS 2050 is aligned to the Egypt Vision 2030 and the SDGs.

# Goal 1: Achieving Sustainable and Low Emission Economic Growth in the Different sectors:

# Government Action Plan (2023 2027)

- (2) Develop and Invest in Human Capital
- (3) Economic Development and Improving Efficiency of Government Performance
- (4) Enhancing Productivity and Employment
- (5) Improving the Standard of Living of the Egyptian Citizens



# Goal 2: Enhancing Adaptive Capacity and Resilience to Climate Change and Alleviating the Associated Negative Impacts

# Government Action Plan (2023 2027)

- (1) Protecting Natural Resources Towards Security and Sustainability
- (5) Improving the Standard of Living of the Egyptian Citizens



### Goal 3: Enhancing Climate Change Action Governance and Management

### Government Action Plan (2023 2027)

- (1) Protecting Natural Resources Towards Security and Sustainability
- (2) Develop and Invest in Human Capital
- (4) Enhancing Productivity and Employment



### Goal 4: Enhancing Scientific, Technology Transfer Knowledge Management and Awareness to Change

### Government Action Plan (2023 2027)

- (1) Protecting Natural Resources Towards Security and Sustainability
- (5) Improving the Standard of Living of the Egyptian Citizens



# Goal 5: Enhancing Scientific, Technology Transfer Knowledge Management and Awareness to Change

### Government Action Plan (2023 2027)

- (1) Protecting Natural Resources Towards Security and Sustainability
- (2) Develop and Invest in Human Capital
- (3) Economic Development and Improving Efficiency of Government Performance
- (4) Enhancing Productivity and Employment
- (5) Improving the Standard of Living of the Egyptian Citizens



# International Partnerships For Sustainable Development

# Across the Years

Across the year, the Government of Egypt has shown a commitment to implementing the green transition, both through the country's national agenda and through the NCCS 2050, as well as the Integrated Sustainable Energy Strategy (ISES) 2035 and the 2014 Renewable Energy Law (Decree Law 203/2014).

To meet rising energy demands, the ISES 2035 involves increasing the use of renewable energy and improving energy efficiency in the power sector. The government has set targets for renewables to make up a share of 42% of the country's electricity by 2035. Moreover, with the Renewable Energy Law (Decree Law 203/2014), the private sector has been encouraged to play a role in the country's green transformation strategy and produce electricity from renewable energy sources.

Within the Ministry's current portfolio, there are currently 28 adaptation projects worth USD 2.85 billion in development financing. These projects are deploying environmentally friendly principles and practices in several sectors - the most prominent of which being the environment, water, agriculture and irrigation sectors - by enhancing climate-smart agricultural practices and investing in water desalination and wastewater management projects.

Within the Ministry's current portfolio, there is currently \$7.83 billion in development financing contributing to 46 mitigation projects. These projects are deploying environmentally friendly principles and practices in several sectors - the most prominent of which being energy and transport - by investing in renewable energy sources, such as solar power stations and wind farms, as well as renovating and constructing new metro lines and electric trains to establish a sustainable transport system.

The NCCS 2050 is the core of how Egypt's Country Platform for the Nexus of Water, Food and Energy, better known as the NWFE نُوفِّي Program was established; all detailed in the next chapter.

**Chapter 4** 

# #LET'S NWFE TOGETHER





# COMMITMENT, CLARITY & CREDIBILITY

In 2022, the Ministry of International Cooperation, launched Egypt's Country Platform for the Nexus of Water, Food and Energy, better known as the NWFE نُوَفِّي Program.

The NWFE نُوَفِّين program which is the Arabic translation of the phrase "Fulfilling Pledges", was developed on the back of Egypt's 2050 Country Climate Strategy, and the updated Nationally Determined Contributions (NDCs), offering a unique opportunity for the international community to show solid support for the climate agenda, as defined by the Paris Agreement

It sets a practical and replicable demonstration of the concept of Country Platforms anchored in 2018 by the G20 Eminent Persons Group on Global Financial Governance, which proclaims that country ownership of development objectives guides coordinated efforts of all stakeholders to yield and scale-up more successful, impactful and sustainable results.

Leveraging on Egypt's partnerships with multiple stakeholders, Egypt is leading efforts to mobilize finance, avail technical assistance, and catalyze private investment, through innovative financing modalities including blended finance, for NWFE نُوَفِّ projects. This provides opportunities for mobilizing climate finance and private investments to support Egypt's green transition, reflecting the interlinkages and complementarity between climate action and development efforts. This is realized through the design, structuring and preparation of concrete and implementable climate action projects.



integrates نُوَفِّى Moreover, NWFE a set of high-priority projects for adaptation and mitigation, bundled around the nexus of the three main pillars of Water, Food, and Energy and selected through a prioritization process led by the Government of Egypt. These climate action projects are to be implemented under a programmatic approach and include projects that would replace existing inefficient thermal power plants with renewable energy, enhance small farmers' adaptation to climate risks. increase crop yields and irrigation efficiency, build the resilience of vulnerable regions, develop water

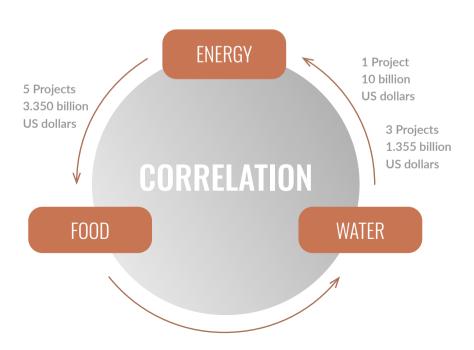
desalination capacity, establish early warning systems, and modernize onfarm practices.

To be more detailed, under Adaptation, come the water and food pillars where Egypt partnered with the African Development Bank and the International Fund for Agricultural Development (IFAD) respectively. Under the Water Pillar, projects aimed at improving irrigation efficiency, and building resilience, and developing water desalination capacity using renewable energy.

Specifically, under the Food Pillar, projects aim at enhancing small farmers' adaptation to climate risks, increasing crop yields, establishing early warning systems, and modernizing on-farm practices.

In connection to Mitigation, Egypt partners with the European Bank for Reconstruction and Development, where projects aim to enhance renewable energy to reach 42% of the energy mix as of 2030 by decommissioning 12 gas-fired power plants with a total capacity of 5 GW to be replaced by 10 GW renewable energy.

# Under the NWFE نُوَفِّ Program, there are 9 priority projects.



In the **energy** component, the focus is on the "Replacement of Existing Inefficient Thermal Power Plants with Renewable Energy" project, which entails the installation of 10 GW wind capacities to replace 5 GW of existing inefficient thermal power plants with the Ministry of Electricity and Renewable Energy and Ministry of Environment as implementing ministries, under Egypt's mitigation efforts.

In the **food** component, there are 5 projects:

- Adaptation of Crop Production in the Nile Valley and Delta
- Adaptation of Northern Delta Affected by Sea Level Rise
- Resilience for Most Vulnerable and Marginal Regions
- On-farm Irrigation of Old Lands
- Establishing an Early Warning System

These projects work towards enhancing agricultural productivity, improving capabilities of farmers, rehabilitating agricultural areas, addressing sea-level rise, increasing the resilience of climate vulnerable areas, developing on-farm irrigation, and supporting the establishment of early warning systems to forecast weather patterns.

In the water competent, there are 3 projects:

- Water Desalination Using Renewable Energy to construct 6 solar desalination plants in 4 governorates with a total capacity of 625,000 m3/day in Matrouh, Alexandria, Port Said and Red Sea Governorates. This is with the Ministry of Housing, Utilities and Urban Communities.
- Scaling-up Solar Pumps for Irrigation in rural remote communities to reduce carbon dioxide emissions, avoid negative impacts of future energy crisis and food security, and create a replicable model to be used in other countries. This is with the Ministry of Water Resources & Irrigation and the Ministry of Trade & Industry.
- Improving Agricultural Climate Resilience by Modernizing On-Farm Practices to raise water efficiency and productivity under water scarcity conditions. This is with the Ministry of Water Resources & Irrigation.

# At the Egypt - International Cooperation Forum

Hosted by the Ministry of International Cooperation, the second edition of the Egypt - International Cooperation Forum witnessed the release of a joint statement on the NWFE تُوفِّ أَ Program with development partners: Abu Dhabi Fund for Development, Africa 50, African Development Bank (AfDB), Asian Infrastructure Investment Bank (AIIB), the Arab Fund for Economic and Social Development, Citi Bank, European Bank for Reconstruction and Development (EBRD), European Investment Bank (EIB), Glasgow Financial Alliance for Net Zero (GFANZ), HSBC - Egypt, Industrial Renewable Energy Agency (IRENA), International Fund for Agricultural Development (IFAD), Islamic Development Bank (IsDB), Japan International Cooperation Agency, Kuwait Fund for Arab Economic Development, OPEC Fund, United Nations, and the United States of America.

The Joint Statement featured:

- Acknowledgement that the NWFE نُوَفِّي Program offers a unique opportunity for the international community to show solid support to the climate agenda.
- Reaffirmed commitment to scaling up partnerships
- Underscoring the importance of continued and improved access to climate finance
- Stressed the indispensable role of private sector
- Reinforced cooperation towards a just green transition
- Reaffirmed support to scaling financing and investments to adaptation projects
- Underscoring the importance of strengthening national capacities



For more on the speaker's highlights, go to Section 2, Chapter 2 under the Egypt - International Cooperation Forum.

# At COP27:

# NWFE Takes the Center Stage At the Climate Conference

The key message of the Egypt's innovative country platform NWFE نُوَقِّي Program is availing the support needed for developing countries and emerging economies to pursue their own development agenda while accelerating climate action, which we demonstrate are not mutually exclusive.

We are encouraged by the feedback of international stakeholders who described NWFE as an exemplary model for climate finance mobilization that reflects:

Commitment of the political leadership (H.E. President Abdel-Fattah El-Sisi)

Clarity of climate goals and target in the 2050 agenda and NDC **Credibility** of our long-standing relationship with partners that is anchored in transparency and accountability.

At COP27, and under the auspices and with the participation of our Prime Minister H.E. Dr. Mostafa Madbouly, we signed over 30 partnership and financial agreements worth close to \$13.5 billion, dedicated to the NWFE نُوفَيْ Program, Egypt's Country Platform for the Nexus of Water, Food and Energy and to the E-PACT, Egypt Partnerships Agreements for the Climate Transition. This includes partnership agreements, letters of intent, memorandums of understanding and project implementation agreements.

Leveraging on Egypt's partnerships with multiple stakeholders, the Ministry of International Cooperation has led efforts to mobilize finance, avail technical assistance, and catalyze private investment, through innovative financing modalities including blended finance and debt swaps for NWFE - نُوفِّي Projects.

The agreements go towards supporting the country's green transition, offering a unique opportunity for the international community to show solid support for the climate agenda. While also showing the power of partnerships, the NWFE Program reinforces that international cooperation towards a just green transition is based on our shared ambitions.

Our partners in the NWFE - نُوَفِّ program are the European Bank for Reconstruction and Development (EBRD), African Development Bank Group (AfDB), Asian Infrastructure Investment Bank (AIIB), Agence française de développement (AFD), European Investment Bank (EIB), World Bank Group (WBG), International Financial Corporation (IFC), European Union, UK, Germany, Denmark, Netherlands, US, Islamic Development Bank (IsDB), Arab Fund for Economic and Social Development (AFESD), Climate Investment Funds (CIF), the International Renewable Energy Agency (IRENA), Glasgow Financial Alliance for Net Zero (GFANZ), and Global Infrastructure Facility.









# Accelerating Egypt's Clean Energy Economy

At COP27, and in his opening speech US President Joe Biden announced a \$500 million package to tackle climate change in Egypt. This includes a \$250 million political declaration agreement with Germany and the US to support Egypt's clean energy transition within the NWFE نُوَفِّي Program's energy pillar.



As published by the White House statements, and under "Accelerating Egypt's Clean Energy Economy, Enhancing Climate Ambition, and Supporting Energy Security":

Germany and the United States announced over \$250 million in resources to unlock \$10 billion in commercial investment to support Egypt's clean energy economy. The program will deploy 10 GW of new wind and solar energy while decommissioning five GW of inefficient natural gas generation. This program, coordinated by the European Bank for Reconstruction and Development (EBRD), will support Egypt's Country Platform for the Nexus of Food, Water, and Energy (NWFE). Egypt committed to enhance its Nationally Determined Contribution to incorporate a commitment to quadruple its installed renewables capacity share to 42% by 2030. Egypt also committed to adopt an ambitious 2050 long-term strategy with a view to explore a net zero greenhouse gas (GHG) emissions target and kick-start the development of green hydrogen. Additionally, Egypt committed to expand the use of zero-emission vehicles, sustainable public transport, and other solutions for reducing GHG emissions from transport. The three countries committed to cooperate on reducing methane emissions from Egypt's oil and gas sector. These commitments

will yield major climate benefits by reducing Egypt's power sector emissions by about one-fifth and cutting methane pollution. They will also enhance energy security by freeing up over two billion cubic meters of gas.

During this session, the political statement on Egypt's NWFE Program and NDC, the declaration from the Governments of the Arab Republic of Egypt, the Federal Republic of Germany, and the United States of America on Accelerating Egypt's Energy Transition, was also released.



Recognizing Egypt's efforts in accelerating its green transition through inaugurating Egypt's Country Platform of NWFE Program, Germany and the United States intend to:

- In line with budgetary procedures and consensus on the use of funds and terms on which finance may be provided, mobilize an initial amount of more than \$250 million to support the Energy Pillar of NWFE through expected support of €85 million equivalent in grants, €100 million in debt swap and €100 million in highly concessional loans.
- Leverage Egypt's Country Platform of NWFE Program and assist in mobilizing additional sources of financing, including bilateral development finance institutions, and engage additional international partners, to further support Egypt's climate mitigation and adaptation ambition.

Underlining the need to scale financing towards low carbon development pathway, Germany and the United States intend to:

- Mobilize additional funding and financing to support methane mitigation across all sectors, expansion of zero emissions vehicles and other solutions in the transport sector, and the aspiration to set a net- zero target, including through in-kind and technical assistance, bilateral investment support, grants and concessional loans, and partnership with multilateral development banks.

This was announced in a session on "Accelerating Mitigation Ambition while Ensuring Energy Security" COP27 session co-hosted by our Foreign Minister H.E. Amb. Sameh Shoukry and U.S. Special Presidential Envoy for Climate John Kerry, with Minister of Environment Dr. Yasmine Fouad, EBRD President Odile Renaud-Basso and Germany's State Secretary at the Federal Ministry for Economic Cooperation and Development Jochen Flasbarth.

Ambitious climate cooperation is the way forward, and what we have witnessed these past few days has been the importance of multilateralism to address common goals.

Leveraging on Egypt's partnerships with multiple stakeholders, the Ministry of International Cooperation has led efforts to mobilize finance, avail technical assistance, and catalyze private investment, through innovative financing modalities including blended finance and debt swaps for NWFE - نُوَفُّ Projects.





"Egypt's Country Platform for the Nexus of Water, Food and **Energy- NWFE... It is an exceptional** model of a country-led process to link sustainable development and climate action together with development projects...And that is a major achievement, and we intend to be very supportive of it...This is in my judgment one of the most important things happening at COP. because it is exactly what we want it to be, because it is a model, a template. This is exactly the way in which the world comes together in a multilateral fashion to be able to patch together the pieces we need."

U.S. Special Presidential Envoy for Climate John Kerry.



"This initiative is a milestone in the history of modern Egypt and it will transform the country. We, as EBRD, are proud to be incharge of the energy pillar of the NWFE initiative. It is a powerful model on scaling up energy transition climate finance, designed by Egypt and reflecting Egypt's own priority."

EBRD President Odile Renaud-Basso.

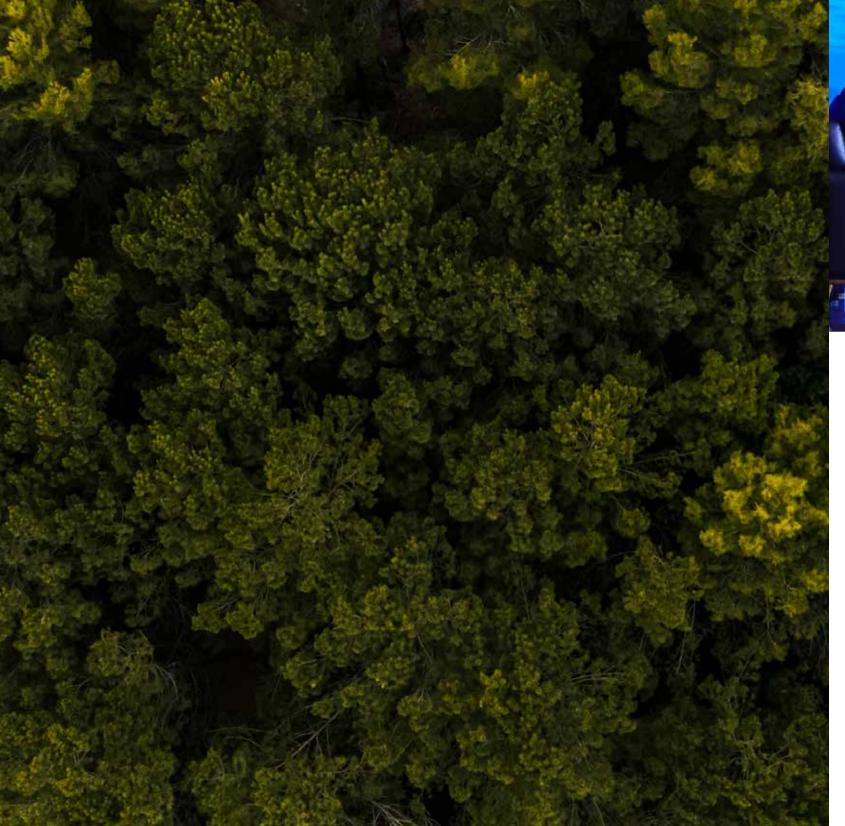


"It is wonderful to show that after all negotiations, we have an opportunity to mutually develop things." Germany's State Secretary at the Federal Ministry for Economic Cooperation and



Development Jochen Flasbarth.

"Egypt will be sending a strong message of ambition in mitigation action to all participants of COP27 and beyond." Egypt's Foreign Minister H.E. Amb. Sameh Shoukry.





Highlights from H.E. Dr. Rania A. Al-Mashat's speech at the Accelerating Mitigation Ambition while Ensuring Energy Security" Panel:

.... Program نُوَفِّى Program ئۇ

- Offers a unique opportunity for the international community to show solid support for the climate agenda, as defined by the Paris Agreement.
- Reaffirms our commitment to scaling up partnerships that leverage the comparative advantage of various stakeholders.
- Underscores the importance of improving access to climate finance.
- Stresses the indispensable role of the private sector

"The key message of Egypt's innovative country platform NWFE is availing the support needed for developing countries and emerging economies to pursue their development agenda while accelerating climate action. We are demonstrating that both are not mutually exclusive."

H.E. Dr. Rania A. Al-Mashat.

# Sharing the Climate Finance Model with the World

The NWFE نُوَفِّي Program's story has also been highlighted by Reuters, writing that "COP27 host Egypt has secured nearly \$10 billion in funding in ways it hopes can provide a template for other developing nations to obtain climate-related finance, its international cooperation minister said."

The article explained that finance is one of the most contentious issues at climate negotiations as poorer countries demand rich nations pay a larger share of the cost of dealing with a warmer planet.



**Chapter 5** 

# JUST FINANCING FOR A JUST TRANSITION



# THE SHARM EL-SHEIKH GUIDEBOOK FOR JUST FINANCING

The Sharm El-Sheikh Guidebook for Just Financing aims to translate commitments into implementable projects as well as capture opportunities to leverage and catalyze needed finances and investments to support the climate agenda.

Over the course of the past year, the Ministry of International Cooperation has worked on streamlining the efforts of multiple development partners, aiming to produce the guidebook.

"To achieve measurable change on the climate agenda, we need to multiply our financial resources and achieve distributional justice across regions and across sectors. Hence, we carry a prominent obligation to understand both the geographic as well as adaptation and mitigation disparities." H.E. Dr. Rania A. Al-Mashat.



### Section 1

Chapter 5

The Minister shared the effort placed on the guidebook in several events across the year including at the United Nations Economic and Social Commission for Western Asia (UNESCWA) in Beirut and in Singapore at the "Transition Finance Towards Net Zero: Scaling Blended Finance" conference with the International Monetary Fund's (IMF) Kristalina Georgieva and the Monetary Authority of Singapore's Ravi Menon.

In an article written by H.E. Dr. Rania A. Al-Mashat in the World Economic Forum (WEF) on "Beyond pledges: Inclusive partnerships to move towards climate resilience", explained that with global climate financing being significantly lower than needed and unevenly distributed. Africa receives less than 5.5%.

Innovative and collaborative financing models are required to finance urgent climate action, particularly in developing and emerging markets where it is needed most. In line with Egypt's from Pledges to Implementation COP27, it is within this context that the Sharm Fl-Sheikh Guidebook for Just Financing aims to outline the key role of each stakeholder in translating financial commitments into implementable projects and address the critical challenges of leveraging and catalyzing needed finances and investments to support the climate

As depicted by the Climate Policy Initiative, the tracked global climate finance averaged \$632 billion in 2019/2020, which is significantly lower than the needed annual financing estimated at \$4.13 trillion.

The map demonstrates regional disparities, with Africa among the lowest recipients with a share of less than 5.5%. Meanwhile, the continent is considered the most vulnerable to climate change. Therefore, the guidebook will target developing and emerging economies, with a special focus on Africa to unlock investment opportunities in green projects.

Figure 23: Destination region of climate finance, by public/private (USD billion, 2019/2020 annual average)



Source: Climate Policy Initiative

direct impact on accelerating climate adaptation and mitigation, with a special emphasis on energy, water, and agriculture sectors; develops clear guidelines to enhance the bankability of adaptation and mitigation projects; clarify strategies to mobilize resources towards climate adaptation projects in developing and emerging countries; and create conducive markets for green projects, aligned with national and international policy

# Leveraging & Catalyzing Needed Finance

frameworks.

The Sharm El Sheikh Guidebook for Just Financing raises the critical question of what stakeholders need to do to translate commitments into implementable projects while capturing opportunities to leverage and catalyze needed finance and investments for climate action.

# HOW?

- Brings the idea of justice to climate finance with 12 corresponding guiding principles to serve as a framework to guide stakeholders in adopting innovative climate finance modalities.
- Contributes to bridging the information gap by providing a map of climate finance providers based on their access criteria, risk appetite, regional and sectoral focus, ticket size and financing instruments.
- Sets forth key recommendations and an actionable agenda to outline the roles of each stakeholder to achieve just financing, presenting a realistic and implementable blueprint to maximize an effective and efficient climate finance system.

The Guidebook defines Just Financing, as "financing that accounts for historical responsibility for climate change while ensuring equitable access to quality and quantity climate financing that supports resilient development pathways leaving no one behind". It sets forth **12 core principles** clustered under **three** main themes:

# Country Ownership

- Recognize, respect, and take concrete action to support developing countries' Right to Development and Industrialization through equitable pathways.
- 2. Align global climate mitigation and adaptation targets with national development objectives.
- 3. Support and fund the creation of enabling environments, and strengthening of technical capacities that are aligned with climate goals.

# **Equitable Pathways to Climate Finance**

- 4. Require global stakeholders to actively consider and take progressive action to address historical disparities and responsibilities to meet climate needs.
- 5. Mainstream the concept of Just Financing across all financial stakeholders at national and international levels.
- 6.Ensure the right to quality and quantity climate finance.
- 7. Address access, affordability, and resource allocation bias.
- 8. Promote "Additionality".
- 9.Address the loss and damage caused by climate change.

# Governance

- 10. Require strong institutional governance mechanisms at the international and national levels.
- 11. Require robust transparency and accountability mechanisms.
- 12. Is anchored on balanced multistakeholder participation and collective agreements that enhance international, regional, and local coordination and commitments.

# Our Lead Institutions

















# Our Contributors

















































# WORDS FROM AROUND THE WORLD





"The principle of common but differentiated responsibility is at the core of climate justice and just energy transitions. As such, I strongly support the Sharm El-Sheikh Guidebook for Just Financing for several good reasons: It forges a common path for climate action in Africa, and it outlines the key role of each stakeholder in translating financial commitments into implementable projects. It also clearly lays out the climate financing gap on the African continent and proposes an actionable agenda to close that gap." Dr. Akinwumi A. Adesina, President, African Development Bank Group (AfDB).



"The Just Finance Guidebook is a critical tool for policymakers and private sector executives seeking to understand the broad spectrum of issues around climate finance facing both LICs and MICs. The Guidebook is the result of months of intense collaboration among an extraordinary group of stakeholders." Jay Collins, Vice Chairman of

Banking, Capital Markets and Advisory, Citi.







"The World Economic Forum is committed to accelerating the just transition through public-private collaboration. The Sharm El-Sheikh Guidebook for Just Financing is a crucial step in fostering inclusive partnerships towards a climate resilient future." Prof.

Klaus Schwab, Chairman, World Economic Forum (WEF).



"Climate change is a growing threat to our lives, to our livelihoods, and to the stability of our economic and financial systems. Investments in resilient societies, renewable energy, and green technology are urgent and vital. This requires vast sums of money—amounts that far exceed what governments alone can provide—so we need new ideas and new approaches to harness private capital to build cleaner, greener, stronger economies everywhere." Dr. Kristalina Georgieva, Managing Director, International Monetary Fund (IMF).



"The evidence is clear: Developing countries are bearing the brunt of our climate crisis. 1 billion people, overwhelmingly in the Global South, will face coastal flood risk by 2050. An additional 140 million may be driven from home by climate disaster or food and water insecurity. Yet these countries remain locked out of pivotal financing at scale that could help them adapt to our changing world: African states, for example, receive less than 5.5% of global climate financial flows, and only less than %10 of all climate finance investments are targeted to adaptation solutions. Just financing is not only a moral imperative. It is the only way we will reach our ambitious climate goals. At CIF, we have been on the front lines of driving catalytic climate finance in the developing world for almost 15 years. We have seen the challenges firsthand: Creating an enabling environment. Financing frontier, catalytic investments. Mobilizing the private sector. Yet we have also seen the power of collaboration: Bringing together key partners across government, development, financial institutions, business, and philanthropy in common cause around proven and innovative solutions. This Guidebook is a powerful example of how we must come together around a programmatic, multi-sectoral approach — and secure a better collective future." Mafalda Duarte.

CEO. Climate Investment Funds (CIF).



"Limiting climate change to 1.5 degrees Celsius requires the mobilization of enormous capital to emerging markets and developing economies (EMDEs). That is now possible because of the commitments of private financial institutions around the world to catalyze and finance the energy transition. However, barriers remain to getting that capital to where it is needed the most. The Sharm El-Sheikh Guidebook for Just Financing identifies the key reforms to overcome these barriers. providing essential recommendations at this critical iuncture for EMDEs. GFANZ welcomes this Guidebook and will work to implement its recommendations through Country Platforms, Just Energy **Transition Partnerships and other** catalytic initiatives such as the CFLI. Building on the significant resources that **GFANZ** members are dedicating to the Indonesian and Vietnamese JETPs and **Egypt's Country Platform, GFANZ looks** forward to working with a wide range of countries and stakeholders to ensure that the energy transition is truly just and global." Dr. Mark Carney, Co-Chair, Glasgow Financial Alliance for Net Zero.







"CrossBoundary is committed to driving blended finance solutions in underserved markets globally – reflecting our core belief in the importance of Just Financing in accelerating progress toward both climate and development goals. Tackling the climate crisis is a collective undertaking that requires an unprecedented degree of collaboration. Strategic use of limited public resources to unlock private capital is critical for scaling investment into underserved markets which may be particularly vulnerable to the effects of climate change. As investment managers and advisors, we see great opportunities in Africa. More than half of our staff are based in Africa, and we are actively developing and financing projects across the continent, pairing lasting climate mitigation, adaptation, and development impacts with strong financial returns. There is an enormous need to both continue driving capital absorption into existing infrastructure solutions for climate mitigation and adaptation, and to bring new business models to bear – particularly for nature-based solutions. We look forward to collaborating with other stakeholders to implement the recommendations of the Sharm El Sheikh Guidebook for Just Financing." -Enhancing the investability of climate projects through Carbon Markets, Matthew Tilleard and Jake Cusack, Co-Founders, CrossBoundary.



"Every year, those living between the tropics of Cancer and Capricorn face losses and damages three to four times more than elsewhere. And this year, that was epitomized by the devastating floods that submerged a third of Pakistan. That loss became less invisible to others this year, as America and Europe endured extreme floods, heat waves and forest fires. All of humanity will be on the frontline if mitigation does not occur fast enough. That is why we need to provide access to a global balance sheet to fund mitigation efforts everywhere, backed by a new issue of Special Drawing Rights: a global mechanism backed by a global currency, to accelerate the delivery of global public goods. Because we are so close to the 1.5 degrees warmer trigger for cascading effects, the speed and the quantum of mitigation matter. So we must prioritize fast mitigation, such as a sharp reduction in methane emissions. The reality is, two hundred years of industrialisation has already baked in 1.2 degrees of warming, so even rapid mitigation is not enough from here. We need triple lending by the World Bank and other Multilateral Development Banks, in return for an additional focus on providing concessional finance for climate-vulnerable countries to invest in climate resilience. And we need a more shock-absorbent international financial system with every debt instrument carrying natural disaster and pan- demic clauses. While these simple ideas will make a difference, they do not require any country to write a cheaue to any other today. In addition to this, we will also need a new international mechanism, such as a levy on fossil fuel prices as they slip back from elevated levels, to deliver grants or grant-like funding for reconstruction after a climate or slow-onset event. It has never been more apparent what COP must deliver." Hon, Mia Amor Mottley, Prime Minister, Barbados.





"The world is currently failing to meet its goal of limiting global warming to 1.5 degrees Celsius, in part because of a lack of adequate support and financing, particularly for energy transitions in low- and middle- income countries," said Dr. Rajiv J. Shah. President of The Rockefeller Foundation. "At a time when the world faces concurrent, compounding crises — many of them caused by the changing climate — this Guidebook offers recommendations that can help mobilize financing to mitigate and adapt to climate change, empower people, and unlock economic opportunity." Dr. Rajiv J. Shah, President, Rockefeller Foundation.



"Climate action experienced increased momentum over the past few years. Yet, this trajectory has been interrupted by the compounded cri-ses since 2020; heightening the cost of the climate agenda and calling for more integrated and inclusive collaboration by all stakeholders. To achieve measurable change, we need to multiply our financial resources and achieve distributional justice across regions, and across sectors. We carry a prominent obligation to acknowledge and mend the existent disparities in the climate finance landscape. Within this context, the Sharm El-Sheikh Guidebook for Just Financing brings the idea of 'Justice' to climate finance to move from pledges to implementation. It emphasizes the need to scale-up investments towards climate adaptation and mitigation projects, while highlighting the importance of improved access to quality and quantity climate financing that leaves no one behind through a variety of mechanisms and tools to promote just financing. As a practical demonstration of the principles of the Guidebook, we launched Egypt Country Platform for the Nexus of Water Food and Energy (NWFE) Program, which is a country-led platform coordinated by Egypt's ministry of international cooperation. It presents high priority national adaptation and mitigation projects and aims to catalyze and crowd in private investments through a variety of instruments, including blended finance." H.E. Dr. Rania A. Al-Mashat, Minister of International Cooperation, the Arab Republic of Egypt.

"Taking place a few weeks ahead of COP27, third edition of the Finance in Common Summit (FiCS), aimed to send a loud and clear signal: Public Development Banks are powerful allies of UNFCCC to accelerate the implementation of just energy transitions. By mobilizing more that 300 billion US\$ of green and climate finance in 2021, the Multilateral Development Banks and the International Development Financing Club (IDFC), demonstrate that strong mandates are able to unleash climate investments on the ground. If all public development banks (PDBs) were to commit to a similar ratio as IDFC, they could extend more than 500 billion US\$ of climate finance per year, and mobilize much more through the private Sector." Rémy Rioux, Chief Executive Officer Agence Française de Développement (AFD), Chairman IDFC



"Achieving a just transition will not and must not be a zero-sum game. By investing at significantly higher levels, by spreading innovations for both climate mitigation and adaptation around the globe, and by ensuring adequate long-term finance for the developing world, we must make this a gain for all nations. The Sharm El Sheikh guidebook provides a practical guide for implementing this just transition. It will take extraordinary ambition in partnership among the public, private and philanthropic sectors to achieve this. But there has never been a larger opportunity for us to spur growth, solidarity and achieve better and safer lives for communities everywhere." Tharman Shanmugaratnam, Senior Minister and Coordinating Minister for Social Policies,

Chapter 5



"The number one priority of the [18] African presidents my institute supports is an investment. Much of this is climate-related: from the renewable energy systems that will power the continent's growth and industrialisation to the investments in irrigation and cold storage communities need to make to halt growing food insecurity. At around a quarter of a trillion dollars per year, these investment needs are vast and largely unmet. My institute engages with African Governments and Global investors, and it is a tragic paradox that despite there being no lack of institutional finance looking for long-term investments, very little is being channeled into Africa, where the needs are highest. Egypt's "Guidebook for Just Financing" is an important and practical tool to addressing this issue. It takes a system-wide view of a complex topic and shines a light on the issues that need to be addressed to get finance flowing to where it is most needed. Beyond this, it provides clarity on what is expected from each of the actors involved in developing and financing projects on the continent: from the work governments need to undertake in preparing bankable projects and creating a secure, transparent environment for investment to the role development finance institutions and philanthropists can play in catalyzing and de-risking. Egypt's NWFE initiative (Nexus of Water Food and Energy) puts these principles into practice and is a powerful example of the work Governments need to do: linking a vision to strategy, policy and then the global outreach to finance a homegrown climate transition plan. I would urge governments and financiers to read the guidebook and reflect on where they can do more to address an issue that is as crucial for Africa's development as it is for the planet." Sir Tony Blair, Founder and Executive Chairman, Tony Blair Institute for Global Change,



# What Does the Guidebook Recommend?

Mainstream just financing principles across climate finance activities that align global climate agenda targets with national development objectives.

Generate pipelines of highimpact investable projects that are Paris-aligned and contribute towards national priorities with different risk/ return profiles.

Foster enabling environments and enhance policy and regulatory frameworks that incentivize private sector investment.

Ensure that capital providers' engagement modalities in MICs and LICs consider country capacity and market readiness when designing instruments and allocating capital.

Implement sectoral prioritization to address climate action most efficiently by targeting high-impact sectors, the coordination of which can be carried out by an external entity.

Increase the capital base of MDBs and reconsider their approaches to risk appetite through partnerships with the private sector supported by governance and management oversight.

Promote collective action through country platforms to unlock necessary resources to achieve impactful, climateresilient and sustainable development. Adopting the Climate Investment Mobilization Framework introduced by the Guidebook, which lays the grounds for an international multi-stakeholder platform that would be aligned with the needs and priorities of both developed and developing countries.

Adopting sound indicators to measure the results of climate action is crucial as it facilitates coherence of efforts across partners.

Invest in research and development (R&D) and infrastructure that will inform climate finance, accelerate efforts to achieve NDCs targets as well as deliver on national development agendas and maximizing social returns.

Promote continual innovation and scaling of financial instruments that are fit-for-purpose for climate projects, particularly in underserved geographies.

Ensure that technologybased solutions to climate change mitigation, adaptation and resilient development are nationally-driven by governments who have a clearer understanding of their circumstances and priorities in their revised NDCs.

Utilize public policy, and potentially public funding, to catalyze novel technologies and increase its investability for private investors.

Improve access to new technology options that can reduce reliance on unabated fossil fuels to drive industrialization.

Capitalize on the acceleration of digital connectivity across the continent and the new technologies that may allow Africa and other regions to 'leapfrog' stages of technological development in ways that are both climatesmart and equitable.

Leverage the continent's increasing global appetite for investments in green technology sectors and support innovation and entrepreneurship to develop smart solutions that address Africa's emerging challenges.



The Sharm El-Sheikh Guidebook for Just Financing covers a range of topics related to, and in service of, the climate finance ecosystem, with a focus on the immediate and unmet climate finance needs of developing countries and emerging economies. It is composed of six chapters, with each covering an area that is key to advancing the climate action agenda.



# At COP27: Defining Climate Justice

Financing, bringing the idea of justice to climate finance and presenting a definition for just financing with 12 guiding principles, and at the Egypt - International Cooperation Forum, we held a roundtable, featured in Section 2, Chapter 2.

Calling for the move from "pledges to implementation", the guidebook puts together an actionable agenda, emphasizing the need to scale-up investments towards climate adaptation and mitigation projects, while highlighting the importance of improved access to quality and quantity climate financing.

In the guidebook launch's session, AfDB President Dr. Akinwumi Adesina, Tony Blair, the EIB's Vice President Ambroise Fayolle, WBG's Managing Director of Operations Axel Van Trotsenburg, UNDP Assistant Secretary General Dr. Khalida Bouzar, IFC's Vice President

Emmanuel Nyirinkindi, UNCTAD's Director James Zhan, CitiBank Vice President Jay Collins, the IMF's Deputy Managing Director Bo Li, UN Special Envoy for Climate Action Mark Carney, AFD's CEO Rémy Rioux, EBRD's Vice President for Policy and Partnerships Mark Bowman, Rockefeller Foundation's Executive Vice President of Programs Elizabeth Yee, Sustainable Energy

for All (SEforALL) CEO Damilola Ogunbiyi, and Nick Stern from the London School of Economics (LSE).

Bringing together all stakeholders in integrated and inclusive collaboration, it is due time we put plans into action:

- Multiplying financial resources
- Achieving distributional justice across regions
- Committing to implementable climate targets

Through the roadmap presented in the 6 chapters, there is a clear explanation and outline of how the world can move forward, towards a just green transition.

# Chapter 1

The Climate Finance Landscape: Prospects and Opportunities

This chapter brings the idea of "justice" to climate finance as it provides a clear definition of Just Financing and the guiding principles as to what counts as just. It gives an overview of the climate finance landscape to identify key areas for improvement to enhance the effectiveness and efficiency of the existing climate finance system. It highlights the main stakeholders in the current financial system and the potential new players that can play a catalytic role in pushing forward a just finance agenda.

# Chapter 2

Creating an Enabling Environment for Climate Investment This chapter provides guidelines for both Governments and all relevant stakeholders on how to complement each other's efforts to create an enabling environment that can facilitate translating climate commitments into investment action – from addressing regulatory frameworks, institutional arrangements, capacity building needs and creating new markets, to setting clear climate objectives and targets and identifying priority climate sectors, that ultimately support the development of a pipeline of investable projects.

# Chapter 3

Enhancing the Investability of Climate Projects

With the aim of providing guidance on how to enhance the investability of climate projects, this chapter addresses key barriers to private investment and possible solutions that can help unlock different sources of financing for climate projects. It summarizes available sources of public and private capital for developing economies, illustrating each stakeholder's risk-return profiles and appetite, in addition to financial instruments. In the end, it outlines scalable, investable models that developing countries can deploy to crowd in private investments.

# Chapter 4

Catalysing Private Capital for Climate Action

This chapter introduces innovative financing modalities that can de-risk investments in developing countries, with a special focus on blended finance to scale up climate investments through the deployment and mobilization of concessional and nonconcessional climate finance. Furthermore, the chapter explores other innovative instruments that monetize mitigation and adaptation outcomes, such as carbon and resilience credits, which can improve profitability and catalyze private capital.

# Chapter 5

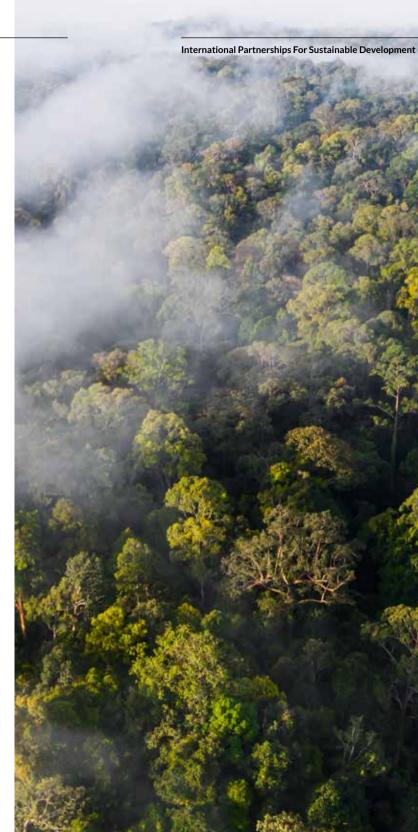
A Governance Structure for Just Climate Finance

The Chapter underscores the importance of establishing a holistic governance system for just climate finance. Through the identification of the main components, key stakeholders in the climate governance scheme, as well as current gaps, the chapter sets forth practical recommendations for strengthening current governance structures to unlock the potential for climate finance. It also identifies key factors for promoting transparent, comprehensive, and comparable financing flows at the international and country levels.

# Chapter 6

Mainstreaming Just Climate Finance in Developing Countries: A Focus on Africa The sixth and final chapter of the guidebook showcases prospects and opportunities for climate finance in Africa, highlighting the continent's needs and circumstances. It also presents practical recommendations per stakeholder, namely governments, bilateral and multilateral development partners and funding institutions, private investors and philanthropic institutions to advance the climate action agenda in the continent.

Finally, the chapter presents a number of successful case studies spanning across different geographic regions and country income levels. They actively address climate-related challenges and propose solutions in both adaptation and mitigation investments, using blended and non-blended instruments/approaches, which could be replicated in developing and emerging countries.



# **PUBLIC SOURCES**OF CAPITAL

| Government Finance

| Blateral Multilateral & Development Finance Institutions

| Public Institutional Investors and Asset Managers

| Export Credit Agencies

| National Development Banks

# **PRIVATE SOURCES**OF CAPITAL

Philanthropy. Private Donors, and Impact Investors

| Venture Capital

| Private Debt Providers

| Corporate Expenditure

Private Institutional Investors and Asset Managers

| Private Equity

# Our Reference of On-Ground Examples

The Guidebook presents a set of successful case studies that provide insight into the different ways that public and private sources of capital can engage in efficient structures for just financing outcomes. These case studies span different geographic regions and country income levels. They actively address climate-related challenges and propose solutions in both adaptation and mitigation investments, using blended and non-blended instruments and approaches, which could be replicated in developing and emerging countries.

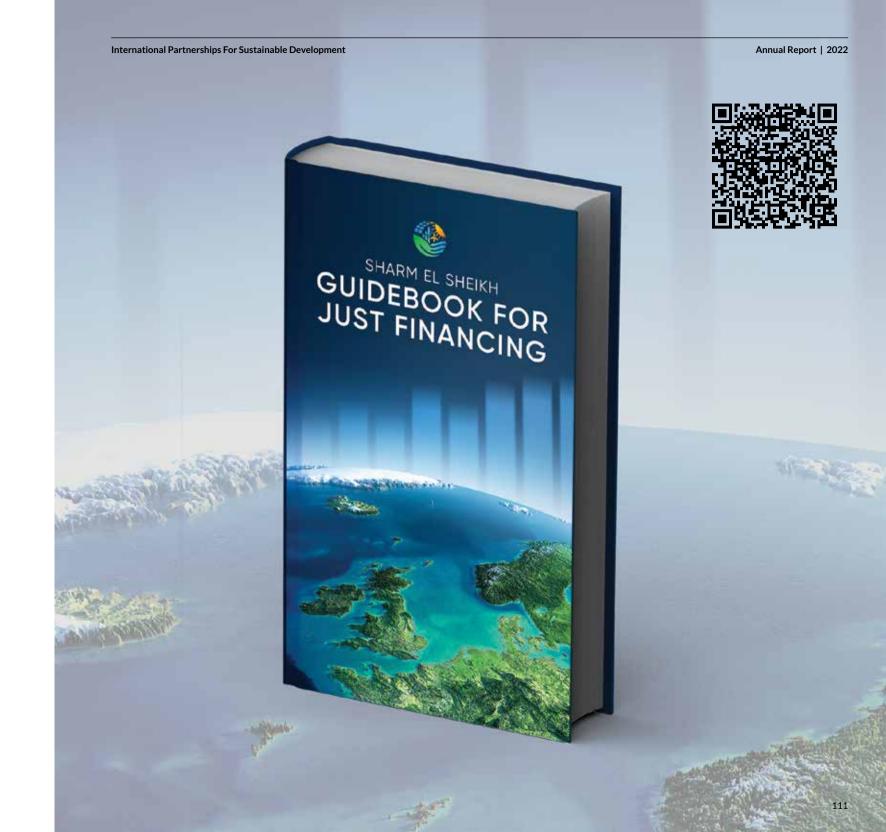


# **Some Case Studies:**

- The guidebook presents 48 successful case studies spanning across varied sectors that target mitigation and adaptation purposes. Amongst is the Greater Cairo Metro Line 4 Phase I Project, developed by the Japan International Cooperation Agency (JICA) with the National Authority for Tunnels under the Egyptian Ministry of Transport, showcasing an example of a sustainable transport project that aims to connect Cairo to 6th of October City with an 18-kilometerlong mass transit railway line. The project deploys a non-blended finance approach, relying mainly on Official Development Assistance ODA and concessional loans.
- This project will facilitate ecofriendly, low-carbon transport that aligns with Egypt's commitment to reduce emissions from transportation by 7 percent (9 MtCO2 eq) by 2030. Additionally, it contributes to SDG8 "Decent Work and Economic Growth," SDG9 "Industry, Innovation, and Infrastructure," SDG11 "Sustainable Cities and Communities," and SDG13 "Climate Action."

- The entire Line 4 is expected to have daily ridership of 1.9 million passengers by 2030 and 2.5 million passengers by 2050, contributing to regional economic development and improving access to job opportunities. It will also boost tourism and reduce car and bus congestion, thereby reducing GHG emissions from cars, by improving connectivity.
- Several factors have made this project successful which revolves around the close coordination and collaboration between JICA and the Government of Egypt since mid-2000, on developing feasibility studies, route planning, resettlement plans, and environmental impact assessments; in addition to JICA assisting Egypt in producing transportation master plans to Greater Cairo.
- Furthermore, the guidebook showcases a successful example of a green building project, the Mezz Tower Guarantees project, developed by the Multilateral Investment Guarantee Agency (MIGA), deploying a blended finance approach to promote the sustainable infrastructure sector.

- The project aimed to facilitate the financing and development of high-standing office facilities and integrated business services for a 17-story office tower in downtown Djibouti City, which includes an energy-efficient design. This project contributed to SDG11 "Sustainable Cities and Communities" as well as SDG13 "Climate Action."
- The MIGA guarantee provided coverage for the project against a variety of risks, including expropriation, transfer restriction and war and civil disturbance. With this blended financing approach, the financing for the project was more efficient and its implementation successful.
- Prior to the development of this project, downtown Djibouti City did not have any economic activity or formal use. This project allows for increased and much-needed office space in Djibouti City and likely increases the commercial real estate value of the surrounding area, consequently boosts commercial investment.
- As a result, the project is expected to generate rental income of USD 1.5 million, and to save approximately 270 tons of carbon dioxide emissions per year.



**Chapter 6** 

# OUTLINING NATIONAL EFFORTS FOR INVESTMENT OPPORTUNITIES





# THE COUNTRY **CLIMATE AND DEVELOPMENT REPORT**

Together with the World Bank Group (WBG), Egypt launched its Country Climate and Development Report at COP27. The WBG's CCDRs are "core diagnostic tools that analyze and provide recommendations on how countries can achieve their development goals in the context of mitigating and/or adapting to climate change."

And as one of the pilot countries in the Middle East and North Africa (MENA) region, this report highlights the close interplay between climate and development, underpinned by scientific data and projections.

The launch took place in the presence of our Prime Minister H.E. Dr. Mostafa Madbouly, where the discussion was focused on the efforts made by the Ministry of International Cooperation and Ministry of Environment in the production of the CCDR, with the WBG's President David Malpass, Axel Von Trotsenburg and Marina Wes, as well as the IFC's Managing Director Makhtar Diop and H.E. Dr. Yasmine Fouad; a productive panel discussion on the CCDR's call for collaborative engagement to accelerate the country's climate transition.



"The collaboration with the World **Bank in the CCDR would further** accelerate the implementation of the Egypt National Climate Change Strategy 2050 and Nationally Determined Contributions (NDC) **2030."** Egypt's Prime Minister H.E. Dr. Mostafa Madbouly.



### Section 1

### Chapter 6

The CCDR for Egypt reviews how climate change affects development efforts and the SDGs. It also takes into account the steps and measures taken by the state in various fields to enhance green transformation efforts, while also combating climate change and monitoring the country's economic resilience.

For Egypt, the CCDR comes at a vital time in the COP27, and also while the country is taking successive steps in supporting the green transformation. The CCDR aims to assess the risks of climate change, and identify opportunities for mitigation and adaptation actions, with a focus on:

- Water and Agriculture
- Energy and Industry
- Resilient Cities and Coastal Economies.

It also represents a new pillar of the development cooperation between Egypt and the bank, while working to enhance the implementation of the National Strategy for Climate Change 2050, while identifying policy actions and investment opportunities that, if implemented within five years, could make use and allocation of natural resources more efficient, reduce the impacts of climate change on people and businesses, and enhance Egypt's competitiveness in global markets.

Exploring challenges and opportunities for improving the alignment of Egypt's development goals with its climate ambition, the CCDR identifies opportunities to reduce inefficiencies, manage risk, and strengthen the foundation for increased private-sector participation.

- Cost-effective adaptation approaches to reduce the negative impacts of climate change.
- Policy interventions to improve efficiency in the use of natural resources, and complement the creation of fiscal space to finance projects that reduce the vulnerability of people and the economy to climate shocks.
- Actions that can help avoid carbon lock-in through low-cost policy changes.



# In Response to Challenges: Cross-Cutting Priority Actions

- 1) Prepare for compound climate risks by strengthening resilience and adaptation:
- In cities, reduce water losses to the 20% level and revise water supply norms to 80% of current levels, which could help Egypt save over 2 billion cubic meters of water annually. Additionally, improve the spatial management of urban growth, which could preserve nearly 39,000 hectares of green areas and avoid growth in high-risk areas.
- In agriculture, improve water allocation policies and introduce institutional changes to enable the management, allocation, and distribution of the water saved through modernized irrigation systems.
- Country-wide, invest in expanding and improving information systems that share climate- and hydrology-related information with affected stakeholders, which would help mitigate risks and reduce the costs of flooding.
- 2) Strengthen the country's competitiveness while achieving stated development goals by transitioning to a low-emission path:
- The adoption, across the next decade, of ambitious, "no-regret" key actions, including the significant scale-up of renewable energy, reducing emissions in the oil and gas production chain, and reducing inefficiencies in the use of energy for electricity generation and industry.
- Reducing emissions in the transport sector through demand management via pricing interventions and awareness-raising programs, which could help achieve a reduction of 65% of GHG emissions by 2050, as compared to the World Bank baseline scenario. Key policy changes to mitigate investors' perceived policy, regulatory, and technical risks will be needed to mobilize the private investment required for this shift.
- A focus on low-carbon cities to accelerate the fulfillment of GHG mitigation goals and enhance livability and productivity, which can deliver benefits valued at an estimated four times the required investments.



"Egypt has an ambitious strategy in place to combat the effects of climate change, and this report clearly shows that unlocking private sector investment will be key to reach the country's targets... Egypt is a strong partner of IFC in renewable energy and green finance. We remain committed to working together to implement the report's findings." Makhtar Diop, IFC Managing Director.

The CCDR's cross-cutting actions are aligned with the country's own development and climate goals, offering solutions to allocating natural resources, especially water, more effectively; strengthening information systems to share climate and hydrology-related information to increase climate resilience; reducing transport, energy and industry emissions; and increasing private sector engagement.



"The issuance of this report is of particular significance as we gather in Sharm El-Sheikh to discuss how to move from climate pledges to implementation...The CCDR outlines national efforts towards a green transition in key sectors such as water and agriculture, energy and industry, and resilient cities and coastal economies, while also identifying policy actions and investment opportunities. Towards that end, our new NWFE program is fully aligned with those objectives." H.E. Dr. Rania A. Al-Mashat.



"This report represents a model for further integrating development policies into national plans...Through national multidisciplinary, sectoral consultation processes, the report provides prioritized adaptation and mitigation actions and points at the needed enabling environment, providing a road map which can support Egypt in achieving its ambitious climate goals." Minister of

Environment H.E. Dr. Yasmine Fouad.



**Chapter 7** 

# WELCOMING ANEW & RE-OPENED WORLD





Annual Report | 2022







# The World Bank Group & International Monetary Fund **Spring Meetings**

One of the key panel discussions that arguably sets the stage for many of the global conversations mentioned in this section of the report was the "Financing The Future" talk with The President of Eurasia Group, Ian Bremmer and Indonesia's Minister of Finance, Sri Mulyani Indrawati, moderated by Jeanna Smialek, to discuss economic recovery postpandemic, climate change, and current geopolitical challenges: an event presented by GZERO Media and Microsoft in the backdrop of the WBG and IMF 2022 Annual Spring Meetings.

With many of the global events held before COP27 in November, the pre-climate conversation discussions spotlighted that Egypt's presidency is focusing on three main messages:

- 1) Impartiality
- 2) Adaptation and Resilience
- 3) Implementation

At the WBG and IMF 2022 Annual Meetings, held for the first time in two years on-ground in Washington, H.E. Dr. Rania A. Al-Mashat, who is also the Governor of Egypt at the WBG, participated in the Intergovernmental G24 Ministers & Governors Meeting, alongside the participation of Kristalina Georgieva. Managing Director of the IMF, and David Malpass, President of the WBG.

The meeting witnessed discussions on the international economic situation: the various challenges facing development efforts globally, especially developing and emerging countries; the repercussions of the COVID-19 pandemic; and climate challenges.

It is worth noting that the G24 meeting was chaired by the president of the Central Bank of Guatemala, Sergio Francisco Recinos Rivera, who stressed the importance of continued, and close, multilateral cooperation to maintain rule-based trade, food and energy security, financial stability, and increasing financing for developing economies.

Moreover, the G24 Communique called for urgent and stronger global responses to COVID-19 vaccine access and distribution, especially in low-income economies, explaining that countries should overcome supply barriers by facilitating timely cross-border flows of vaccines and treatments and sharing technologies to enhance their supply.

The communique also pointed out that the WBG and other multilateral development banks should strengthen their balance sheets to the fullest extent possible, boosting lending capacity while preserving financial prudence and resilience, while also increasing funding provided by the multilateral development banks to support public investments needed to stimulate post-pandemic recovery, to address the main drivers of inequality, to confront the education crisis, and to prevent deep economic impacts. The G24 also called on the WBG to develop a medium-term strategy for middle-income countries (MICs) considering their evolving landscape and circumstance, as many MICs face challenges in transforming their economies to improve their mediumterm growth prospects and reduce high levels of poverty and inequality.

development efforts in the world are facing

several bilateral meetings, including with the WBG Managing Director of Development Policy & Partnerships Dr. Mari Pangestu; H.E. Dr. Azucena Arbeleche, Minister of Economy Export-Import Bank of the United States: and with the leaders of the International Finance Corporation (IFC) and the International

engagement, Al-Mashat met with Scott of the U.S. International Development Finance Corporation (DFC). The DFC is

middle-income countries through direct investments, risk insurance, feasibility studies and technical assistance, across repercussions of the COVID-19 pandemic on infrastructure, technology and innovation, and the empowerment of women.

and the USA, and the role played by the DFC

Al-Mashat also met with Mark Carney, the Chair of the GFANZ and Brookfield's Vice Chair and Head of Transition Investing and Duartem, the CEO of the Climate Investment Funds (CIF); Chair of the Grantham Special Envoy for Famine Prevention and

also took part in a fireside chat with the IFC

and in another panel titled "Accelerating session attended by President of the WBG. David Malpass: Head of UN World Food Programme; David Beasley; WBG Vice Investment Guarantee Agency (MIGA) Vice

taken by governments, the private sector

Also in the backdrop of the WBG and IMF achieved in Glasgow. Egypt's COP27 COP by focusing on modalities to translate pledges into on-ground projects through

# The World Bank Group & International Monetary Fund Annual Meetings

As the Governor of Egypt at the WBG, H.E. Dr. Rania A. Al-Mashat also participated in the WBG and IMF Annual Meetings in October, which brought together central bankers, ministers of finance, development banks, private sector, civil society, philanthropic organizations, academia, and many others to discuss issues of global concern.

Amog many of the people H.E. met were Mark Carney, the WBG's Merza Hasan, Nadir Mohammed, Juergen Voegele, Ferid Belhaj, and Axel Van Trotsenburg, the International Finance Corporation's (IFC) Sergio Pimenta and Makhtar Diop, the European Investment Bank's (EIB) Gelsomina Vigliotti, the US Treasury's Assistant Secretary for International Trade & Development

Alexia Latortue, Climate Investment Fund's Mafalda Duarte, and the AFESD's Chairman Badr Al-Saad. Also met with South Africa's Hon. Enoch Godongwana, India's Nirmala Sitharaman, and Bahrain's H.E. Salman Bin Khalifa Al Khalifa and H.F. Noor bint Ali Al

During her participation, the Minister spoke in the session on "A shortage of Life's Essentials: The Human Cost of the Food and Fuel Crises", detailing that reform is a continuous process for any country. In the case of food security in Egypt, we enhanced the storage capacity of wheat, improved yield and widened agricultural land for production. as well as increased social safety nets.

This was all a fundamental part of supporting the country through the global food security crisis, on the back of reforms that had already been taking place since 2014.

Moreover, Al-Mashat spoke in the session on "Promoting Inclusive Growth in the Middle East and North Africa: Challenges and Opportunities in a Post-Pandemic World" with IMF directors of the Middle East & Central Asia Department, Masood Ahmed and Jihad Azour, I worked with both at different stages in my career. The session also included Laura Ripani from the Inter-American Development Bank, and was moderated by Nur Arafeh, a fellow at the Carnegie Endowment for International Peace.

"We live in a world today where we are more prone to frequent shocks than before. This requires a lot of policy innovation and creativity, as well as trust and partnerships between all stakeholders." H.E. Dr. Rania A. Al-Mashat.



Also at the WBG and IMF Annual Meetings, the Minister met with the Prime Minister of Barbados Mia Amor Mottley, a climate action advocate leading on the Bridgetown Initiative which outlines urgent responses to challenges facing developing countries.

This took place with other stakeholders, global leaders, and ministers of finance and development, at an event hosted by the Rockefeller Foundation and Open Society Foundations, where they exchanged views and shared ideas on how to move forward with reforms of the international financial architecture, particularly MDBs.

This included Dr. Raijy J. Shah. President of the Rockefeller Foundation, the Agence française de développement (AFD) CEO Rémy Rioux, Open Society Foundation's President Mark Malloch Brown, United States Assistant Secretary of the Treasury for International Markets Alexia Latortue, Children's Investment Fund Foundation CEO Kate Hampton, Senegal's Finance Minister H.E. Amadou Ba. Singapore's Senior Minister H.E. Tharman Shanmugaratnam, the US Deputy Secretary of the Treasury Wally Adeyemo.

They discussed mending disparities in the climate finance landscape by increasing cooperation and private sector engagement.

As Governor of Egypt in the WBG, H.E. gave a speech at the G-24 Ministers and Governors Meeting, convened by the IMF Managing Director Kritsalina Georgieva and WBG President David Malpass.

International Partnerships For Sustainable Development Annual Report | 2022 H.E. also shared the stage with WBG Some of H.E.'s remarks included: Global Partnerships and Strategy Stephen President David Malpass and Alok Sharma Hammer, London School of Economics • Egypt's Country Platform for NWFE, in an event co-hosted by the COP26 Professor Nicholas Stern, and Norway's a replicable model leveraging financial Presidency, COP27 Presidency and WBG. Minister of International Development Anne and technical support to adaptation and Beathe Tvinnereim, and the UK's Minister emphasizing the urgent need to catalyze mitigation projects. finance for climate action and development. of State for Development in the Foreign. Commonwealth & Development Office • The need for IFIs and MDBs to encourage especially in support of emerging and private sector engagement and increase developing economies. (FCDO) Vicky Ford. climate finance in developing and Important stakeholders were there, including emerging countries. Bezos Earth Fund President and CEO Dr. Given current global challenges, they also Andrew Steer, Vice President for Power,

Energy, Climate and Green Growth at the

AfDB Kevin Kariuki, the WBG's Managing

Director of Development Policy and



discussed increasing development finance

to strengthen resilience in the face of

successive shocks at the Development

Committee.



# Washington to New York

The activities of the WBG and IMF annual meetings were followed by timely discussion in New York with the leadership from the United Nations, including Deputy Secretary-General Amina J. Mohammed, the UNDP's Administrator Achim Steiner, and the UNDESA's Under-Secretary General Liu Zhenmin. They discussed accelerating progress towards a resilient and sustainable recovery, notwithstanding recent geopolitical developments, and scaling-up climate finance.

Hosted by H.E. Osama Abdel Khalek, the Permanent Representative of Egypt to the UN in New York, and Mrs.Randa Ahmed, we also held a discussion on the current global context and its challenges, attended by the ECOSOC's Collen Vixen Kelapile, the UN's Adviser on climate Selwin Hart, the United Nations Office for South-South Cooperation's Adel Abdellatif, and the UNDP's Sarah Poole, and Anne-Sophie Cerisola.

# A Second Visit to New York for United Nations General Assembly #UNGA77

In New York, H.E. Dr. Rania A. Al-Mashat attended the World Economic Forum's (WEF) Sustainable Development Impact Meetings (SDIM) and meetings in line with the UNGA week.

As per the WEF, "Convening at the same time as the United Nations General Assembly, the SDIM will bring together communities of purpose that integrate business leaders, policy-makers, international and civil society organizations, innovators and entrepreneurs."

Held ahead of COP27, the Minister participated in a variety of important panel discussions on #climate change, highlighting the importance of international #cooperation. speaking with key leaders and holding bilateral meetings with our many development partners and stakeholders

At UNGA week, H.E. met with the Assistant Secretary-General, UN Department for Economic and Social Affairs Navid Hanif on South-South Cooperation and expanding cooperation in the Global Partnership for Effective Development Co-operation; with representatives from Citi Bank and Multilateral Investment Guarantee Agency (MIGA) on the green transition; with the African Development Bank President (AfDB) Akinwumi A. Adesina on pushing finance for climate action in Africa; with the UNDP's Resident Representative Achim Steiner and President of Rockefeller Foundation Dr. Rajiv Shah on the Sharm El-Sheikh Guidebook for Just Financing and Egypt's NWFE Platform; with the President of the US EXIM Bank Reta Jo Lewis on strengthening cooperation and potential economic opportunities in Egypt; with the Deputy Prime-Minister

and Minister of Foreign Affairs and European Integration of Moldova Nicu Popescu on bilateral cooperation; with the U.S. International Development Finance Corporation CEO Scott Nathan; and with the Under-Secretary-General and Special Adviser to the UN Secretary-General of Africa Cristina Duarte.

In her visit to New York, Al-Mashat also participated in the first Annual Investment Forum hosted by the United Nations Capital Development Fund (UNCDF) and the Rockefeller Foundation, as well as the Sustainable Energy for All (SEforALL)'s session on "Progress on Shaping an Africa-led Just Energy Transition".

On the sidelines of the UNGA week, Al-Mashat also participated in several World Economic Forum (WEF) sessions on how different pathways for stakeholder engagement on climate action are many, including public-private partnerships, cooperation with philanthropic organizations, and multilateral development banks, as well as blended and innovative financing tools to prioritize nature-based solutions and green initiatives.

These sessions took place with the WEF's Executive Chairman Klaus Schwab and President Borge Brende, President and CEO of the Bezos Earth Fund Dr. Andrew Steer, Yara International's Svein Tore Holsether, Bridgewater Associates' CEO Ray Dalio, Vice-President of the European Commission Frans Timmermans, the UAE Minister of Environment H.E. Mariam AlMheiri, and the World Bank Group (WBG) Director of Development Policy and Partnerships Mari Elka Pangestu.



# The Global Energy Alliance Leadership Council

In September at UNGA, Al-Mashat also became a founding member of the Global Energy Alliance Leadership Council, an alliance of local entrepreneurs, governments in emerging and developed economies, and technology, policy, and financing partners.



"Ahead of COP27 in Egypt, it's crucial that we work together to support the delivery of transformational solutions to face today's climate and energy challenges."

CEO of SEforALL and Special Representative of the UN Secretary-General for Sustainable Energy for All Damilola Ogunbiyi. The Global Energy Alliance for People and Planet (GEAPP) convened the inaugural meeting of its newly formed Global Leadership Council during the 77th session of the UNGA in New York City. Co-chaired by Jonas Gahr Støre, Prime Minister of the Kingdom of Norway, and Dr. Raiiv J. Shah. President of The Rockefeller Foundation, this diverse and growing coalition of global leaders was created to tackle the most challenging barriers to scaling just energy transitions worldwide and keep global warming below 1.5 degrees Celsius.

This session included Jonas Gahr

Støre. Prime Minister. Kingdom of Norway (Co-Chair); Rajiv J. Shah, President, The Rockefeller Foundation (Co-Chair): Achim Steiner, Administrator, United Nations Development Programme; Ajay Mathur, Director-General. International Solar Alliance Akinwumi Adesina. President, African Development Bank Group: Andrew Steer, CEO. Bezos Earth Fund; Anne Finucane, Chairman of the Board, Bank of America Europe: Børge Brende. President, World Economic Forum: Damilola Ogunbiyi, CEO and Special Representative to the UN Secretary-General for Sustainable Energy for All; David Malpass, President, World Bank Group; Fatih Birol, Executive Director, International Energy Agency: Francesco La Camera. Director-General, International Renewable Energy Agency: Jonathan Berman, Chairman, DRE Ventures: Jules Kortenhorst, CEO. RMI; Kelly Sims Gallagher, Dean of Energy and Environmental Policy, Tufts University: Mark Carrato,

Coordinator for Power Africa. U.S. Agency for International Development: Mauricio Claver-Carone, President, Inter-American Development Bank: Nick O'Donohoe, CFO, British International Investment: Patricia Espinosa, former Executive Secretary of the United Nations Framework Convention on Climate Change (2016-2022); Per Heggenes, CEO, IKEA Foundation; Rania Al-Mashat, Minister of International Cooperation. Arab Republic of Egypt; Ravi Venkatesan, Board Chair, Global Energy Alliance for People and Planet: Roberto Cingolani. Minister for Ecological Transition, Republic of Italy: Vera Songwe. Co-Chair, United Nations High Level Climate Panel; Werner Hover, President, European Investment Bank.

While developing countries are currently responsible for only 25% of global CO2 emissions. their share of global emissions could grow to 75% by 2050, according to an analysis published by the Alliance. These countries currently receive only a fraction of clean energy financing, despite representing nearly half of the world's population. The meeting provided a critical and impartial platform to start advancing solutions, including driving down the cost of clean energy technologies, delivering locally owned Just Energy Transition Partnerships (JET-Ps), and building carbon credits for coal decommissioning.





"Global crises are slowing progress towards universal energy access and clean energy transitions. As we head towards COP27, the world is a very different place than one year ago. The war in Ukraine, global energy shortages, and record temperatures have aggravated the situation. This is the defining challenge of our times. It is more important than ever that we drive up the pace of change and commit to greater collaboration so we can achieve the change people so desperately need."

Jonas Gahr Støre, Prime Minister, Kingdom of Norway.



"The mission — and the opportunity — of the Global Energy Alliance is to scale innovative green technologies to restart the progress lost to Covid-19 and stop the rapid march of climate change. The Global Leadership Council has the knowledge and the networks to overcome the most challenging barriers to unlocking opportunity with energy transitions and keeping global warming below 1.5 degrees Celsius."

Rajiv J. Shah, President, The Rockefeller Foundation.



"With 3.6 billion people living in some form of energy poverty, of which 760 million do not have access to any electricity at all, achieving an energy transition with more equitable access to clean energy for countries across Africa, Asia, Latin America, and the Caribbean has never been so important. With the extraordinary depth of experience and commitment by the members of the Global Leadership Council, we will strive to increase the pace and scale of providing clean, reliable energy to those who don't have it, while reducing emissions, improving livelihoods, and advancing women's empowerment worldwide."

Global Energy Alliance for People and Planet CEO Simon Harford.

Over the next year, the Global Leadership Council will amplify and help accelerate GEAPP's clean energy solutions across its country programs in Africa, Asia, Latin America and the Caribbean. With support from founding philanthrop partners, Bezos Earth Fund, IKEA Foundation, and The Rockefeller Foundation, along with 11 multilateral and development finance institutions, local energy and technology providers, and governments, GEAPP will work to operationalize the Global Leadership Council's recommendations.



In early March this year, H.E. Dr. Rania A. Al-Mashat visited the EBRD headquarters, alongside a variety of bilateral meetings and panel discussions addressing climate, gender, and sustainable development. This included several key meetings to accelerate climate action and strengthen Egypt's economic, technical and climate cooperation with international financial institutions and development partners.

During her visit, the Minister highlighted that Egypt' reforms have helped it become more resilient to a shock-prone world, which came during a high-level meeting with the Board of Directors of the EBRD.

The meeting was attended by Odile Renaud Basso, Chair of the Board of Directors, Jurgen Rigterink, Firs Vice President and President of CS Group, Soha El-Turky, EBRD's Vice President, Chief Financial Officer, Alan Bello, Vice President of Banking, Mark Bowman, Vice President of Policy and Partnerships, Kazuhiko Koguchi, Secretary General of the European Bank for Reconstruction and Development (EBRD), Heike Harmgart, Regional Director for the Southern and Eastern Mediterranean, Khaled Hamza, Director of the Egypt Office, Ambassador of Egypt to the United Kingdom, Sherif Kamel, Philip Lindsay, member of the Board of Directors of the Bank representing Egypt, and Asma Zayed, Second Secretary at the Ministry of Foreign Affairs

Pushing forward cooperative and win-win international partnerships, the Minister of International Cooperation, H.E. Dr. Rania Al-Mashat, held a meeting with several EBRD officials, including Nandita Parshad, Managing Director, Sustainable Infrastructure Group at the European Bank for Reconstruction and Development, Executive Director of Infrastructure at the Bank, Hassan El Khatib, Managing Director for direct investments and equity, Ines Rocha, the Managing Director for Impact and Partnerships,

and Barbara Rambosek, Director General of Socia Diversity and Inclusion.

In meetings with the EBRD's senior management including: Nandita Parshad, Barbara Rambousek, Ines Rocha, Beata Javorcik, & Hassan El Khatib, they also discussed opportunities for partnerships and the country's transformation to a green economy, sustainable infrastructure projects, and inclusivity in terms of gender, youth, and the private sector engagement.

During the meeting, thes Rocha, Managing Director of Impact and Partnerships hailed Egypt's experience in aligning development finance with the UN Sustainable Development Goals in order to identify the role of finance in implementing the SDGs, and expressed willingness to replicate this experience to its member states.

Concluding her visit, the Minister also held meetings with a number of government officials, including Lord Ahmed, Minister for South and Central Asia, North Africa, UN, on the unfolding global developments and our bilateral relationships, underscoring Egypt's resilience during the pandemic; and with the Commonwealth, Diana Layfield Chair of British International Finance, and Louis Taylor, CEO of UK Export Finance on blended finance, private sector engagement, entrepreneurship, and gender centric initiatives

Al-Mashat also met with Professor Elizabeth Robinson the director of the London School of Economics Grantham Research Institute on Climate Change and the Environment, and Alina Averchenkova and Nick Godfrey, to discuss innovative financing tools, mapping ODA financing to the SDGs., including SDG 13: Climate Action, and triangular and south-south cooperation.







# World Economic Forum: Davos 2022

There are 3 key words to consider going forward: resilience, adaptability, and innovation.

H.E. Dr. Rania A. Al-Mashat participated in the 2022 World Economic Forum Annual Meeting in Davos, Switzerland, under the title "History at a Turning Point: Government Policies & Business Strategies".

Being physically held for the first time since the 2020 COVID-19 pandemic, this event witnesses the participation of over 2,500 leaders, decision-makers, and international institutions. The forum's activities cover eight main themes: climate and nature, fairer economies, tech and innovation, jobs and skills, better business, health and healthcare, global cooperation, and society and equity.

During the minister's participation at the WEF 2022, H.E. took part in two key panel discussions. This first panel: "Balancing Globalization and Resilience in a Time of Crises", was moderated by the WEF's Jagiit Singh Srai. and included EY Global's CEO Carmine Di Sibio, Aditya Birla Group's Chairman Kumar M. Birla, BSR's CEO Aron Cramer, and Deutsche Post DHL Group's CEO Frank Appel. The discussion looked into how multilateralism was tested, with the fear that global cooperation would come to an end, and how over time, the world quickly realized that multilateralism was our route to recovery; working together to overcome challenges. The case is the same with 2022 as we rethink where the world stands today. While we embrace globalization and much-needed coordinated efforts, we also put forward the need for selfreliance and localization.

The second-panel discussion was held on "Turning the Tide on Infectious Diseases and Cancer", with Stanford's Megan Palmer, Safari Doctors Founder Umra Omar, Medable's CEO Michelle Longmire, and Metabiota's CEO Nita Madhav. Al-Mashat expressed that health is a key part of the development paradigm, as investing in this sector is fundamental for improving human capital; ensuring better livelihoods and productive communities through international cooperation and public-private partnerships.

H.E. shared Egypt's story of the Presidential "100 Million Health Initiative", addressing Hepatitis C. By December 2021, Egypt became free of the virus which was recognized by the World Health Organization (WHO) as ahead of schedule. Taking place before the COVID-19 pandemic in 2018, our national initiative included mass testing and this resulted in two things: identifying those with the virus and those with chronic illnesses that needed medical care.











# In Bilaterals at WEF2022: Government

Al-Mashat met with the Federal Councilor for Economic Affairs, Education and Research in Switzerland, Guy Parmelin, on strengthening economic relations between Egypt and Switzerland, which extend for over 40 years, with a total development cooperation portfolio of more than CHF700 million covering approximately 200 projects. This includes rural development, water and health.

The Minister applauded the joint relations with Switzerland, which enhanced the role of civil society in development, and ioint work with the Swiss Agency for Development and Cooperation (SDC) and other Swiss institutions that support strengthening relations. Al-Mashat pointed out the importance of enhancing cooperation with the private sector and SMEs in Egypt, and in the health, food and infrastructure sectors. During the meeting, they discussed areas of cooperation and proposed projects within the framework of the 2021 - 2024 Egypt-Switzerland Cooperation Program, Hayah Karima, private sector engagement.

In the context of strengthening cooperation within the African Continent, Al-Mashat met with Congo's Minister for International Cooperation, H.E. Denis Christel Sassou Nguesso. H.E. also met with Singapore's Senior Minister and Coordinating Minister for Social Policies, H.E. Tharman Shanmugaratnam on COP27 activities.

Moreover, Al-Mashat met with Nayef Mubarak Al-Hajraf, the Secretary-General of the Gulf Cooperation Council on Egyptian-Gulf relations, and on joint economic trade and investment opportunities. During the meeting, Al-Hajraf expressed confidence in the Egyptian economy, and keenness to explore areas and opportunities for future cooperation on all levels.

# In Bilaterals at WEF2022: Private Sector & International Institutions

In the context of enhancing private sector participation, Al-Mashat met with Brad Smith. Microsoft's President and Vice Chair. During the meeting, the Minister shared the Government of Egypt's efforts in digital transformation and in achieving sustainable development, also stressing the importance of the fourth industrial revolution in embracing modern technologies as a major component of the national agenda. Al-Mashat explained that the Ministry of International Cooperation cooperates with multilateral and bilateral development partners, and coordinates with national entities, to support the aforementioned efforts through development financing and technical support.

For his part, Smith also noted the importance of the Egyptian market in the global company, and Microsoft's keenness to enhance cooperation with the country in its digital transformation.

Embracing the fourth industrial revolution responsibly, the Minister held a meeting with Deemah Al-Yahya, Secretary General of Digital Cooperation Organization, where they emphasized the need for innovation and digitization to advance climate action, and explored opportunities in launching initiatives that focus on the digital economy and support youth, entrepreneurs and women.

Additionally, the Minister met with the CEO of Majid AI Futtaim, Alain Bejjani on private sector engagement, along with the policies and partnerships needed to implement an enhanced public-private dialogue. Bejjani confirmed his keenness to enhance investments in the Egyptian market, a key regional market and location for the AI-Futtaim Group.

H.E. also met with Ann Mettler, the Vice President of Breakthrough Energy, founded in 2015 by Bill Gates and several investors to support global efforts in the green transformation, reduce emissions, and support public-private partnerships in sustainable development, on expanding renewable energy projects and in stimulating the participation of the private sector, noting examples of projects in solar and wind energy.

Also on the subject of green, Al-Mashat discussed clean energy solutions powering a sustainable future with the CEO of Hitachi Energy, Claudio Facchin. The Minister also noted Egypt's structural reforms implemented by the state in energy, while also contributing to increasing private sector participation in development.

More on the importance of the private sector, Al-Mashat met with the Co-Executive Director of Mission Possible Partnership, Anthony Hobley, an international organization that is focused on reducing carbon emissions and promoting climate action. The meeting looked into the role of public-private partnerships in advancing climate action and in implementing international commitments for the green transformation; moving from pledges to tangible action.

Furthermore, in a meeting with Gargee Ghosh, the President of Global Policy and Advocacy of the Gates Foundation, a non-profit organization working to support development efforts and to localize innovation and modern technologies, Al-Mashat discussed cooperation opportunities ahead of COP27. The minister also noted the need to strengthen technical cooperation to enhance adaptation and mitigation efforts on climate change.

Discussing cooperation with Africa, Al-Mashat and President of the Growing Africa's Agriculture (AGRAAlliance) Agnes Kalibata looked into strengthening international efforts and mobilizing efforts towards the green transformation in Africa: one of the most impacted regions, emphasizing the need for cooperation and financing adaptation projects. The AGRAAlliance in Africa is mobilizing efforts to support agricultural communities in the continent and to meet the needs of environmental conservation, aiming to maintain environmental sustainability, increase productivity, enhance the growth of the African agricultural market, stimulate comprehensive transformation in the continent, and enhance food security efforts by working with partners in and outside of the continent; strengthening policies and technology system, and building capacities.

# In Bilaterals at WEF2022: Inclusive Finance & Egypt's Projects

The Minister held a bilateral meeting with Her Majesty Queen Maxima of the Netherlands, United Nations Secretary-General's Special Advocate for Inclusive Finance for Development, to deepen financial inclusion in Egypt and particularly in the rural areas, with a focus on Hayah Karima; and with Jay Collins, Vice Chairman of Banking, Capital Markets and Advisory (BCMA) at Citigroup on innovative financing tools.

Tapping on the potential of transforming Egypt into a regional energy hub, the Minister met with Judith Wiese, Chief Sustainability Officer of Siemens AG, to share Egypt's bold strategy to promote more active participation of the private sector, in particularly renewable and clean energy, and to chart ahead cooperation in the runup to COP27; and with Laurence Tubiana, CEO of the European Climate Foundation (ECF), on the green economy.

Also in line with climate action, Al-Mashat gave a keynote speech at the Alliance of CEOs meeting. held within the forum. This is an international alliance of 120 CEOs of major global companies that adopt strategies to promote climate action and to push for international policies aiming to reduce harmful emissions. The discussion touched on preparations for COP27, mobilizing global efforts to confront climate change, strengthening partnerships between the public and private sectors to achieve the SDGs and advancing global commitments to climate action; from pledges to implementation.







# At the EIB HQ: Investing in Net Zero

Within the framework of the strategic relationship between Egypt and the EIB, aiming to strengthen bilateral cooperation and to discuss future partnerships between both sides, Al-Mashat visited the bank's headquarters in Luxembourg; also known as the head of the MDB group this year, Europe's green bank, and the financing arm of the European Union (EU).

During the visit, the Minister held a number of bilateral meetings with senior leaders of the EIB, and also participated in a panel discussion titled "Investing in Net Zero: Leading the Way Conference", organized by the EIB, the EIB Institute, and the European University Institute (EUI). The panel addressed the best practices in the areas of the energy transition as well as innovation, which are critical to combating the challenges associated with climate change, including a conversation on Egypt's COP27 Presidency.



"It is a great pleasure to welcome H.E. Dr. Rania A. Al-Mashat, Egypt's Minister of International Cooperation, to the EU Bank's headquarters in Luxembourg. The EIB has worked with Egypt since 1979 and we will continue our partnership to support the country's ambitious National Climate Change Strategy 2050, including investments in energy, transportation, agriculture and water resources. We look forward to cooperating with Egypt as the incoming COP27 Presidency, and work together to deliver a successful outcome of the United Nations climate conference to be held in Sharm El-Sheikh in November."

# EIB's President Dr. Werner Hoyer.

In Luxembourg, Al-Mashat also met with the EIB's tPresident Dr. Werner Hoyer, along with several of the bank's high-level directors.

# EBRD Annual Meetings: Multilateral Dialogue for Solutions

Held under the high patronage of His Majesty King Mohammed VI, the EBRD's Annual Meetings and Business Forum took place in Marrakech, Morocco in early May, under the theme of "Responding to Challenges in a Turbulent World'.

As Egypt's Governor of the EBRD, Al-Mashat delivered the country's statement at the Board of Governors plenary, and participated in several panels, including organizing an Investment Forum.

During the "Egypt Investment Outlook" panel, focused on the country's development story. Al-Mashat shared how government

policies and reform led to increased publicprivate partnerships and investment opportunities in green projects, with Heike Harmgart, Trostein Bernsten from Scatec ASA, Dalia Wahba from Hassan Allam Utilities, and Yehia Zaki, the Chair of the Suez Canal Economic Zone.

Quite a telling title in the "Business Unusual? Globalization in Turbulent Times", where the minister and panelists discussed the need to strengthen multilateralism and international cooperation to find innovative solutions that address current food, energy, and financing shocks with Beata Javorcik, Jonathan Charles, and Martin Wolf.

Lastly, as water underpins all of development, Al-Mashat also underscored Egypt's commitment to investing and completing mega wastewater treatment plants such as the Bahr El Baqar & Gabal AlAsfar in a panel on "Water Scarcity Versus Sustainability" with H.E. Nizar Baraka, Nandita Parshad, Sue Barrett, Paddy Padmanathan, Walid Madwar, and Thierry Déau; looking into sustainable approaches to managing water.

# OPEC Fund Development Forum: Driving Resilience & Equity

Against the backdrop of the need for global cooperation to mitigate the world's challenges, H.E. Dr. Rania A. Al-Mashat, is participating in the first OPEC Fund Development forum in Vienna, under the theme "Driving Resilience and Equity", to strengthen purposeful dialogue and drive concrete action around key development issues, including climate change, energy access and food security.

As Egypt shares a long-standing partnership with the OPEC Fund for International Development, the total cooperation portfolio amounts to around \$1.5 billion.

During the visit, Al-Mashat held bilateral talks with Clive Turton, the Chief Investment Officer at ACWA Power on the need to engage in more partnerships, addressing climate action by increasing clean energy projects; with Damilola Ogunbiyi, the CEO of Sustainable Energy for All, on potential cooperation opportunities; with the AG FUND's Executive Director Nasser Al Qahtani on accelerating progress towards the SDGs, and support to MSMEs; and with the UNDP's Regional Bureau for Africa and the UN Assistant Secretary General Ahunna

Eziakonwa, on South-South Cooperation and entrepreneurship.

The event's overall participants included the Minister of Finance of the Kingdom of Saudi Arabia, Mohammed Al-Jadaan, Minister of Finance of the Maldives, Ibrahim Ameer, Minister of Water and Sanitation of Malawi, Abida Sidik Mia, Muhammad Sulaiman Al Jasser, Chairman of the Board of Directors of the Islamic Development Bank Group, Dr. Ahmed Saeed, Vice President of Operations at the Asian Development Bank, and Hela Cheikhrouhou, IFC's regional Vice President for the Middle East, Central Asia, Turkey, Afghanistan, and Pakistan.

Within the activities, Al-Mashat was also a spotlight speaker in one of the key panels, followed by meetings with the OPEC Fund's Director-General Dr Abdulhamid Alkhalifa; with Austria's OeEB bank's Sabine Gaber on development cooperation; IRENA's Director General Francesco La Camera on renewable energy; and with the UNCDF's Preeti Sinha on innovative and catalytic investment tools to crowd in private sector financing, particularly in green projects.

Moreover, H.E. Dr. Rania A. Al-Mashat

met with the Director-General of the United Nations Industrial Development Organization (UNIDO), Gerd Müller, at the organization's headquarters in Vienna, as part of her participation in the first OPEC Fund Development Forum, to strengthen economic relations with development

They underscored the fundamental role of industrial policy, decarbonization, and localizing technology for climate action, and also looked into green hydrogen opportunities.

For his part, the UNIDO's Director-General, Gerd Müller shared the efforts made by the organization to enhance cooperation with member states, to overcome the economic repercussions caused by the COVID-19 pandemic, and focus on enhancing food security and pollution control within the framework of climate action, while also providing training sessions for youth to create a dynamic workforce, ready to thrive in the digital world.

Section 1

# Stockholm +50: The Industry Transition Dialogue

This year, Al-Mashat also participated in a roundtable on "Financing the Industry Transformation", within the framework of the preparatory activities for the "Stockholm +50", organized by the United Nations General Assembly in Sweden. This falls within the context of strengthening international efforts to preserve the climate and environment, and to push for multilateral cooperation in financing the green transition and in stimulating urgent climate action.

The session aimed to discuss strengthening public-private partnerships in achieving the industry transformation, and in reducing harmful emissions. Among the key points was also the role of international financial institutions (IFIs) in supporting climate action and in facing industry challenges in developing and emerging countries. and the role of the international community. Additionally, this session included the participation of the CEO of the Climate Investment Funds, Mafalda Duarte, the Organisation for Economic Co-operation and Development's (OECD) Kumi Kitamori, and several representatives from governments, private sector and IFIs.

Hosted by Sweden, the conference takes place 50 years after the 1972 United Nations Conference, aiming to serve as a starting point for accelerating the implementation of the United Nations Decade of Action to implement the 2030 SDGs, the Paris Climate Agreement, and the post-2020 global Biodiversity Framework; encouraging the green recovery post-pandemic.



# HIGH-LEVEL POLITICAL FORUM ON SUSTAINABLE DEVELOPMENT



# High- Level Political Forum on Sustainable Development

The world is in need of enhanced multilateral cooperation to move forward; overcoming the energy and food crises and economic challenges, and enhancing development efforts.

These remarks came during the "Future Proofing Multilateralism for a Resilient and Inclusive Recovery" session, as part of the High Level Political Forum on Sustainable Development, held at the United Nations Headquarters in New York, under the theme "Building back better from the coronavirus disease (COVID-19) while advancing the full implementation of the 2030 Agenda for Sustainable Development".

During Al-Mashat's participation at the HLPF 2022, H.E. underscored the role of the Global Partnership for Effective Development Cooperation in creating a credible framework for multilateralism; one that supports inclusive partnerships, monitors results and delivery of outcomes, and is anchored to national development agendas, which reflects country ownership.

The session was chaired by H.E. Collen Vixen Kelapile, the President of the Economic and Social Council (ECOSOC), and attend by: Liu Zhenmin, the Under-Secretary-General for Economic and Social Affairs (UN DESA); Jose Antonio Ocampo, the Chair of the Development Policy Committee; H.E. Danilo Türk, the Former President of Slovenia; Chido Mpemba, the Special Envoy on Youth of the African Union, and many other representatives of international institutions.

"It would be a mistake to paint a picture where everything is flawed, and it would also be false to paint one that is absent of challenges. Instead, it is time we focus on what has worked these past few years, and how we can use this experience going forward." H.E. Dr. Rania A. Al-Mashat

Section 02

# FROM EGYPT TO THE WORLD





**Chapter 1** 

## TOGETHER FOR IMPLEMENTATION



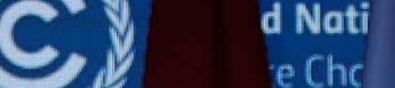
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"The hosting of COP27 in the green city of Sharm El-Sheikh this year marks the 30th anniversary of the adoption of the United Nations Framework Convention on Climate Change. In the thirty years since, the world has come a long way in the fight against climate change and its negative impacts on our planet; we are now able to better understand the science behind climate change, better assess its impacts, and better develop tools to address its causes and consequences."

H.E. President Abdel Fattah El-Sisi.







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The thematic days come as part of COP27's efforts to enable a broad interaction with various stakeholders where the voice of youth, women, civil society and indigenous people will be at the center of these discussions and an enabler to its influence. Among key focus areas will be the promise of innovation and clean technologies as well as the centrality of water and agriculture to the climate crisis. The role of science will also be highlighted in addition to biodiversity loss, energy transition, decarbonization efforts and finance."

The thematic days from November 9 to 17, respectively, were: Finance Day, Science Day, Youth and Future Generations Day, Decarbonization Day, Adaptation and Agriculture Day, Gender Day, Water Day, Civil society Day, Energy Day, Biodiversity Day, and Solutions Day.

The Ministry of International Cooperation's main contributions to COP27 have been the launch of the Sharm El-Sheikh Guidebook for Just Financing and the \$13.5 billion secured for Egypt's Country Program, Egypt's نُوَفِّي Country Platform for the Nexus of Water, Food and Energy and to the E—PACT, the Egypt Partnerships Agreements for the Climate Transition where 30 documents were signed including partnership agreements. letters of intent, memorandums of understanding and project implementation agreements; both detailed in section 1 of the report, as well as the global ClimaTech Run 2022, detailed in section 3.

Moreover, H.E. Dr. Rania A. Al-Mashat also participated in a variety of sessions and roundtables, as well as media appearances and bilateral meetings, aligning with the thematic days.



#### Ahead of Finance Day

Kick-starting activities at COP27, H.E. Dr. Rania A. Al-Mashat participated in a **Financial Times Live discussion titled "From Egypt to the World: Financing the Net-zero Transition**" with Mark Carney, the Co-Chair of GFANZ and UN Special Envoy for Climate Action; Noel Quinn, the Chief Executive Officer of HSBC; and moderated by the Financial Times Moderator Pilita Clark.



"To be able to close the finance gap, it is no longer public money. It is not only MDB money. It also requires private-sector engagement. If we look from Glasgow to Sharm El-Sheikh, what I find significant is how we can find innovative ways of filling the gap. The gap is not only big, but it is widening due to severe climate change." H.E. Dr. Rania A. Al-Mashat.

But what does each stakeholder need to do so that money is availed correctly? This includes transparency and good governance to secure blended finance, as well as ensuring private sector engagement through country platforms and constructive global dialogue.



"I give high praise for what Egypt is doing and for what the minister is leading. The difference is the JETP has limited bandwidth for some of the donor governments and MDBs, and they've gone to the highest emitters of emerging countries, such as Indonesia, South Africa, and Vietnam to help accelerate off-coal. But Egypt doesn't have coal, so it doesn't come into that. So, what Egypt did is say we're not going to wait, we're gonna act now." Mark Carney, the Co-Chair of GFANZ and UN Special Envoy for Climate Action.

What distinguishes Egypt's model from others is that it is country-owned, and it falls within the national country climate strategy that was endorsed by the political leadership. Carney added that Climate finance needs to be mainstreamed as every day finance for us to act on climate change



"What I agree with is helping existing companies that makeup today's economy change their business over the next 30 years, to lower their carbon footprint and to invest in new technologies. The engineering skills, project management skills, and financing capabilities do not exist in SPVs (special purpose vehicles), they are solely dedicated to green, and they exist in oil and gas companies, energy companies and in nations." Noel Quinn, the Chief Executive Officer of HSBC.









#### Accelerating Adaptation in Africa

Also ahead of Finance Day, H.E. Dr. Rania A. Al-Mashat gave closing remarks at the high-level panel discussion on "Accelerating Adaptation in Africa", a session moderated by the Global Center on Adaptation Dr. Patrick Verkooijen and the African Development Bank Group (AfDB) Dr. Akinwumi Adesina.

The session was held under the leadership of Senegal's President H.E. Macky Sall, France's President H.E. Emmanuel Macron, and the Netherlands Prime Minister H.E. Mark Rutte, as co-chairs. It also features remarks from the IMF's Director Kristalina Georgieva, the EBRD's President Odile Renaud-Basso, the World Trade Organization's Director Ngozi Okonjo-Iweala, France's Secrétaire d'État Chrysoula Zacharopoulou, and many other heads of state such as Ghana's President H.E. Nana Akufo-Addo and Gabon's President H.E. Ali Bongo Ondimba.

During the session, the UN's Secretary-General António Guterres said in his opening remarks that if we do not finance adaptation today, it is going to turn into loss and damage.

#### Among some H.E.'s key remarks:

- The NWFE Program is an integrated model for mobilizing climate finance that can be replicated in Africa and the world
- A call for an international response to mobilize \$25 billion for accelerating the adaptation efforts in Africa.
- Africa is one of the region's most vulnerable places to the impacts of climate change, which necessitates strengthening the collective efforts that must be undertaken to ensure that food and water security are strengthened.
- The NWFE Program stimulates Egypt's green transformation efforts by mobilizing development funding, technical support and private sector investment in priority projects in the water, food and energy sectors.

Among the many events that took place at Sharm El-Sheikh before finance day was also a ministerial roundtable with the Minister of Finance in Nigeria Zainab Shamsuna, Minister of Finance in Egypt Mohammed Maait, with the chair of the International Sustainability Standard Board IFRS Foundation, Emmanuel Faber.

This was also followed by the "Multi-stakeholders French-North African Support to Climate Action in the Mediterranean Region" in the French Pavilion with the French Minister of State for Development Chrysoula Zacharopoulou and President of the Region Provence Alpes Cotes d'Azur Renaud Muselier.

Moreover, H.E. participated in the Global Energy Alliance for People and Planet (GEAPP) "Powering People and Planet" event in the SDG 7 Pavilion with H.E. President Évariste Ndayishimiye, Burundi, H.E. President Lazarus Chakwera, Malawi, H.E. Prime Minister Jonas Gahr Støre, Norway, and H.E. President Julius Maada Bio, Sierra Leone

Additionally, H.E. also met with the President of Afreximbank Dr. Benedict Okey Oramah and his team and potential cooperation opportunities, and development in Africa.



#### Putting Egypt on the Map of Progress

The night before Finance Day, two key occurrences took place in the Egyptian pavilion at COP27:

- The launch of the Country Climate and Development Report (CCDR) by the World Bank, done in partnership with the Ministry of International Cooperation and Ministry of Environment.
- In the presence of our Prime Minister H.E. Dr. Mostafa Madbouly, we signed over 30 partnership and financial agreements worth close to \$10 billion, dedicated to the NWFE فَقْفي Program, Egypt's Country Platform for the Nexus of Water, Food and Energy and to the E-PACT, Egypt Partnerships Agreements for the Climate Transition.

More on both the CCDR and NWFE نُوفِّي Program are detailed in section 1.

#### On Finance Day

On Finance Day, we launched the "Sharm El-Sheikh Guidebook for Just Financing", as one of the main initiatives of Egypt's COP27 presidency in the presence of development partners, climate finance and international and regional finance institutions

The launch event was attended by Tony Blair, former British Prime Minister and Executive Chairman of the Institute for Global Change; Akinwumi A. Adesina, President of the African Development Bank (AfDB); Ambroise Fayolle, the Vice President of the European Investment Bank (EIB); Mark Carney, President of GFANZ and UN Special Envoy on Climate Action; Axel Van Trotsenburg, World Bank Managing Director of Operations; Khalida Bouzar, Assistant Secretary-General and Director of the United Nations Development Programme (UNDP) Regional Bureau for Arab States; Jay Collins, Vice President of CitiBank; Bo Li, the Deputy Managing Director of the International Monetary Fund (IMF); Mark Bowman, Vice President of Policy and Partnerships at the European Bank for Reconstruction and Development (EBRD); SEforALL, Rockefeller, and other representatives of the international community.

#### Among some of the key points:

- The Sharm El-Sheikh Guidebook for Just Financing is a result of a year-long production of intensive work with over 100 development partners, international finance institutions, the private sector and philanthropic organization to develop a joint plan of action to promote climate action.
- The guidebook aims to stimulate climate financing, strengthen multilateral cooperation efforts and international partnerships, and develop an international framework for innovative financing, in light of the challenges that lie ahead.
- The guidebook promotes the COP27 objectives in moving from pledges to implementation by emphasizing the need to facilitate access to equitable financing, and drive relevant parties to play their respective roles on the basis of shared and differentiated responsibility, to support developing countries in their efforts to transition to a green economy.

More on the Sharm El-Sheikh Guidebook for Just Financing is

#### **Navigating Climate Finance**

H.E. Dr. Rania A. Al-Mashat took part in several events, including the World Economic Forum's "The Last P of the Puzzle: Philanthropy as a Catalyst for Climate and Nature Action" where she highlighted the importance of multi-stakeholder engagement, especially when it comes to urgent climate action.

The Minister also spoke at the United Nations Conference on Trade and Development (UNCTAD) - World Trade Organization (WTO) "Leaders Roundtable on Global Investment and Trade for Climate Transformation" alongside WTO's Director-General Ngozi Okonjo-Iweala, where they discussed the role of trade and investment in supporting the just transition and climate transformation, as well as ways to contribute to mitigation and adaptation.

Moreover, at the OPEC Fund for International Development and Islamic Development Bank (IsDB) "Unlocking Financial Resources for Investments in Climate Change and Energy Transition", a financial package worth \$24 billion to finance the green transition was announced by the Arab Coordination Group. This was in a session with the Chairman of the IsDB Director Dr.Muhammad Al Jasser & OPEC Fund Director-General Dr Abdulhamid Alkhalifa, where Al-Mashat also discussed

Egypt's Country Platform for NWFE, in line with commitments to move from pledges to implementation.

This financial package for the green transformation by the Arab Coordination Group includes 10 national, regional and international institutions: Abu Dhabi Fund for Development (ADFD), Arab Bank for Economic Development in Africa (BADEA), Arab Fund for Economic and Social Development (AFESD), Arab Gulf Program for Development (AGFUND), the Arab Monetary Fund (AMF), Islamic Development Bank (IsDB), Kuwait Fund for Arab Economic Development (KFAED), OPEC Fund for International Development, Qatar Fund For Development (QFFD), and Saudi Fund for Development (SFD).

In another major event on that day, the Climate Investment Funds (CIF) hosted the "Force of Nature: Closing the Finance Gap for Nature-Based Solutions"; a high-level dialogue with governments heads, climate envoys and global experts focus on examining strategies to ramp up finance for nature-based solutions to the climate crisis.

This was attended by Al-Mashat, as well as the CEO of CIF Mafalda Duare; H.R.H. Prince Jaime de Bourbon de Parme, Climate Envoy of the Netherlands; Patrick Greenfield, Reporter from The Guardian and The Observer on Biodiversity and Environment; Zambia's Hon. Minister Collins Nzovu, Ministry of Green Economy and Environment; Italy's Ambassador Alessandro Modiano, Special Envoy for Climate; and AfDB's Martin Fregene, Director Agriculture and Agro-Industry.

The topic on hand was focused on mobilizing solutions to realize biodiversity, land restoration and climate targets using nature-based solutions.

The CIF states that: "According to the United Nations, annual nature investments from G20 nations alone need to increase by an additional \$165 billion per year—an increase of 140% from existing levels—to realize biodiversity, land restoration and climate targets by 2050."

Also coinciding with the COP27, the CIF announced the launch of its CIF's Nature, People, and Climate Initiative launched last June, in Egypt and a number of other emerging countries worth about \$500 million, provided by Italy, the United Kingdom and other countries, as part of the foundation's endeavor to promote environmentally friendly climate solutions and investment in green transformation in developing countries and emerging economies.



"We are thrilled to announce the first participating countries and regions in this new effort to invest in nature holistically, urgently, and at scale. At the Climate Investment Funds, we know few climate solutions are as effective, replicable, or cost-efficient as those we derive from nature itself. They prevent harmful emissions and safeguard communities from climate change impacts all at the same time. Together with partners, we are investing in the success of rural and Indigenous communities, sustainable supply chains, healthier coastlines, and climate-smarter food production. We need to turn the tide and this is an important step in that direction." CIF CEO Mafalda Duarte.

The Minister explained that the CIF initiative aims to address climate change and its consequences through environmentally friendly solutions, thereby contributing to adaptation and mitigation efforts, improve livelihoods and promote a just transition towards a green and sustainable transition.







"While changes in land use and land cover significantly worsen our climate crisis, climate change itself further stresses our natural systems. It accelerates land degradation and biodiversity loss, which has already declined 70% over the past 50 years." CIF.



#### On Youth & Future Generations Day

Putting youth at the core of all our work is the only way to build a future that is sustainable and inclusive.

#### The main aspect of the Ministry of International Cooperation's activities on Youth Day was the global ClimaTech Run competition.

Organized by Egypt's Ministry of International Cooperation, Ministry of Communications and Information Technology and Ministry of Environment, ClimaTech competition connects science and creativity around technology. Climate change is an important global threat that is often reduced to a checklist. ticked through an eco-friendly tagline or a disclaimer.

As a generation, we are blessed by the power of technology and the endless opportunities it brings to elevate our lives. Therefore, we have to collaborate together in building a global ecosystem that sparks inspiration and innovation in climate action.

The competition covered several climate-related sectors including: energy, food security and agriculture, water management, industry 4.0, urban sustainability, mobility and transportation, and the competition's selection criteria covered innovation, team and skills, feasibility, clarity, impact and investment.

More on the ClimaTech Run is detailed in section 3. a look into the opportunities in Egypt.

#### Youth Across Sectors

At COP27, the British Egyptian Business Association (BEBA) and Egyptian-British Chamber of Commerce (EBCC) hosted "The Road to Green Economy", where H.E. focused her remarks on the importance of engaging with youth in the business sector.

This was also followed by "Mobilizing the Private Sector for Climate action: MDBS Experiences", where H.E. expressed the role of each stakeholder in the climate agenda: multilateral development banks (MDBs), international financial institutions (IFIs), governments, private sector and philanthropic organizations.

#### The key messages in this session:

- Transitioning to net zero and resilient economies (Paris Aligned) requires large investments.
- Private sector financing is essential.
- MBDs work with developing countries on enabling markets and mobilizing private sector finance.
- Highlighting implementation of countries, MDBs and the private sector.

The speakers also included: Sir Danny Alexander, the Vice President for Policy and Strategy at the Asian Infrastructure Investment Bank (AIIB); Sherif El Kholy, partner and head of Middle East & North Africa at Actis; Soha El-Turky, the Vice President and Chief Financial Officer at the EBRD; Stefano Battiston, the Associate Professor in Sustainable Finance and Networks at the University of Zurich: James P. Scriven, the CFO of IDB Invest: Gertraud Wollansky Cochair SCF; and the EBRD moderator Maya Hennerkes.





#### On Water & Gender Day

COP27's Gender Day began with activities hosted by Egypt's National Council for Women (NCW) with the participation of both the President of NCW Dr. Mava Morsv. Minister of Environment H.E. Dr. Yasmine Fouad. Minister of Planning H.E. Dr. Hala El-Said, Dr. Ghada Waly and many other notable women in leadership positions.

On this day, we launched Egypt's African Women's Climate Adaptive Priorities initiative (AWCAP), working to promote gender-sensitive perspectives within adaptation, just transition and responses.

The Launch of the COP27 Presidency's African Women Initiative saw the participation of many, including Dr. Yasmine Fouad, Minister of Environment, Dr. Maya Morsy, President of Egypt's NCW, Dr Sima Bahous, Executive Director of UN Women, and Dr. Mahmoud Mohieldin, Executive Director at the International Monetary Fund.

The launch of CAP, African Women's Climate Adaptive Priorities in partnership with UN WOMEN addresses systematic inequalities and enables women's engagement in the transition

to a climate-safe future. The initiative brings capacity building, access to climate finance. STEM education and skills, and participation in policy planning, knowledge sharing, and implementation of adaptive agriculture, water management, and renewable energy.

Also within the activities hosted by the NCW, H.E. Dr. Rania A. Al-Mashat moderated a session on "Women and Climate Change Finance" on how climate finance should be used to empower women in taking gender-sensitive climate action.

This included the participation of Dr. Mahmoud Mohieldin, the UN Climate Change High-Level Champion and UN special envoy on 2030 Agenda financing UN: Anthony Nyong, Director from the African Development Bank (AfDB); Hindou Hindou Oumarou Ibrahim, Coordinator Association of Peul Women and Autochthonous Peoples of Chat (AFPAT): Barbara Rambousek. Gender and inclusion Director at EBRD; Jay Collins, Vice Chairman at CitiBank: Mafalda Duarte, the CIF CEO: and Amal Enan, Founder & Managing Director of Lotus Fund for Women & Sustainability Solutions in Egypt.



### Agriculture Day

The Minister also held two bilateral meetings with the **UNDP** Administrator Achim Steiner on Egypt's NWFE Program, the Presidential Initiative Havah Karima and South-South Cooperation. H.E.'s second bilateral meeting of the day was with Bezos Earth Fund's President and CEO Dr. Andrew Steer on public-private-philanthropic partnerships to move the climate agenda forward.

As part of the day's activities, the minister spoke at an International Fund for Agricultural Development (IFAD) session on the food pillar of Egypt's Country Platform for the NWFE نُوَفِّي Program.



#### With EBRD: Creating Transformational Opportunities

Under the leadership of Egypt, the EBRD, in partnership with the French Development Agency (AFD) and the African Development Bank (AfDB) brought together representatives of the private and public sectors as well as financial institutions to offer participants key insights on how to put forth a systemic approach to accelerate gender equality in climate action in a session on "Gender Equality and Climate Action Nexus: Creating Transformational Opportunities".

The event presented a new digital Gender Equality in Climate Action Accelerator which will aim to support private sector companies to improve gender responsiveness of their corporate climate governance. The Accelerator will also support governments to promote gender-sensitive climate sector policies, accelerating their green transition.

H.E. Dr. Rania A. Al-Mashat gave opening remarks, followed by remarks from AfDB's President Akinwumi Adesina, President of AFD Remy Rioux, and many other MDB representatives.

In line with our activities, The EBRD, the AfDB and the AFD, in partnership with the Government of Egypt, have launched the Gender Equality in Climate Action Accelerator.

#### More on this initiative is detailed in section 3, a look into the opportunities in Egypt.

Also on Water Day, H.E. Al-Mashat participated in the "Water Scarcity versus Sustainability: Achieving the Right Nexus on Water, Food and Energy", where the minister discussed the progress being made on the water pillar on the country platform for the NWFE program.

Water scarcity due to under-investment, climate change and population growth has drawn attention to the need for sustainable management of water. The private sector plays a part by building desalination plants, but these need renewable energy supplies. Reducing water losses, reusing water, incentivising the efficient use of water, and supporting digitalisation and innovation are also vital to making water systems more reliable.

This session also included H.E. M. Nizar Baraka, Minister of Water & Equipment, Morocco; Ayman Soliman, CEO, Sovereign Fund of Egypt; Amr Allam, Co-CEO Hassan Allam, Egypt; Reham El Beltagy, CFO, Orascom, Egypt; and Rami Ghandour, MD, Metito UAE.

#### Fueling the Energy Transition

Egypt's journey towards green hydrogen started a while back and is expanding to include partnerships with the private sector.

H.E. Al-Mashat participated in a panel discussion on "Fueling the Energy Transition" with a focus on renewable hydrogen and a carbon-free future, hosted by the European Union. This session included the European Commission Vice President Frans Timmermans, Commissioner for Energy Kadri Simson, Belgium's Energy Minister Tinne Van der Straeten, International Renewable Energy Agency (IRENA) Francesco La Camera; the African Union's Dr. Amani Abou-Zeid, and EBRD's President Odile Renaud-Basso.



#### Wrapping up at COP27

#### With Germany

After the successful launch of the Sharm El-Sheikh Guidebook, global ClimaTech Run Competition, and securing over \$10 billion for the NWFE المُوَفِّنِ Program, the Ministry of International Cooperation also held a bilateral meeting with H.E. Mrs. Svenja Sculze Federal Minister for Economic Cooperation and Development where we signed a total of 9 cooperation and financing agreements worth €160 million, including grants. This is in addition to the joint declaration on the energy pillar of NWFE that was announced last week and includes debt swaps.

The agreements entail cooperation with the Government of Germany, the German Agency for International Cooperation (GIZ), and the KfW Development Bank. More details on this cooperation are explained later in the section where Egypt's cooperation with Germany has seen a history of success including the Egyptian-Germany Debt swap program and our ongoing portfolio that makes up for €1.6 billion, all dedicated to development projects and investing in human capital.



#### With the UN

In H.E. Al-Mashat's bilateral discussion with the UN Special Adviser and Assistant Secretary-General for Climate Action, he added that the NWFE program also shows country ownership, collaboration and cooperation.

In their meeting at COP27, they also discussed the concept of just financing and how our recently launched "Sharm El-Sheikh Guidebook for Just Financing" provides the definition, the principles and recommendations that not only focus on the just transition through mitigation, but also through adaptation and with clear financing structures.



#### With the European Union

In line with the energy pillar of Egypt's Country Platform for the NWFE نُوفِّي Program, we held a Signing Ceremony of the "Mediterranean Hydrogen Partnership" and the letter of Intent for the EU Support.

H.E. signed the "Mediterranean Hydrogen Partnership" and the letter of Intent for "EU Support to the Energy Pillar of Egypt's NWFE program, reiterating our commitments for green and renewable energy and climate change.

The Mediterranean Hydrogen Partnership works to promote investments in renewable electricity generation, strengthening and extension of electricity grids, including trans-Mediterranean interconnectors, the production of renewables and low-carbon hydrogen, and the construction of storage, transport and distribution infrastructure.

Moreover, a secured amount worth €35 million was allocated to the EBRD from the European Commission's Economic and Investment Plan to the energy pillar of NWFE.

This took place with Dr. Mohamed Shaker, Minister of Electricity and Renewable

Energy; Eng. Tarek El Molla, Minister of Petroleum and Mineral Resources; the European Commission's Frans Timmermans and Kadri Simon; and EBRD's Managing Director for the Southern and Eastern Mediterranean (SEMED) Heike Harmgart.

More details on this cooperation are explained later in the section where Egypt's cooperation with the European Union is detailed.

**Chapter 2** 

**AHEAD OF COP27:** 

# THE EGYPT - INTERNATIONAL COOPERATION FORUM





AFRICAN MINISTERS
OF FINANCE, ECONOMY & ENVIRONMENT



## A MEETING FOR AFRICAN MINISTERS OF FINANCE, ECONOMY & ENVIRONMENT

13UM | 2012



"From pledges to implementation....
This is Egypt's focus. This is how we will move towards a green transition.
And this, in line with COP27 objectives, is our key discussion at our 2nd edition of the Egypt — International Cooperation Forum and Meeting for African Ministers of Finance, Economy & Environment."

H.E. Dr. Rania A. Al-Mashat.

Section 2

"(We) need to exert all efforts to support our African countries, empower them to benefit from their natural resources, and achieve economic development in accordance with efforts to combat climate change and protect the environment. This shall take place through a comprehensive approach that considers the national economic and developmental conditions of each country, especially that the African countries have already made great strides in this direction, given the vast areas of forests they have and capabilities to generate energy from the sun and wind. This is in addition to the possibility of producing gree in hydrogen, while taking into consideration that equitable transition must be tackled from a comprehensive perspective that is not only limited to the energy sector, but also includes various sectors, such as agriculture, industry, transportation and others." H.E. President Abdel Fattah El-Sisi, the President of the Arab Republicof Egypt.



#### Climate action was never on pause.

Sixty days before COP27, we held the second edition of the Egypt — International Cooperation Forum (Egypt—ICF), covering a variety of subjects in preparation for "Finance Day" with a special focus on Africa, including: mobilizing finance, mitigation and adaptation. and national actions from September 7 to 9 in the New Administrative Capital (NAC).

In the three-day forum ahead of COP27, global policymakers, ministers, development partners, the private sector, civil society, and academics will convene in Cairo, Egypt, ahead

of the COP27, to discuss a wide range of priority subjects including: climate action and the green transition, innovative and blended finance, food security, and South-South

of Foreign Affairs, Ministry of Finance, and Ministry of Environment with the co-convener United Nations Economic Commission for Africa (UNECA), and development partners:

#### The 2<sup>nd</sup> edition of the Egypt—ICF looked into:

#### Mobilization of Finance & Access to Finance

Climate financing is a key enabler for accelerating the climate agenda. Additional financial resources by the Paris Agreement. To that end, Egypt-ICF and the Meeting of African Ministers of Finance. Economy, and Environment will focus on innovative sector investments while ensuring equitable financial

#### Financing Mitigation & Adaptation

panels and workshops, the needs, resources and modalities to leverage the necessary public and

#### **National Actions**

With Climate Action being pushed to the forefront of the global development agenda, the Forum provides a timely platform to explore needed national actions that would help accelerate the just and green

#### Together for a Global Recovery, Green Transition & Sustainable Future

The 2nd edition of the Egypt-ICE and Meeting of the African Ministers of Finance. change agenda, and identify the necessary support to develop their updated nationally determined contributions (NDCs) before COP27.

The forum includes: 4 high-level roundtables focused on national initiatives with a global impact, **6 panels** covering a variety of topics on accelerating sustainability, **8 workshops** centered around climate action, and 3 training tracks presented as **2-day workshops** for knowledge building and sharing.

Together, we are working to accelerate our global progress on ensuring sufficient adaptation and mitigation, and to put into action the needed national sustainable development projects and commitments for the green transition.

#### Our Objectives:

- Engaging global leaders on financial and
- Providing a potential platform for a number of African countries to present their revised NDCs & announce long-
- Exploring innovative solutions for just access to finance and technology for the
- dialogue with all stakeholders.





#### **Opening Ceremony**

#### Accelerating Climate Action Through Multilateralism & International Cooperation

The second edition of the Egypt — ICF was attended by and held under the patronage of, H.E. President Abdel Fattah El-Sisi, the President of the Arab Republic of Egypt.

The President's participation and comments reflect our political leadership's commitment to ensuring multilateralism and international cooperation in addressing the world's most pressing issue: climate change and especially the challenges of the African continent.



"The NWFE نُوَفِّي Program, which is the Arabic translation of the phrase "Fulfilling Pledges" was developed on the back of the announcement of 2050 Country Climate Strategy, and the Nationally Determined Contributions (NDCs), and it incorporates a nexus of water, food and energy priority projects." H.E. Dr. Rania A. Al-Mashat.



"Climate resilience investment must become the new normal in strengthening the delivery of the SDGs. I welcome the NWFE Country Platform that is being presented by the Government of Egypt and its partners and I welcome the leadership of Minister Rania, who is mobilizing the international community to get behind the pipeline of programs and projects...The platform puts Egypt's 2050 National Country Climate Strategy in implementation mode for accelerating the transition to a climate resilient net zero future during this decade...The UN system stands ready to accompany Egypt and support the implementation of NWFE."

Deputy Secretary-General of the United Nations Amina J. Mohammed.



"Our discussion today comes in light of the challenging circumstances the world is going through and in the midst of rapid developments. Climate change represents the greatest challenge that requires the concerted efforts of the international community...We need now more than ever before to increase international cooperation across all levels."

Minister of Foreign Affairs H.E. Amb Sameh Shoukry.



"Egypt's Country Platform for the Nexus of Water, Food and Energy, which we strongly support, can make a major contribution in supporting the global goals. We are very proud in EBRD to be supporting the Egyptian government in implementing the energy pillar for the platform." EBRD President Odile Renaud-Basso.



"There are significant opportunities for Africa... I commend the Egyptian government for convening this important event, and for the spirit of this event - which is to deepen connections... so that countries across Africa can finance and develop resilient, clean and vibrant economies."



GFANZ Chair and UN Special Envoy on Climate Action and Finance, Mark Carney.

"In about 2 months, we will be in Sharm El-Sheikh under the auspices of the 27th session of the Conference of Parties to review progress on climate commitments made in the past, and to make more commitments."

Afreximbank President Benedict Oramah.



"It is particularly important that as we approach Sharm El-Sheikh in 60 days here in Egypt, often referred to as the mother of the world, this is therefore a place that can help bring us to our senses and to provide the energy we need to get this done."

United States Special Presidential Envoy for Climate John Kerry.







#### **ROUNDTABLE 1**

Egypt Country Platform for Nexus on Water, Food and Energy (NWFE نوفي) Program - The Energy Pillar

In line with the national priorities to advance the climate action agenda, the Ministry of International Cooperation discussed the launch of Egypt's Country Platform for the Nexus of Water, Food & Energy Program (NWFE - لِنُوَقِّ بِلَيْوَةً بِلَيْنَ , which is key to accelerating the transition towards a low-carbon, resilient and inclusive economy.

The Egypt — ICF's first roundtable will discuss the Energy Pillar of NWFE, and will feature Secretary John Kerry, the United States' Special Presidential Envoy for Climate and Mark Carney, the Co-Chair for the Glasgow Financial Alliance for Net Zero (GFANZ), as well as leading heads of international institutions. This session was also attended by H.E. Prime Minister Mostafa Madbouly on behalf of H.E. President Abdel Fattah El-Sisi.

#### This session looked into:

- Egypt's political commitment to addressing the interplay between climate and development through its green transition, with a particular focus on the Nexus of Water, Food and Energy.
- The features of the NWFE نُوَقِي program, with a particular focus on the energy pillar which is one of the key initiatives at COP27.
- A platform for development partners to participate in climate finance through their contributions to the energy pillar of the NWFE - نُوفِّــ program.
- The roadmap ahead of COP27.



"We, the United States, are very supportive of NWFE in principle, and this platform in particular, because it happens to be framed in a way that works effectively. But it is not an automatic transfer to everywhere and that is an important thing to think about when we look at models for public-private-philanthropic organizations together to reduce emissions." United States Special Presidential Envoy for Climate John Kerry.



"The climate crisis is a serious challenge globally, and Egypt has made good efforts in this area. We welcome the launch of the National Country Climate Strategy (NCCS2050) and the efforts towards its implementation. We at the EU are ready to support Egypt in this process wherever possible. The EU is Egypt's biggest trading partner, and we as the EU commission and as Team Europe with the 27 member states of the EU, will support Egypt in the deployment of clean energy, technology, and adaptation." Executive Vice-President of the European Commission Frans Timmermans.



"Institutions will look for projects at scale now and in the future... And an advantage of NWFE and the process we've gone through, is not just the 9 priority projects today but the pipeline to come, as well as the clarity and linkages that you develop. The credibility of this will encourage institutions to invest the time and money to understand the opportunities to become part of Egypt's transformation into a renewable energy superpower." GFANZ Chair and UN Special Envoy on Climate Action and Finance, Mark Carney.



"Egypt is really an energy superpower for the new world emerging from the green transition. That creates huge opportunities to shift away from reliance on gas and to open up new industries. This program will be transformative for Egypt and could be a template for many other countries with similar challenges and potential too." EBRD President Odile Renaud-Basso.



"In terms of the NWFE program, the most successful Foreign Direct Investment (FDI) programs have had a history of building on thematic nexuses, which is exactly what NWFE did: pulling together cohesive and consistent themes that are understandable by investors. Most importantly, NWFE takes a project approach." Vice Chairman of Citibank Jay Collins.



"We definitely need to deeply understand how to mobilize finance, and we are here to work with Egypt and countries across Africa to move this forward and to share experiences and develop the best policies possible." Deputy Secretary-General at the Organisation for Economic Cooperation and Development (OECD) Kerri-Ann Jones.

#### WORKSHOP 1

#### Innovation for Climate Action

The first workshop at the Egypt — ICF on "Innovation for Climate Action" highlighted the importance of innovation and technology in decreasing the costs of climate action, while also emphasizing the potential role of entrepreneurs in introducing new innovative technologies and bringing ideas into practice. The importance of bridging the gap between capital providers and entrepreneurs was emphasized accordingly, identifying the challenges and opportunities in the process of achieving such goals.

This session brought together national and international leaders from governments, multilateral and bilateral development organizations, private sector, and entrepreneurs to voice their input and share innovative technology solutions, promoting the development of more affordable technologies for climate action.

It focused on the power of innovation in influencing the climate agenda and shifting productive patterns to complement and enhance mitigation efforts.

The workshop witnessed the participation of high-level officials from governments, development partners and international institutions. The speakers of the workshop included Ines Rocha, Managing Director for Impact and Partnerships at EBRD, Daniel Annerose, CEO and founder of Manobi, a Senegalese business, Dr. Deger Saygin, Policy Analyst at OECD, Mostafa Ashraf, Founder and CEO of Taqatak Renewable Energy Solutions, Kathleen Kirsch, Engineering Officer and Climate Lead at USAID, and Kelvin Massingham, Representative of Climate Innovation for Adaptation and Resilience at CIFAR Alliance. The workshop was moderated by Oday Kamal, Head of Innovation and Consultant to the Country Director at WFP.

#### This session looked into:

- More affordable technologies, reflecting the importance of entrepreneurship in climate action.
- The role of innovation in reducing the cost of climate action.
- The significance of strengthening national systems of innovation and enhancing financing for climate research, development and demonstration.
- The barriers and opportunities for incentivizing entrepreneurship and innovation in the direction of climate action in developing countries.
- The role that incubators and accelerators can play in assisting entrepreneurs to develop innovative climate technologies

For her part, Ines Rocha, Managing Director for Impact and Partnerships at EBRD, stated that the European Bank of Reconstruction has a multi-million dollar plan to support small businesses, offering technical, financial, and capacity building support to create an ecosystem for entrepreneurs to thrive and grow.

Kathleen Kirsch, Engineering Officer and Climate Lead at USAID, said that USAID launched a program in Egypt to support engineering startups.

As for Mr. Kelvin Massingham, Representative of Climate Innovation for Adaptation and Resilience at CIFAR Alliance, stated that Africa is short-changed by funding, and that the Climate Innovation Alliance publishes data and research to inform funders of the situation in Africa and the required funding needs.

Moreover, Daniel Annerose, CEO and founder of Manobi, a Senegalese business, stated that his company's strategy is to make investment in the agricultural field attractive to financiers and provide solutions to reduce the impact of climate change and contribute to creating sustainable models.



"We are working with the government to develop 10 international biotechnology schools that include climate education in their curriculum, and we are working in cooperation with the private sector to develop technology teaching and provide job opportunities."

Kathleen Kirsch, Engineering Officer and Climate Lead at USAID.



#### **WORKSHOP 2**

#### Food Security & Agriculture in the Context of Climate Change

In the second workshop on "Food Security And Agriculture in The Context of Climate Change", panelists discussed financing and the implementation of solutions at scale in Africa. This session was also focused on the impact of climate change on food security and agriculture.

Africa's vulnerability to supply chain disruptions that impact on its food security has been laid bare both by the COVID-19 pandemic as well as the conflict in Europe. Investing in climate-smart African agriculture at its multiple levels of value and leveraging the African Continental Free Trade Area can help safeguard the continent's natural heritage and create sustainable value chains.

Workshop 2 included the participation of: H.E. Mohamed El-Quseir, Egypt's Minister of Agriculture; H.E Adam I. Aw Hirsi, Somalia's State Minister of Environment & Climate Change; Dr. Abdulhakim Elwaer, Assistant Director-General, FAO; Dr. Stanlake Samkange, Senior Director of Strategic Partnerships, WFP; Dr. Aly Abou Sabaa, Regional Director for Central and West Asia and North Africa, CGIAR; Vincent Castel, Regional sector manager for Agriculture and Agro-Industry in North Africa; Dr. Gainmore Zanamwe, Head of Intra African Trade Initiative at Afreximbank; Eng. Nasser Al-Thekair, General Manager of Trade & Business Development, ITFC; and Corinne Fleischer, Regional Director for the Middle East and North Africa, WFP.

In his speech, Minister of Agriculture and Land Reclamation, H.E. Mohamed El-Quseir, added that although agriculture is the least contributing sector to carbon emissions, it is the most affected by the climate change crisis.

The Regional Manager at the Agriculture and Agro-industry Department of the African Development Bank, Vincent Castel, stressed that the Bank focuses on technology transfer to Africa in cooperation with international organizations, where about 1.8 million farmers have benefited from the transfer of agricultural technology, including Sudan, which is expected to be able to achieve self-sufficiency in wheat during the next two years.

The ITFC General Manager of Trade and Business Development, Nasser Al Thekair, stressed that trade and food security are among the most important areas we focus on, citing the example of cooperation with UNIDO in Egypt to train small farmers to grow cotton in a sustainable manner, and also worked on researching the types and quantity of sustainable fertilizers for farmers in Senegal.

The workshop participants agreed on the importance of providing effective solutions to the challenges facing food security in the countries of the African continent, and the need to reach innovative financing mechanisms in order to spare the countries of the continent the risks of food insecurity, as 282 million citizens in Africa are already undernourished, according to the World Bank.

The discussion included concrete messages towards COP27, around strengthening the financing for adaptation solutions; mobilizing additional private and public resources for Africa; bringing Fragile and Conflict Affected States and vulnerable communities to the center. In line with COP27, the workshop highlighted implementation at scale of cost-effective solutions, as well as innovative finance mechanisms.

#### PANEL 1

#### From Pledges to Implementation: Translating Financial Commitments to Opportunities in Africa

#### A title that sums it all up!

In light of Egypt hosting COP27 this year, the presidency announced that its main objective is to move from pledges to implementation. This panel highlighted the role of the different stakeholders in translating financial commitments into implementable projects, capitalizing on the needed interplay between them, to promote an actionable climate agenda, whilst ensuring environmental sustainability as well as decent work, social inclusion, and poverty eradication.

The first high-level panel discussion saw speakers highlight the role of different stakeholders in translating financial commitments into implementable projects to promote an actionable climate agenda, whilst ensuring environmental sustainability as well as a green, inclusive and digital transformation.

It witnessed the participation of high-level officials from governments, development partners and international institutions. who are Rania Al Mashat, Egypt's Minister of International Cooperation, Mafalda Duarte, CEO of the Climate Investment Funds (CIF), Hiroshi Matano, Executive Vice President, and Multilateral Investment Guarantee Agency (MIGA), kerri-Ann Gones, Deputy-Secretary General at Organization for Economic Cooperation and Development (OECD), Mahmoud Mohie El Din, Executive Director for Arab States at the International Monetary Fund (IMF). Mark Carney. UN Special Envoy on Climate Action, and Hippolyte Fofack, Chief Economist at Afreximbank.

The speakers noted that providing climate finance and bridging the gap between what is needed and what is already available, will only happen through close cooperation between relevant parties from governments, multilateral development banks, the private sector, non-profit organizations, and civil society, based on what was agreed upon at the COP26 Glasgow Climate Summit.

Moreover, they emphasized the importance of developed countries fulfilling their pledges to provide \$100 billion for developing countries and to double adaptation-related finances.

The Climate Policy Initiative indicates that the estimated financing needed for Africa from 2020-2030 is about \$250 billion in order to enhance its efforts to transform into a green economy. The actual finance inflows at the present time amount to only about \$30 billion, which means that the continent is one of the least beneficiaries of climate finance with a share of 5.5%, compared to 75% of the flows going to East Asia and the Pacific, Western Europe and North America

Hiroshi Matano, Executive Vice President, and Multilateral Investment Guarantee Agency (MIGA), reviewed the MIGA provision of funds for climaterelated projects worth \$58.3 billion over the past two years, asserting the importance of strengthening all climate-related initiatives during the coming period to ensure an increase in climate finance.













Hiroshi Matano, Executive Vice President of MIGA.

On his side, Mahmoud Mohieldin, the UN Climate Change High-Level Champion for Egypt and the Executive Director for Arab States at the International Monetary Fund (IMF) mentioned that there are many ambitious development projects in Africa related to climate action, such as the project adopted by South Africa and the Egypt Country Platform for NWFE in Egypt.

Mafalda Duarte, CEO of the Climate Investment Funds (CIF), praised the national platform for green projects "NWFE" launched by the Egyptian government, describing it as a pioneering platform and one of the promising development projects that the Climate Investment Funds (CIF) is constantly working on financing.

"CIF has more than a decade of experience in dealing with financing development work through blended financing, and dealing with risks related to capital, and are cooperating with their partners from development banks and various international financial institutions, with a focus on financing development projects."

Mafalda Duarte, CEO of the Climate Investment Funds (CIF).

Kerri-Ann Gones, Deputy-Secretary General at the Organization for Economic Cooperation and Development (OECD), stated that Egypt ICF 2022 amplifies the African voice, asserting the importance of working much more closely, and in full partnership with African countries that are struggling.

She expressed that OECD is currently working on a new partnership with the African Union Mission.



"We have to realize that we will not progress quickly, but we will get faster with time. Three years ago, we would not have had such a dialogue, and what led to it was data sharing, openness and partnership, so today we are witnessing a critical moment." Kerri-Ann Gones, Deputy-Secretary General at the Organization for Economic Cooperation and Development (OECD).

Mark Carney, UN Special Envoy on Climate Action, said that alignment is very different in countries of Africa, whether you're in South Africa, Egypt, Senegal or elsewhere. The transition is multifaceted in Africa.

Carney asserted the importance of making funding available for climate projects in Africa, but more important than funding is creating value by promoting innovation-based investments and reducing emissions with specific plans for zero emissions, also expressing the readiness of the Glasgow Alliance to support the Egypt Country Platform for NWFE, as the coalition has already allocated \$130 trillion to finance climate action in developing countries and emerging markets.

From his part, Hippolyte Fofack, Chief Economist at Afreximbank asserted that Africa suffers from a major financial gap that appears when comparing what it achieves in gross domestic product and what it actually needs to finance development. He explained that African countries focus on low-cost green transformation, and have innovative financial tools such as green bonds, but they need to activate these tools optimally to make the most of them.

#### This session looked into:

- The current climate financing landscape and the gap between pledges and disbursed implemented projects.
- The relevant key players to address the climate financing gap, highlighting their roles in developing the necessary framework to ensure the implementation of pledges.
- Main challenges and opportunities for Governments, MDBs and nonstate actors such as philanthropies, and the private sector.

The same spirit that mobilized the international community to come together in the face of the pandemic, raises hopes that similar momentum could be created to accelerate climate action. To that end, this panel highlighted the role of the different stakeholders, capitalizing on the needed interplay between them, to translate financial commitments into implementable projects and promote an actionable climate agenda in Africa.



"To fight climate change, you cannot rely on the government alone, nor the private sector alone but it's an integration between the government, civil society and the private sector."

Minister of Environment, H.E. Dr. Yasmine Fouad.



"This awareness and convergence that we are witnessing shows that we are taking the right steps by adopting policies of adaptation, mitigation and resilience." Ghada Waly, the Executive Director of the United Nations Office on Drugs and Crime and Director-General of the United Nations Office at Vienna.



"What we are doing is trying to contribute to solving this problem, by providing more services and expanding climate finance not only in Europe. Looking at Africa, we have pumped 2.6 billion euros," sald Ambielle Tayolle, Vice Bestler, 1988.



AFRICAN MINISTERS







## PANEL 2

#### PANEL 2

#### African Countries Ownership in Determining Climate Agenda

Contributing to only 3.8% of the global greenhouse gas emissions, Africa is ranked as the least emitter amongst all continents, yet the most vulnerable to the impacts of climate change.

In the second panel, entitled "African Countries Ownership in Determining Climate Agenda" the Forum discussed the support that African countries need at the technical and financial levels in order to define their Nationally Determined Contributions (NDCs) to the Climate Action Agenda and to enhance the ability to effectively implement them.

Considering the notion of country ownership and motivated by the principles of common but differentiated responsibilities, this session served as a platform to elevate the voice of Africa on climate change.

#### There's several points to consider including:

- The availability of data and concrete investment plans
- The integration of climate action strategies and national development priorities
- The mobilization and access to finance
- Access to technolog
- Robust monitoring and reporting systems to track progress.

the mechanisms required to fulfill climate commitments, provide technical and financia support to African countries, and the role of multilateral and bilateral development partners in providing the necessary support to the countries of the continent in order to implement their nationally determined contribution, and to integrate it into long-term national development plans

The panel witnessed the participation of high-level officials from governments, development partners and international institutions, who are Egypt's Minister of Environment, Yasmine Fouad, Cameroon's

Minister of Finance, Planning and Regional Development, Alamine Ousmane Mey, Executive Director of UNODC and Director General of the UN Office at Vienna, Ms. Ghada Waly, Executive Secretary United Nations Framework Convention on Climate Change (UNFCCC), Mr. Simon Stiell, Vice President of the International Finance Corporation (IFC), Mr. Emmanuel Nyirikindal, Acting Vice President and Chief Economist, AfDB, Prof. Kevin Chika Urama, Vice President of the European Investment Bank (EIB), Ambroise Fayolle, and Director General at the Global Green Growth Institute (GGGI), Frank Rijsberman.

Considering the notion of country ownership and motivated by the principle of common but differentiated responsibilities, this session will serve as a platform to elevate the voice of Africa on climate change. The panel aims to highlight the technical and financial needs of African countries to develop and align their Nationally Determined Contributions (NDCs) with long-term national development and investment plans.

Minister of Environment, H.E. Dr. Yasmine Fouad began her speech with the National

Climate Change Strategy, clarifying that it consists of five elements. The first one is how can you adopt a low guardian pass which focuses on the sectors around renewable transport, gas, industry and waste. The second one is related to adaptation, tackling the best ways to adapt and protect coastal zones, and how accessibility and availability of water can be managed. The third is related to implementation, where Fouad emphasized the importance of changing the financial architecture at the national level.

Ghada Waly, the Executive Director of the United Nations Office on Drugs and Crime and Director-General of the United Nations Office at Vienna, said during the panel that the government's commitment is based on awareness, evidence and science to improve the standard of living, as poor countries suffer the most from those that have caused carbon emissions.

For his part, Urama stated that since the 1850s, countries have managed to transition away from coal, and used gas as a transition. "A major pillar of the Paris Climate Agreement, we found out that Africa needs \$1.6 trillion by 2020; but climate finance to date is about \$18.3 billion, on average," he added.







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#### PANEL 3

#### Reducing the Cost of Green Sustainable Borrowing

Kicking off the second day for Egypt — ICF, the third panel discusses "Reducing the Cost of Green/ Sustainable Borrowing", as to unlock the financing required, the cost of access to market-based sustainable finance needs to be lowered, and this green borrowing needs to be explicitly linked to climate resilience.

#### The panel explored:

- The current financing landscape for Africa to tap resources at the international capital markets through the issuance of sovereign bonds and in particular the potential of green and performance-linked bond issuance.
- Building a standardized platform to measure specific KPIs with the aim of moving from project-based financing decisions to KPI linked decisions.
- Capital contributions and concessionary financing from DFIs and donors, including a guarantee to de-risk green/ sustainable finance.
- Knowledge sharing and improving the understanding and capacity of eligible African countries in utilizing the Sustainability-linked sovereign debt hub.

Liquidity constraints remain some of the foremost barriers to allow African countries to invest towards climate resilience and the SDGs.

To unlock the financing required, the cost of access to market-based sustainable finance needs to be lowered, and this green borrowing needs to be explicitly linked to climate resilience. The panel considered a Sustainability-Linked Sovereign Debt Hub in process of being established to support the transformation of debt markets through the development of nature and climate-performance-linked sovereign debt. The hub intends to enhance resilience to emerging risks, reduce the cost of borrowing to sovereign debtors who make conscious investments that yield sustainable development outcomes, and establish innovations that allow sovereign debt markets to be suited to a world of external shocks.

The session also examined other tools for reducing the cost of green borrowing including, for example, the issuance of full or partial risk guarantees, first loss equity among other risk mitigation forms. Successful projects which have benefited from such tools should be showcased and used as a model for additional funding. The panel also considered the technical assistance requirements of African countries.

This discussion featured: Sherine FL Sharkawy, Assistant Minister of Finance for Economic Affairs in Egypt: Dr. Hanan Morsi, Deputy Executive Secretary and Chief Economist, UNECA: Dr. Masvita Crystallin, Indonesian Co-Chair Sherpa and Special Advisor to the Finance Minister, Coalition of Finance Ministers: Ethiopis Tafara, Vice President, Chief Risk, Legal and Sustainability Officer and Partnerships at World Bank Group - Multilateral Investment Guarantee Agency (MIGA): Justin Mundy. Strategic Adviser Capital, Science & Policy Practice at Willis Towers Watson and Distinguished Fellow, World Resources Institute: Jake Levine, Chief Climate Officer, DFC: Youssef Beshav, Senior Manager. Advisory and Capital Markets, Afreximbank; and Dr. Stephen Hammer, Advisor, Global Partnerships and Strategy, World Bank.

#### PANEL 4

#### Official Debt for Sustainable Investment

Following the impact of the COVID-19 pandemic and continued macro-economic instability linked to global events, 15 African countries are at risk of external and public debt distress, and 6 already facing debt distress. Despite these challenges. African countries have made significant strides to ensure the transparency of their operations on capital markets and also to provide reliable investment opportunities. As such official debt for sustainable investment swaps are primarily aimed as a tool to generate additional investment and liquidity for climate resilience, rather than a tool for restructuring. Channeling new financial resources into climate resilience can be achieved by addressing the high cost of some of the existing debt of African countries and refinancing it on more affordable terms, with key performance indicators.

The meeting explored performance-linked sovereign debt refinancing to channel investment that contributes to supporting ambitious action on climate and nature as well as other aspects of sustainability, given the urgent need to address food, energy, and water security and making sovereign debt markets responsive to climate change and nature restoration. Examples of debt swaps were considered, while opportunities to link debt restructuring and new financing in the blue economy were also examined in the context of Africa's Great Blue Wall Initiative.

The fourth panel highlighted Africa's capacities in debt management, challenges, and methods to enhance sustainable investment.

#### Aligning with COP27's climate goals, promoting sustainable investment requires:

- Budgetary Management
- Philanthropies' support
- Private sector's support
- Bilateral debt swap

Moderated by Mina Al Oraibi, Editor-in-Chief of The National, the speakers of the panel included H.E. Dr. Rania Al-Mashat. Minister of International Cooperation, Egypt, Sherine ElSharkawy, Deputy Minister of Finance for Economic Affairs at the Ministry of Finance, H.E. Flavien Joubert, Minister of Agriculture, Environment and Climate Change of Seychelles, Dr. Mahmoud Mohieldin, UN Climate Change High-Level for the Arab Republic of Egypt, Jav Collins. Vice Chairman Banking and Capital Markets Advisory, Citi, Thomas Sberna, Regional Head - Coastal and Ocean Resilience, IUCN. Jill Dauchy, CEO of Potomac Group, Slav Gatchev, Managing Director of Sustainable Debt at NatureVest.

Dr. Mahmoud Mohieldin, UN Climate Change High-Level for the Arab Republic of Egypt, pointed out that negotiating debt swaps in Africa should take place within specific frameworks to implement specific objectives, including alleviating debt burdens and contributing to governments' implementation of national goals.

Moreover, he referred to the importance of activating green and blue bonds to finance adaptation, with the need to develop and implement debt reduction strategies.

For his part, Flavien Joubert, Minister of Agriculture, Environment and Climate Change of Seychelles, highlighted his country has succeeded in activating blue bonds, which is a modern tool of debt instruments to implement projects in the water and ocean sector.

For his part, Thomas Sberna, Regional Head – Coastal and Ocean Resilience at IUCN, affirmed that the importance of creating a blue economy is no less important than the transition to a green economy, noting that marine life and oceans receive the weakest percentage of funding compared to the other sustainable development goals.







#### ROUNDTABLE 2

#### From Glasgow to Sharm El-Sheikh: A Guidebook for Just Financing

In light of Egypt hosting COP27 this year, the presidency announced that its main objective is to move from pledges to implementation. It is within this context that the "Sharm El-Sheikh Guidebook for Just Financing" aims to highlight the role of the different stakeholders, capitalizing on the needed interplay between them, to promote an actionable agenda for climate action that would be applicable to developing and emerging economies at large.

This workshop presented the preliminary findings of the Guidebook and spurred discussions around the key policy recommendations for climate action.

This roundtable discussion featured many speakers including: Egypt's Minister of International Cooperation, H.E. Dr. Rania A. Al-Mashat; Tony Blair, Executive Chairman, Tony Blair Institute for Global Change; Kevin Kariuki, Vice President for power, Energy, Climate and Green Growth, AfDB; Jay Collins, Vice Chairman, Banking and Capital Markets Advisory, CitiBank; Nili Gilbert, Board Member and Chair of Investment Committee, David Rockefeller Fund; Emmanuel Nyirinkindi, Vice-President of Cross-Cutting Solutions, IFC; Dina Saleh, Regional Director of the Near East, North Africa and Europe Division (NEN) in IFAD; Heba Handoussa, Founder and Managing Director of the Egypt Network for Integrated Development (ENID); Elena Panova, UN Resident Coordinator; and many others.

This timely initiative goes beyond pledges into fostering inclusive partnerships towards a climate resilient future. It aims to outline the key role of each stakeholder in translating financial commitments into implementable projects and to capture opportunities to leverage and catalyze needed finance and investments to support the climate agenda. 2022 was, thus, a critical year – to lay the foundation for a more robust climate finance architecture that is mobilized from all sources through stronger coordinated efforts to be consciously directed towards the countries that face the highest risks.

#### The roundtable discussion on the Sharm El-Sheikh Guidebook for Just Financing looked into:

- The preliminary findings of the Sharm El-Sheikh Guidebook for Just Financing.
- A constructive dialogue with stakeholders and participants around the main themes of the guidebook.
- Feedback from stakeholders to further enhance provisions of interlinkages between various stakeholders for Just Financing.
- Current international successful initiatives utilizing various tools for innovative climate financing.



"This guidebook translates commitments into implementable projects and captures opportunities to leverage and catalyze finances to support the climate agenda...This session focused on what every stakeholder needs to do for us to translate commitment into implementable projects, also capturing opportunities to leverage and catalyze needed finance to support the climate agenda." H.E. Dr. Rania A.Al-Mashat.

Meanwhile, Tony Blair, President of the Tony Blair Institute for Global Change, said that the Sharm El-Sheikh Guidebook for Just Financing is a practical tool that identifies the challenges caused by climate change and provides pathways for development actors to leverage public and private sector finances.



"The Guidebook for Just Financing is an attempt to learn the lessons of what has happened so far, and to set out some principles, obligations and rights to move

**forward."** Tony Blair, former British Prime Minister and Executive Chairman of the Institute for Global Change.

He also highlighted the impressive story of the Benban Solar Power Plant, which is the largest in Africa and the fourth biggest globally, adding that such a project serves as an example for other countries to achieve the SDGs and climate action simultaneously.

For his part, Vice Chairman for Banking and Capital Markets at Citi Bank underscored the importance of public-private partnerships in accelerating investment for climate action, adding that climate-related projects need to be supported with specific tools.



"The guidebook talks about the challenges of complex public partnerships and what we can do to improve mechanisms." Jay Collins, Vice Chairman, Banking and Capital Markets Advisory at CitiBank.







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"The more climate-vulnerable you are, the less climate finance you get so even if we increase climate finance and get the \$100 billion, a lot of countries in Africa struggle to access climate finance." Kevin Kariuki, Vice President for power, Energy, Climate and Green Growth at the African Development Bank (AfDB).



"The example of Egypt leading the way with this exercise and this initiative is already showing how strong governments and leadership is important." Dr. Dina Saleh, Regional Director of the Near East, North Africa and Europe Division (NEN) in IFAD.



"The guidebook is providing the starting point to disseminate what are the issues and what can be done to go towards a greener agenda." Cheick-Oumar Sylla, IFC Regional Director for North Africa.



"It is interesting to think how philanthropy is beginning to play a role in financing new green development and economic opportunities." Nill Gilbert, Vice Chairwoman at Carbon Direct.



"We have to think what the hurdles are to have more projects sooner so we can have more climate finance. When we think of that on a small scale for SMEs, we need to think about how that can be done for the smallest businesses as well as the big ones." Nancy Saich, Chief Climate Expert at at EIB.



"Instead of focusing on large numbers and pledges, we should focus on the actual development of projects on the ground level." Erik Becker, Senior Manager Infrastructure North Africa at the IFC.



"We have to try and link together lending for climate change issues together with lending and spending by the big businesses working in Africa." Dr. Heba Handoussa, Economics Professor & Founder of the ENID.



"The guidebook does a fantastic job of indicating who the key stakeholders are. And much of what we like to see is how these stakeholders can work collectively and in a more aggregated, compelling, and joined up fashion." Dharshan Wignarajah, Climate Policy Initiative Director.



"As a UN system, we believe the guidebook will contribute to access to finance." Elena Panova, UN Resident Coordinator.



"Governments need to allocate more funds to create the right risk returns for private investors to shift out of developed countries and into developing countries."

Christopher Clubb, Managing Director of Convergence.

#### ROUNDTABLE 3

#### COP27 Presidency - Philanthropy Roundtable

The COP27 Presidency, the United Nations Climate Change High-Level Champions, and the Climate Emergency Collaboration Group (CECG), partnered to facilitate a dialogue between philanthropic organizations and governments.

Featuring a dedicated discussion to headline presidential initiatives, where enhanced philanthropic support is needed, this aimed to cultivate an action-oriented space for open and collaborative conversations between philanthropic contributors and the COP27 Presidency to help build greater philanthropic collaboration around the multilateral climate agenda and collectively deliver impact in the run up to COP27 and beyond.

#### Session Key Outcomes:

- Key philanthropic actors convened to understand the COP27 Presidency's strategic priorities.
- A clearer view was established on how philanthropy can provide maximum impact in support of COP27 Presidency priorities and initiatives ahead of COP27, and alignment behind the specific funding opportunities needed to get us there.
- Philanthropies exchanged ideas and built aligned strategies around possible scaling of strategic philanthropic investments for Africa, offering a space for funder-to-funder networking with critical regional voices and potential new partnerships.
- Establishing a dialogue with the United Nations Climate Change High Level Champions on the role for philanthropies in elevating and mobilizing climate finance.

#### **Session Key Discussion Points:**

- Food and Agriculture for Sustainable Transformation (FAST), focused on implementing concrete actions in these sectors by enabling access to finance, knowledge and capacity, and policy support and dialogue.
- Global Waste Initiative '50 by 2050', an ambition targeting the recycling of 50% of the waste produced in Africa.
- Africa Just & Equitable Energy Initiative (AJEEEI) aiming to provide access to affordable energy for at least 300 million Africans by 2027.
- 'Decent Life Initiative for a Climate Resilient Africa' to ensure better livelihoods and a decent life by 2030 for the African continent.
- Sharm El-Sheikh Guidebook for Just Financing that incorporates the pillars of the international framework for adopting innovative climate financing.









#### WORKSHOP 3

#### Sustainable Budgeting Approach to Climate Finance

The adoption of green fiscal policies and macro-prudential regulation and climate-related stress testing can help African countries to be better prepared to face climate change.

This discussion shed light on the vital role of effective fiscal policies in accelerating economic development while furthering environmental and social objectives.

The adoption of green fiscal policies and macro-prudential regulation and climate-related stress testing can help African countries to be better prepared to face climate change. The third workshop on "Sustainable Budgeting Approach to Climate Finance" shall shed light on the vital role of effective fiscal policies in accelerating economic development while furthering environmental and social objectives.

This session included: the Republic of Cabo Verde's Secretary of State for Finance, H.F. Alcindo Mota: Uganda's Minister of Finance and Planning, Hon, Amos Lugoloobi: Sierra Leone's Minister of Finance, Hon. Dennis K. Vandi; Kenya's Treasury Secretary, Hon. Amb. Ukur Yatani Kanacho; Director of the Center for Tax Policy and Administration at the OECD, Mr. Pascal Saint-Amans: EBRD's Managing Director for the Southern and Eastern Mediterranean (SEMED) region, Dr. Heike Harmgart; Lead Researcher at the University of Oxford, Brian O-Callaghan; UNEP's Deputy Director of the Economy Division, Dr. Steven Stone: Finnish Special Representative of Coalition of Finance Ministers for Climate Action, Pekka Moren; and moderated by Dr. Hanan Morsy, Deputy Executive Secretary at UNECA.

#### The workshop looked into:

- Understanding of the nature and value of the Sustainable Budgeting Approach and how the approach could help countries align public finance with climate finance targets.
- Awareness on how stronger and more resilient public finance foundations can help mobilize and scale up private sector finance in support of net-zero economic development and more ambitious climate change objectives.
- A coalition of Governments interested in exploring opportunities for using the Sustainable Budgeting Approach, for instance, to identify green fiscal policies that also support the development and to potentially gain more financing from DFIs.
- Establishing a group of partners interested to meet further on elevating Sustainable Budgeting approaches at COP27.

#### WORKSHOP 4

#### A Green Economy-Ready Labor Market

The fourth workshop on "A Green Economy-Ready Labor Market" aims to discuss the way forward for development cooperation, in the presence of governments, development partners and the private sector to ensure the workforce receives adequate training and education to match the required skills necessary to cope with the green transition.

The core objective of this session discussed a comprehensive policy framework to ensure the labor market is ready for the green transition while taking into consideration the current context of developing and emerging economies and the developmental challenges they encounter. The workshop brought together governments, multilateral and bilateral partners, commercial and investment banks, private sector, philanthropies, civil society, and think tanks to emphasize the importance of adopting actionable policies to accelerate the transition process while minimizing negative economic and social impacts.

#### The session explored the importance of achieving a just and inclusive green transition for a more sustainable future, exploring:

- The core challenges in equipping needed skills for a just and green transition.
- Mainstream employment and skills development policies in economic policies and sustainable development strategies towards a green economy.
- The role of governments, development partners and the private sector in promoting a green-ready labor market, and discussing potential partnerships.

The session included H.E. Barbara Creecy, Minister of Environment, Forestry and Fisheries, South Africa; Amb. Ahmed Abdel-Latif, Director General of the Cairo International Center for Conflict Resolution, Peacekeeping and Peacebuilding (CCCPA); Amy E. Pope, Deputy Director General for Management and Reform, IOM; Guy Rider, Director General, ILO; Estherine Lisinge-Fotabong, Director, Programme Innovation and Planning, AUDA- NEPAD; Barbara Ramboussek, Director, Gender and Economic Inclusion, EBRD; moderated by Lubna Bouza, Head of Business News and Presenter, Sky News Arabia TV.

During the workshop, Minister of Environmental Affairs in South Africa, Barbara Creecy, said that South Africa noted that there are a number of industries that are at risk as a result of the green transformation, particularly the cement and automobile industry. She underscored that workers most affected by the green transformation should be provided with a fair share of benefits in order to design an equitable and inclusive economy.

Meanwhile, Barbara Rambousek, Director of Gender and Economic Inclusion at EBRD, said that the Egypt Country Platform for NWFE (Nexus of Food, Water and Energy) provides a model for other countries in supporting industries that require upskilling and green job opportunities, helping workers to adapt to the changes happening in the labor market.

For her part, International Organization for Migration (IOM)'s Deputy Director General for Management and Reform, Amy Pope, called for action on reskilling and upskilling by investing in workforce training and national training programs.



"There must be a comprehensive strategy that develops solutions for all communities affected by the green transition." International Organization for Migration (IOM)'s Deputy Director General for Management and Reform, Amy Pope.



#### **WORKSHOP 5:**

#### Development of Regional Value Chains Under the AfCFTA as a Climate Resilience Initiative

The choices the continent makes now about its future will be critical in ensuring that it can grow fast without harming the planet. Is that indeed possible? This is one of the key questions posed in today's Workshop on "Development of Regional Value Chains Under the AFCFTA as a Climate Resilience Initiative"

The fifth workshop aims to explore how to leverage the continent's competitiveness through the utilization of current capacities to produce in-house green goods and services and to develop sustainable value chains within the AfCFTA context. It brings together government officials, development partners and private sector representatives, to share their experiences in promoting localization of production, highlight potential solutions to address the varying trade mix, and the way forward.

#### This workshop looked into:

- Africa's current emissions contributions in the context of existing trade patterns and examine how expanding intra-African trade under the AfCFTA can help reduce global emissions.
- The industrialization and climate change impact of exporting commodities to third parties for processing and re-importing them into the continent as processed goods.
- The potential sector/business opportunities. and regional value chains, emanating from the AfCFTA that would collectively be pursued and which would reduce global emissions.
- The policy environment that is required for stakeholders, including governments, businesses, international organizations. development finance institutions, and investors, to implement balanced and equitable adaptive strategies in supporting

Africa's contribution to reducing global emissions.

- Strategies to mobilize green financing on the continent: investable pipeline, green financing instruments with different risk and return profiles; verification system for GHG emissions to give financiers confidence that their investments are delivering expected carbon savings.
- Areas of collaboration and mutual action by national and international trade organizations to promote climate-friendly trade and investment strategies, including compensatory mechanisms to promote African Industries for loss and damage.
- Avenues for sharing global Intellectual Property for the development of Climate Solutions and aiding the sustainable creation of economic value in Africa.

The workshop was attended by Yahva Al-Wathig Billah, Head of the Commercial Representation Authority at the Ministry of Commerce and Industry on behalf of His Excellency Dr. Ahmed Samir Saleh, Minister of Trade and Industry of the Arab Republic of Egypt, His Excellency Alamine Ousmane Mey Minister of Economy, Planning and Regional Development of the State of Cameroon, and His Excellency Eng. Hani Salem Sonbol, CEO of the International Islamic Trade Finance Corporation (ITFC) and the Acting CEO of the Islamic Corporation for the Development of the Private Sector (ICD), His Excellency Eng. Nasser Al-Thekair, Director General of Trade and Business Development Department at the International Islamic Trade Finance Corporation, His Excellency Dr. Hippolyte Fofack, Chief Economist at Afreximbank, Lionel Abel, Director of Neighborhood Operations at the Investment Bank of the European Union, Sameh Shenouda, Executive Director and Director of Investments at Africa Finance

Corporation, Dr. Gainmore Zanamwe, Chair of the African Environmental Trade Initiative at Afreximbank, and Themba Kumalo, Principal Adviser for Industrial Development at the AfCFTA Secretariat.

During his speech, Eng. Hani Salem Sonbol, CEO of the International Islamic Trade Finance Corporation, underscored that the Corporation is strengthening its regional projects through the Arab-African Trade Bridges Program and through the African Continental Free Trade Area Agreement in order to define financing targets and climate-smart interventions in the continent of Africa.

He added that the Corporation is working strenuously with its partners to foster fruitful conversations on regional integration initiatives to develop regional value chains and adapt to climate change in order to build climate-smart strategies that contribute to the development of the African continent.

For his part, Director of Research and International Cooperation at African Export-Import Bank (Afreximbank), Hippolyte Fofack, said that the bank has been working closely with the African Development Bank and the International Islamic Trade Finance Corporation (ITFC) for nearly 9 years to support and promote development in Africa and address climate change.

He pointed out the importance of reducing emissions in global trade, as about 655 million tons of emissions come from the United States, adding that more effort needs to be done to restructure global trade and put an end to shipping raw materials from Africa.

#### WORKSHOP 6

#### **Private Sector Engagement in Climate Adaptation Projects**

The role, opportunities, projects, and challenges of the private investment in adaptation financing were the key points posed in the Workshop on "Private Sector Engagement in Climate Adaptation Projects".

This workshop explored ways of attracting and mobilizing more funds from the private sector, especially in the fields of wastewater management, desalination plants, as main areas of the climate adaptation process.

It also provided an opportunity to identify and explore the funding needs, financing models. and bankable opportunities to mobilize private During the workshop, H.E. Dr. Hani Sewilam, sector investments in climate adaptation projects, and showcased successful practices using different delivery methods in developing and emerging economies.

#### The panel looked into:

- The role of private investment in adaptation financing.
- Different opportunities to incentivize private investment in adaptation.
- Different adaptation projects in the water sector and their means of financing.
- Key challenges and barriers to private sector engagement in adaptation projects. Successful examples of wastewater and

This included: H.E. Dr. Hani Sewilam, Minister of Water Resources and Irrigation: Marina Wes. Country Director of Fgypt. World Bank: Dr. Dina Saleh, Regional Director of the Near East, North Africa and Europe Division (NEN) in IFAD; Stephen Priestley, Managing Director, Financial Services Group, British International Investment: Dr. Dalia Abdel Kader, Chief Sustainability Officer, CIB; Eng. Hassan Allam, CEO. Hassan Allam: Jennifer Sara. Global Director for the World Bank Group's Climate Change Global Practice, WBG; Pekka Moren, Finnish Special Representative of Coalition of Finance Ministers for Climate Action: Jahan-7eb Chowdhury, Cluster Lead, Environment and Climate. IFAD.

Minister of Water Resources and Irrigation underscored that there are a lot of promising opportunities in water desalination. He added that technological developments in the water desalination sector are happening at a rapid pace to meet water demand, which requires significant investment in capacity building and upskilling local engineers.

To keep pace with these technological developments, the regional director of the World Bank for Egypt, Yemen and Djibouti, Marina Wes, emphasized the role the private sector can play in financing projects related to adaptation.

This is exemplified by the Egypt Country Platform for NWFE (Nexus of Food, Water and Energy), which allows Egypt to upscale the capacity to mobilize climate finance through bundling outcomes into feasible and investable projects across the region. Wes added that the World Bank is deepening its cooperation with Egypt in a diverse number of projects, and that the Bank will provide further support work to finance the (NWFE) program under the water pillar.

On her side, Becca Morin, Special Representative of the Coalition of Finance Ministers for Climate Action, emphasized that adaptation projects are profitable projects and provide promising investment opportunities. However, she underscored that financing for adaptation projects requires strong policies that attract financing and investment, which come about through transparency, good management, and project planning.

From the perspective of the private sector, Chief Sustainability Officer of Commercial International Bank (CIB) Dalia Abdel Oader. said that enhancing the private sector's participation in financing climate change adaptation projects requires an understanding of the sector's interest in making profits.

This implies that governments need to market adaptation projects as more profitable, and showcase the opportunities that can be catalyzed upon in order to encourage the private sector to participate.









## DAY 3

#### PANEL 5

On The Road to COP27: Pre-Finance Day Innovative Climate Finance & Access

The fifth panel on "The Road to COP27: Pre-Finance Day - Innovative Climate Finance & Access" looked into:

- Emphasizing the importance of using innovative climate financing mechanisms and instruments to be able to implement pledges.
- Exploring different innovative financing tools and their applicability to developing countries.
- Assessing the need to balance climate financing towards mitigation and adaptation projects, based on the context of each country/region.
- Sharing the knowledge and expertise among the participating stakeholders on the successful practices of applying innovative climate finance instruments/ mechanisms.

Tackling climate change requires going beyond traditional financing approaches and sources to meet the challenge at scale: at a global and grassroots level. In this context, the main objective of the panel was to exchange insights about innovative mechanisms and instruments to provide suitable financing for projects related to climate change adaptation and mitigation.

Innovative financing models aim to unify the efforts of all the relevant stakeholders such as Governments, the private sector and civil society organizations, and philanthropies among others. Therefore, blended finance and debt swap agreements to implement green projects are among the key tools for innovative climate financing.

The discussion focused on how to create enabling environments, and incentives to confidently invest in emerging economies in order to contribute to de-risking private investments in climate action.

The session included the participation of HM. Queen Máxima of the Netherlands, United Nations Secretary-General's Special Advocate for Inclusive Finance for Development, UNSGSA; Egypt's Minister of International Cooperation, H.E. Dr. Rania A. Al-Mashat; the UN Climate Change High-Level Champion Dr. Mahmoud Mohieldin; Dr. Khalida Bouzar, UN Assistant Secretary General, UNDP Assistant Administrator and Director of the UNDP Regional Bureau for Arab States; Mafalda Duarte, CEO of Climate Investment Funds (CIF); Dr. Erik Berglof, Chief Economist, Asian Infrastructure Investment Bank (AIIB); James Zhan, Senior Director of of Investment and Enterprise at UNCTAD; Oluranti Doherty, Director Export Development at Afreximbank; moderated by CNN's Eleni Geikos, Anchor and Correspondent.

In a recorded message, Secretary-General of the Organization for Economic Co-operation and Development (OECD), Mathias Cormann, stated Africa can steer the world's transition towards Net Zero, noting that 12 countries in Africa represent over 40% of total emissions from the continent. According to the OECD's latest analysis, climate finance from developed to developing countries reached only \$3.3 billion in 2020, which is still short of the \$100 billion goal. Between 2016 and 2020, African countries received an average of 26% of climate finance goals, he noted.



"We will continue to advocate for greater ambition and implementation, provide transparency on climate finance, and promote the policy reforms needed to align finance with net zero climate resilient goals. For example, we are working with the Egyptian presidency and other partners on the Sharm El-Sheikh Guidebook for Just Financing to identify opportunities to cover the needed finance for the Net Zero transition." Secretary-General of the Organization for Economic Co-operation and Development (OECD), Mathias Cormann.

Mafalda Duarte, CEO of the Climate Investment Funds (CIF), noted that the developed countries pay an average interest of 1% on their debts, while developing countries pay an average of 3%, and in Africa a large number of countries pay 8%.



"However, most of the credit rating downgrades have taken place in Africa," she said. "Therefore, Africa is paying a risk premium, despite the improvement in economic growth prospects, which is why Egypt's mission at the COP27 climate summit is to identify the financing challenges while we seek to accelerate the implementation of projects." Mafalda Duarte, CEO of the Climate Investment Funds (CIF).

On her side, Oluranti Doherty, Director of Export Development at African Export-Import Bank (Afreximbank), stated that Afreximbank is willing to tackle the issue of bankable projects, with a special focus on renewable and sustainable projects. "We just need to take the first step and start investment in de-risking projects," she affirmed.

Meanwhile, Hiroshi Matano, Executive Vice President, and Multilateral Investment Guarantee Agency (MIGA), stated that the sustainability of finance over the past two years boomed significantly. Last year, it increased by 63% and reached \$5.2 trillion, which consists of \$2.7 trillion of private equity funds, \$1.5 trillion for green bonds, and \$400 billion of social bonds.

For his part, Asian Infrastructure Investment Bank (AIIB)'s chief economist Erik Berglof, stated that there should be more discussions around the availability and access to technology, not just finance, because green transformation is essentially about making sure that all the new technologies are available for developing economies.



#### PANEL 6

#### Investing in Sustainable Infrastructure For A Just Transition

The sixth panel on "Investing in Sustainable Infrastructure For A Just Transition" brought together African policymakers and international infrastructure practitioners to discuss how multilateral stakeholder engagement can leverage improved project planning and preparation to build robust pipelines of sustainable infrastructure projects at the scale and pace required to meet the continent's development needs, alongside global climate objectives.

In the face of rapid demographic growth and acute development challenges, meeting Africa's infrastructure needs is more urgent than ever. Investing in sustainable infrastructure can help deliver a just transition that promotes inclusive growth, better access to services and well-being, while also building community resilience and ensuring that the costs and benefits of the low-carbon transition are shared evenly across and within societies. Yet, existing national planning frameworks and infrastructure business models have not produced sufficient volumes of ready-to-go bankable projects capable of attracting the required investment to meet Africa's development needs.

This session included: Solomon Quaynor, Vice President for the Private Sector, Infrastructure and Industrialization Complex at the AfDB; Ayumi Yuasa, Deputy Director of OECD Development Centre; Nigel Topping, High-Level Champion of United Kingdom; Hanan Morsi, Deputy Executive Secretary and Chief Economist, UNECA; Dr. Amal-Lee Amine, Managing Director and Head of Climate Change, British International Investment; Nardos Bekele-Thomas, CEO African Union Development Agency (AUDA), New Partnership for Africa's Development (NEPAD); co-moderated by Hon. Bogolo J. Kenewendo, Africa Director and Special Advisor, UN Climate Change High-Level Champions; and Jean-Paul Adam, Director, Technology, Climate Change and Natural Resource Management Division UNECA.

During this panel, Vice-President for Private Sector, Infrastructure and Industrialization at the AfDB, Solomon Quaynor, said that the infrastructure in Africa suffers from a financing gap that ranges between \$60 billion and \$210 billion.

Meanwhile, Hanan Morsi, Deputy Executive Secretary and Chief Economist at the United Nations Economic Commission for Africa (UNECA), stated that it is important to harmonize the investment and regulatory framework to enable Africa to attract a variety of investments.





"The continent is suffering the most in terms of loss and damages. On an annual basis, countries suffer from loss and damages, with losses that are up to 2 to 5% of GDP." Hanan Morsi, Deputy Executive Secretary and Chief Economist at the United Nations Economic Commission for Africa (UNECA).

#### This panel looked into:

- The primary obstacles to unleashing robust pipelines of sustainable lowcarbon infrastructure projects in Africa.
- How international cooperation and multilateral stakeholder engagement can strengthen project planning and preparation facilities and enhance capacity to integrate national and continental infrastructure plans with sustainable development strategies and NDCs.
- The role of infrastructure quality standards, such as the G20 QII Principles and PQL, in meeting Africa's infrastructure needs and ensuring alignment with the continent's social, environmental, development and climate objectives.
- The launched pipeline of sustainable low-carbon projects in Africa including infrastructure projects.

#### ROUNDTABLE 4

#### Egypt's Country Platform for Nexus on Water, Food and Energy

#### The Water & Food Pillars

Following the first roundtable on Egypt's Country Platform for the Nexus of Water, Food & Energy Program (NWFE - لُنُوَفِّي)'s Energy Piller on day 1 of Egypt — ICF, roundtable 4 will be a high-level consultation session organized by the Ministry of International Cooperation, the African Development Bank, and the International Fund for Agricultural Development to discuss the Water and Food Pillars of NWFE Program.

#### Roundtable 4 on NWFE's Water and Food Pillars looked into:

- The features and benefits of the NWFE Programme at large, and its Water and Food Pillars specifically, which will be presented at COP27.
- Egypt's strong political commitment to address global climate challenges in the context of a water, food, and energy nexus and to accelerate its green transition.
- A forum for development partners to set out their vision of climate finance and their support for the NWFE-water and food Pillars.
- A roadmap on key milestones to COP27.

In her opening speech H.E. Dr Rania A. Al-Mashat, stated that the Egypt Country Platform for NWFE catalyzes partnerships through the Energy-Food-Water Nexus, and adopting interdisciplinary solutions that can have cross-sectoral benefits.





"The key message of NWFE is availing the support needed for African countries to pursue their own development agenda regarding adaptation and mitigation projects, while fostering linkages between all of the Sustainable Development Goals (SDGs). It also adopts a multistakeholder approach through deploying innovative forms of finance such as concessional loans, blended finance, and debt swaps programs."

H.E. Dr Rania A. Al-Mashat.

For his part, the Vice President of the African Development Bank for Power, Energy, Climate & Green Growth, Kevin Kanina Kariuki, underscored the bank's role in supporting the water pillar under NWFE programme.



"The African Development Bank's high five priority areas are intended to support African countries' achievement of the SDGS. They are: Feed Africa; Light up Africa; Industrialise Africa; Integrate Africa; and Improve the Quality of Life for the people of Africa." Vice President of the AfDB

for Power, Energy, Climate & Green Growth, Kevin Kanina Kariuk.

Meanwhile, the Director General of IFAD, Dina Saleh, hailed Egypt's Country Platform for NWFE, saying: "The program speaks for itself. We congratulate Minister Rania A. Al-Mashat for paving the way and walking the walk."



"We count on our partners to realize the NWFE program. It is the time to act. Let's NWFE together." Director General of IFAD, Dina Saleh.









#### Women's Empowerment - Accelerators For Climate Action

The workshop titled "Women's Empowerment - Accelerators For Climate Action", was organized to deliver climate justice to women ahead of COP27 and add thrust to the leap for gender-responsive climate action.

The workshop provides a platform for national and international leaders from governments, multilateral and bilateral development organizations, representatives of the private sector, civil society, and think tanks to invoke a gender-informed approach to climate action, shedding light on the advantages of empowering women, as a keystone in advancing the climate agenda.

#### It explored:

- The disproportionate challenges faced by women due to climate change
- The disproportionate challenges faced by women due to climate change
- The role women have in advancing Adaptation and Just Transition
- Public-private partnership in advancing women's leadership in sustainable growth

H.E. Dr. Rania A. Al-Mashat, said that Egypt's National Climate Change Strategy 2050 emphasized that the gender component in climate action, and COP27 provides a significant opportunity to add thrust to the message for gender-responsive climate action.

President of the National Council for Women (NCW), Dr. Maya Morsy, said in her speech that women around the world suffer inequalities and barriers due to the lack of access to resources and economic opportunities that are made available to them.

Morsy underscored the need to deliver climate justice that takes into account the social and economic impacts of climate change, adding that, in March 2022, during the United Nations Commission on the Status of Women (CSW66), Egypt presented the report "Egypt's Global Perspective: Women, Environment, and Climate Change", which is based on 7 actionable areas, namely promoting gender-sensitive perspectives within adaptation, mitigation, and climate change responses.

On her part, Leslie Reed, Mission Director for Egypt, USAID, stated that women bear the brunt of the effects of climate change, from higher rates of violence to economic insecurity, particularly for women who depend on natural resources to support their homes. Thereby, women's voices must be amplified through the promotion of women in leadership positions to combat climate change.

Barbara Ramboussek, Director of Gender and Economic Inclusion at EBRD, highlighted that women represent 11% of growth in the market, and hailed the Egypt Country Platform for NWFE (Nexus of Food, Water and Energy) for mainstreaming gender and fostering interlinkages between gender and climate.



"Empowering women is one of USAID's top priorities, and we want to empower women to lead the way in tackling climate change. The USAID implements a gender-sensitive strategy that prioritizes women's empowerment in climate action." Leslie Reed, Mission Director for Egypt, USAID. International Partnerships For Sustainable Development

#### **WORKSHOP 8:**

#### Sovereign Ratings, Green/ Sustainable Bonds & the LSF

On the third day of the forum, a workshop entitled "Sovereign Ratings, Green/ Sustainable Bonds, and the LSF" was organized to foster dialogue between countries and rating agencies, and better inform decision-makers of the requirements and criteria in the sovereign rating process.

#### The session addressed:

- Governments and rating agencies transparency
- Sustainable development finance acceleration
- The African Sovereign debt sustainability

Minister of Economy and Finance in Benin, Romuald Wadagni, noted that the African continent cannot combat climate change alone, and that multilateral banks and international institutions should also shoulder the responsibility to provide more financing.

Hong Paterson, CFO and COO of the Green Climate Fund, stated that the fund is co-financing projects and works with partners to design, build capacity and provide the necessary technical assistance.

Patterson also said that developing countries have constraints regarding the green bond market and face constraints in having a supportive credit infrastructure and risk assessment data. She also pointed out that the fund is working to support emerging economies, adding that it raised their financing to \$3.3 billion, and is working to establish a fund that will serve more than six countries, aiming to receive \$600 billion in green bonds to reduce risk and fund biobusinesses.

In the same vein, Elisa Parisi-Capone, Vice President of Moody's Analytics, said that the institution focuses on a number of criteria for their ratings, foremost of which are the environment, social order, and transparency, noting that these three factors represent strategic aspects for developing ratings and credit ratings for countries and governments.

On his side, James Seward, Senior Financial Officer, World Bank Treasury, said that global green, social and sustainable (GSS) bond issuances totaled \$1.14 trillion in 2021 (double the 2020 levels), with expectations that it would surpass \$1.5 trillion in 2022.

According to Seward, there have been 40 GSS bond issuances by public and private sector issuers in Africa since 2014 worth a total of \$3.2 billion, noting that Nigeria was Africa's first sovereign green bond issuer in 2017 and issued about \$30 million in local currency.

Assistant Minister of Finance for Economic Affairs, Sherine Sharkawy, underpinned that in September 2020, Egypt began issuing the first package of green sovereign bonds, worth \$750 million, with the aim of financing 15 projects that support climate action, including the Monorail project and the Dabaa water plant.

To have thorough and objective risk assessment, governments and rating agencies should foster transparent exchange of information and timely communication on the updates of socioeconomic conditions in the country. In addition, adequate market-based mechanisms need to be in place to support African countries to leverage affordable financial resources for their post-pandemic green and sustainable recovery.

The workshop explored the communication between governments and rating agencies, the creation of a network of sovereign rating and green/sustainable bond experts and practitioners, and the understanding and capacity of African countries in sovereign rating methodologies, process, and requirements.



#### The Knowledge Building Sessions

The Egypt — ICF featured over 25 hours of training on climate resilience policies and practices, and the need for knowledge-sharing, especially within the African continent.

#### 1. 2-Day Workshop in Partnership with the Climate Investment Funds (CIF) on Enhancing Private Sector Engagement in Adaptation: South-South Learning

This two-day workshop aims to bring together diverse stakeholders from African countries to facilitate South-South learning on accelerating private sector engagement in climate adaptation and resilience action, with a particular focus on agriculture, water, and energy.

#### 2. 2- Day Capacity Development Workshop in Partnership with UN DESA on Mainstreaming Climate Adaptation into Development Cooperation Policies and Practices

UNDESA led a capacity development workshop to support African countries in leveraging their enablers of effective development cooperation, especially their National Development Cooperation Policies, to enhance support by development partners for climate adaptation needs.

#### Building on the insights of the DCF survey findings and against the backdrop of the two-year Glasgow-Sharm-el-Sheikh work programme, workshop:

- Discussed broader Africa-specific survey insights on making development cooperation more agile, risk-informed and effective.
- Engaged participants in interactive peer-learning and knowledgesharing activities, on how their NDCPs have integrated climate adaptation priorities, opportunities for improvement and how they can be leveraged for more effective support from development partners.
- Explored specific effective practices of the other enablers, such as Country Results Frameworks, Development Cooperation Information Systems (DCIS) and National Development Cooperation Forums (NDCFs).
- Identified specific actions for participants to take in their country contexts toward integrating climate adaptation into their development cooperation policies and practices.

#### 3. 1-Day Knowledge-Building Session on Blended Finance in Partnership With Convergence

The knowledge-building sessions aim to provide senior staff members at African Ministries of Finance, Economy & Environment with the necessary knowledge on the strategic use of blended finance to mobilize private investment in SDG and climate projects in their countries.



#### Setting Forth A Common Path

#### **Closing Ceremony**

The Minister of International Cooperation, H.E. Dr. Rania A. Al-Mashat, delivered the closing speech during the closing ceremony of the Egypt-International Cooperation Forum (Egypt-ICF) in its second edition, which concluded on Friday.

The speech was delivered in the presence of Minister of Environment Yasmine Fouad, the Director for Technology, Climate Change and Natural Resources Management in the United Nations Economic Commission for Africa, Jean-Paul Adam, and the Deputy Executive Secretary and Chief Economist of the United Nations Economic Commission for Africa, Hanan Morsy.

Al-Mashat added that President Abdel Fattah El-Sisi's speech during the opening ceremony presented a clear message to the world, reiterating that fighting climate change in Africa cannot be achieved without adequate support from the international community.

#### The Communique

A joint communique was created in collaboration with 17 international institutions, and development partners to push forward Egypt's Country Platform for the Nexus of Food, Energy and Water (NWFE) as a practical model that translates national priorities into implementable and investable projects.

The communique also addresses the need for liquidity in fiscally constrained African and developing countries to invest in climate resilience, as well as the urgency to strengthen the capacity of African countries to take advantage of the Financial Stability Board (FSB) and the Resilience and Sustainability Trust (RST) and other innovative financing mechanisms, including green and blue bonds and debt swaps for biodiversity and sustainable development.

The communique also proposes the establishment of a Sustainable Sovereign Debt Hub that addresses four interlinked aims of reducing the cost of capital for developing countries, in particular by building harmonization on the deployment of blended resources to maximize the opportunity for issuance of SDG and climate-linked performance bonds.

Section 2







### COMMUNIQUÉ

#### Egypt – International Cooperation Forum and Meeting of African Ministers of Finance, Economy and Environment

7-9 September 2022

Al Masa Convention Centre New Administrative Capital, Cairo, Egypt

- . We, African ministers, and senior officials responsible for finance, environment and sustainable development, economic and social development, heads of international organisations, representatives of Multilateral development banks, development partners and financial institutions, and members of delegations of the parliaments of African Union member States and experts representing Governments and intergovernmental organisations, the private sector, philanthropies and civil society;
- ii. Convened in Cairo, Egypt, from 7 to 9 September 2022 at the second editionof the Egypt International Cooperation Forum and Meeting of AfricanMinisters of Finance, Economy and Environment, organised under thepatronage of His Excellency the President of the Arab Republic of Egypt, Abdel Fattah Al-Sisi, and COP27 Presidency to reiterate our commitmenttowards accelerating the climate action agenda for a resilient and prosperous Africa:
- iii. Expressing our gratitude to the President Abdel Fattah Al-Sisi and Government of Egypt for having hosted the event and ensured all thenecessary conditions for the successful completion of its work, which wasmarked by fruitful and high-quality discussions on the monitoring andevaluation of the progress achieved, exchange of experiences in the area of climate finance in Africa, and the formulation of key messages aimed ataccelerating a just and holistic implementation of the 2030 Agenda

- for Sustainable Development and its SDGs, Agenda 2063: The Africa WeWant, of the African Union, as well as the UNFCCC Convention and its Paris Agreement;
- iv. Acknowledging the need for more coordination and commitment ahead of COP27, while highlighting the role of the different stakeholders and capitalising on the needed interplay between them, particularly the role of the African institutions, including, the African Group of Negotiators, the AMCEN and CAHOSCC and the three regional Climate Commissions;
- V. Considering the disproportionate impact of climate change and nature losson the African continent given its low carbon footprint, contributing to lessthan 4% of greenhouse gases emissions, Africa's role in capturinggreenhouse gases, and its needs to mitigate and adapt to the adverse effectsof climate change, recalling the Africa adaptation initiative (AAI) and theAfrica renewable energy initiatives (AREI) and other Africa widecontinental initiatives:
- vi. Emphasising the need to focus on and deliver implementation in relation tocommitments already made under UNFCCC process, and the need toempower national governments, regional bodies, local governmentauthorities, the private sector, development partners, civil society, in a people centred inclusive approach to deliver meaningful development outcomes and secure a climate resilient future aligned with the goals of the Paris Agreement.

- vii. Pointing out Africa's role in carbon sequestration, in particular carbon sinksof great importance for humanity such as the peatlands of the Congo Basinfor the benefit of the humanity and the planet, notwithstanding theunremitting pace of natural degradation and biodiversity loss;
- viii. Recalling that Africa had significant development financial needs prior toCovid-19, in the range of USD 130-170 billion, noting that countries arealready spending between 3-9% of their GDP on climate change adaptationand that financial needs have been exacerbated by a post-Covid19 recoverywhich has been more modest in Africa than in other regions;
- ix. Recalling that African countries have formulated ambitious NDCs requiringup to USD 3 trillion between 2020 to 2030 to be implemented and therefore requiring accessible and predictable climate finance flows, not to mention that, according to UNFCCC, most of developing countries' actual needs are not accounted for in their NDCs:
- X. Underlining the need for the continued increased ambition in NDCs, and theneed to update NDCs to reflect the status of the current climate emergency, to achieve progressive steps on the climate action agenda, further support isneeded with regards to planning, financing, implementing and, ultimately, enhancing the quality of climate commitments;
- xi. Also, considering the threats to food security amplified by the war inEurope, alongside the continuing impact of the COVID19 pandemic and theincreasing costs to deal with the extreme and slow-onset weather events ofclimate change and recognising that African countries face increasing debtservicing costs associated with these crises;
- xii. Concerned with the current crises and their impacts on Africa, in particularthose related to energy prices, food security, increasing cost of finance, debtburden, the geopolitical crisis in Europe, and the unmanaged transition to alow emission and climate resilient development;
- Xiii. Concerned about the various intertwined social, economic andenvironmental effects of climate change and the depletion of the continent'snatural capital, which has failed to add value to its full potential, that couldundermine efforts to achieve the Agenda 2030 and Africa 2063 Agenda, particularly in African countries;
- xiv. Highlighting the special needs and circumstances of Africa, in particular inrelation to low energy access, increasing debt distress, climate induceddisplacement and socio economic impacts, and accessibility to climatefinance, and Africa needs to achieve social and economic development anderadicate poverty;

- XV. Recalling that Africa receives less than 5.5% of climate financing, most ofwhich is provided by MDBs; expressed concerns that the disbursement rates of announced pledges and commitments remains inadequate; As an illustration, current MDB private investment mobilization ratio of 29 cents to the dollar and the disbursement level of MDBs shows that \$26.6 billionremains undisbursed out of the \$42.7 billion committed for 256 differentenergy programmes by the African Development Bank, the Asian Development Bank and the World Bank;
- xvi. Welcomes the agreement at COP26 that encourages Parties to ensure that just transition financing is incorporated into approaches to align climateaction with the goals of the Paris Agreement and the agreement on the needto ensure just transitions that promote sustainable development anderadication of poverty, and the creation of decent work and quality jobs, including through making financial flows consistent with a pathway towardslow greenhouse gas emission and climate-resilient development, including through deployment and transfer of technology, and provision of support todeveloping country Parties.<sup>2</sup>
- xvii. Capitalising on the growing interest of institutional investors in climatefinancing, manifested in multiple initiatives that were launched duringCOP26, such as the Glasgow Financial Alliance for Net Zero (GFANZ), andhighlighting the importance of creating an enabling environment to providefavourable risk-return portfolios for private sector engagement in climateadaptation and mitigation projects;
- xviii. Acknowledging the critical role of Multilateral Climate Funds (MCFs) infinancing the climate agenda, especially adaptation projects, andrecognising the limited access of African countries to these funds due to therequired technical and administrative capacity to design and implementinvestable projects;
- xix. Acknowledging the complementary role philanthropies can play insupporting African countries to restore their ecosystems, transition to lowemissions and climate resilient development pathways;
- xx. Stressing on the need to scale-up investments towards climate adaptationand mitigation projects, and highlighting the importance of improved accessto quality and quantity climate financing that leaves no one behind, in orderto underpin an ambitious and realistic actionable climate agenda that isrooted in the principles of Justice and Equality:
- xxi. Reaffirming previous Declarations, pledges, achievements on climate, environment, nature and biodiversity that are still relevant;
- xxii. Stressing the need to act now and at scale for financing an inclusive, justand resilient recovery and accelerated delivery of sustainable development Africa;

<sup>&</sup>lt;sup>1</sup> Decision 5/CP.26, paragraph 10

<sup>&</sup>lt;sup>2</sup> Decision 1/CMA.3 paragraph 85

Section 2

#### Reaffirming the focus on mobilising resources for resilience and a new collective goal on climate finance

- 1. Reiterate our commitment to accelerate the achievement of the goals of the UNFCCC, the Paris agreement and the Sustainable Development Goals, through pathways that support the Just and Equitable Transition to a lowemission and climate resilient development, including through a blue, green, just and inclusive recovery from the multiple crises facing the continent;
- Strive to enhance Africa's resilience and adaptation capacity in order toachieve the global goal on adaptation with a view to significantly reduce theimmediate, short- and mediumterm negative effects of climate change on African countries
- 3. Call on African countries to strengthen institutional arrangements toenhance efforts to adapt to the effects of climate change, and to avert, minimize and address loss and damage, in line with achieving sustainabled evelopment and poverty eradication.
- 4. Urge developed countries to fulfil their pledges in relation to climate anddevelopment finance, and deliver on their commitments to doubleadaptation finance, in particular to Africa, and facilitate access toappropriate finance and investments to enable African countries to unlocktheir potentials to play their role in the global action to tackle climate changewhile mitigating the effects of the pandemic and achieving just transitions in particular in energy;
- Request all global stakeholders to fulfil unmet commitments to providefinance and technology transfer to ensure sustainable and resilientdevelopment;
- 6. Advocate that the setting of the new collective goal on climate finance beimpact based on the aggregate finance needed to meet the goals set by theinternational community to combat climate change, address povertyeradication and achieve sustainable development. The new goal should bebased on the needs identified by developing countries in their NDCs and asreflected in the SCF need report and no less than 2% of global GDPadditional to the ODA commitments, and decadal and annual financinggoals linked to pledges and actions of developed countries as requested inthe Convention and Paris Agreement, and clearly based on the needs and priorities of developing countries;
- 7. Urge that Article 2, paragraph 1(c), of the Paris Agreement beoperationalised in a manner that recognises different national circumstances and capacities and allows developing countries to sustainably transition while maintaining economic and social development;

#### Reducing of the cost of green borrowing, and the enabling role of Internationals Financing institutions and Multilateral Development Banks

- 6. Invite the UN system, the African Union Commission and the AfricanDevelopment Bank and partners to strengthen the capacity of Africancountries to take advantage of the Financial Stability Board (FSB) and theResilience and Sustainability Trust (RST) and other innovative financingmechanisms, including green and blue bonds and debt swaps forbiodiversity and sustainable development;
- 7. Underscore that meeting the African NDC financing needs and those of alldeveloping countries merits consideration of the appropriate scale of MDBclimate and development finance, and that if developing countries continue borrow to invest for climate purposes, the MDBs will need to provide asignificant share of these investments in climate -resilient, low-emissionsgrowth.
- 8. Address the need for liquidity in fiscally constrained African and developing countries to invest in climate resilience through a new issuance of SDRs.
- 9. Support the work of the International Sustainability Standards Board(ISSB) to introduce a global baseline of sustainability disclosures to meetthe needs of capital markets, which will enhance transparency, accountability, efficiency and comparability across market. Early adoptionby African jurisdictions and companies has the potential to attract more investment and to boost private sector development in Africa. We urge the ISSB to work closely with African stakeholders and to provide strongadvisory and capacity building support to achieve early adoption of the ISSB standards in Africa.
- 10. Stress on the role of using concessional funding and grants in blendedfinance vehicles as a catalyst for private capital through creating fiduciaryinvestment assets by improving the risk-return ratios, and aiming to upscaleAfrican engagement and participation in the issuance of Green Social andSustainability Bonds through mechanisms such as the Liquidity andSustainability Facility;
- 11. Call upon development partners to foster simplification and harmonization of ESG criteria in order to facilitate access to performance-based green, blueand sustainable bonds:

- 12. Advocate for a climate change focused review, and reform, of themultilateral development banks and international financial institutions, including matters related to:
- a) Provide meaningful debt for sustainable investment and/or debtrefinancing in order to manage debt in developing countries, includinga climate focused debt suspension and/or refinancing initiative(DSSI)/G20 common framework for countries experiencing LD event;
- b) Reform the World bank re-payments process, and the IMF surchargesystem;
- c) Increase the risk appetite of the MDBs to focus on the economic costsof transition risk by taking first loss risks on investments in technologiesthat are not yet commercially available. Facilitate scaling-up throughinterventions that help bridge the gap to commercial project viability,mitigate risks, finance first-of-its-kind projects and support technicalassistance work.
- d) Mandate new and urgent capital increases for the MDBs;
- e) Increase the MDB private sector leverage ratios;
- f) Double the scale of replenishment for the incoming GCF replenishmentcompared to the GCF1
- g) Facilitate the deployment of new financial instruments, particularly non-debt instruments, policy-based guarantees, and options that do notrequire sovereign guarantees; and
- h) Incorporate innovative financing mechanisms initiated and led byAfrican countries to address their development needs and build climateresilience, such as the Blue Fund for the Congo Basin.

#### Linking debt to climate resilient Key Performance Indicators

- 13. Requests the ECA to present a proposal to establish a Sustainable SovereignDebt Hub that addresses four inter-linked aims of:
  - I. Reducing the cost of capital for developing countries, in particular bybuilding harmonisation on the deployment of blended resources tomaximise the opportunity for issuance of SDG and climate linkedperformance bonds.
  - II. Supporting the opportunity to undertake debt for climateadaptation/nature swaps to reduce the debt stock of African economiesand stimulate ambitious action on climate and nature as well as otheraspects of sustainability, given the urgent need to address food, energyand water security.

- III. Making sovereign debt markets responsive to climate change and nature restoration, and the underlying needs of countries facing financing challenges in the context of increasing exogenous, destabilising shocks as well as recognizing nature and climateperformance-linked sovereign debt.
- IV. Building capacity, developing policy frameworks and facilitatingissuance of debt instruments which use Key Performance Indicators better channel resources into sectors that are critical for climateresilience.

#### Financing a just and equitable transition and delivering implementation

- 14. Underscore the need to avoid approaches that encourage abruptdisinvestments from fossil fuels, as this will, in addition to the impacts ofclimate change, threaten Africa's development due to the unintended impacton jobs, the economy, energy, food security, and the ability to mobilisefinance. Ministers further stressed that Africa and all developing countriesneed the development space to undertake a just and equitable energytransition, and it should be acknowledged, respected, and supported. Ministers also noted growing concerns that an abrupt devaluation of assetclasses could constitute a systemic risk, create large amounts of strandedassets, and set back progress made by African countries in achieving thesustainable development goals;
- 15. Urge COP27/CMA-4 to agree a comprehensive mitigation package basedon ambitious action and leadership by developed countries related tomitigation and finance, including a set of investment and support goalsunder the mitigation work programme, the new collective goal on financeand the CMA discussions on PA goal Article 2.1cthat is people centred, supports the coal phase down programmes as well as more programmatic support for net-zero linked to countries NDCs, and commits developed countries to scale up annual investment goals in renewable energy in Africa, as part of the Just Energy Transition in Africa:
- 16. Encourage governments to consider initiating multilateral countryplatforms to accelerate the transition towards a low-carbon, resilient and inclusive economy, in order to create momentum for climate financing on the local level, such as Egypt's Country Platform for the Nexus of Water, Food & Energy Program (NWFE نُوَفي);



#### **Financing Adaptation**

- 17. Request the operating entities of the financial mechanism of the UNFCCCin particular the GCF, to facilitate access of African countries to adaptationfinance, while welcoming the support provided for the preparation of
- 18. Call upon MDBs to increase their assistance to better support Africancountries' trajectory in implementing longterm development plans; designing adaptation projects; and develop their NDCs based on their developmental needs:
- 19. Welcome the new CIF finance program for nature- based solutions and highlights the importance of securing that Africa gets a fair share of its resources in line with the continents needs and vulnerabilities;
- 20. Call on African countries and their development partners to strengthen theregion's capacity to integrate and scale up investments in sustainablebiodiversity and land management into national, sub-regional and regionaldevelopment frameworks;
- 21. Enhance the investment in restoration of degraded lands, wetlands, forestand soils

#### Enhancing sustainable regional value chains for food security

- 22. Enhance synergies to unlock green industrial development for private sectorthrough development of integrated sustainable value chains in AfCFTA;
- 23. Encourage countries to engage in efficient food management and storageprojects in agriculture to improve food supply chains, limit price increases, and support agricultural resilience. In this regard, we urge the strengthening of the efficacy of free trade agreements, especially AfCTA, to increase the resilience of African countries against food supply shocks;

#### Facilitating development and access to high integrity carbon markets

24. Call on all parties to establish an ambitious carbon market, aligned with theobjectives of the Paris Agreement, to enable African and other developing countries to mobilise adequate financial resources to meet their climate commitments, including those under the NDCs and the Paris Agreement, while accelerating progress on the SDGs; and enable African countries to benefit fully from their natural capital.

25 .Support the development of capacity of African countries to use carbonmarkets as a means to stimulate investment in climate resilience and raiserevenues through the development of high integrity carbon registries suchas through the ECA supported initiative for a common registry for the Congo Basin.

#### Capacity development and institutional support

- 26. Support the creation of climate finance units in African ministries of financeto facilitate and improve access to climate financing
- 27. Underline that the effective delivery of climate commitments is linked to:1)the availability of data and concrete investment plans; 2) the integration of climate action strategies and national development priorities; 3) themobilisation and access to finance, 4) access to technology, and 5) the development of robust monitoring and reporting systems to track the progress achieved, all the while striking a balance between adaptation and mitigation efforts;
- 28. Support the development of capacity and institutionalisation of aSustainable Budgeting Approach, integrating climate goals within nationalfiscal frameworks
- 29. Call upon all stakeholders to adopt gender-sensitive strategies in theirresponse to the climate change, and to mobilise accordingly the necessaryfinance to avail economic opportunities for women, which not onlyimproves the mitigation of and adaptation to climate change, but also helpsremove economic, social, and cultural barriers:
- 30. Promote investments in technical assistance and capacity buildingcomplemented by efficient market-based policies and instruments, operating under a strong regulatory framework, and leveraging innovativegreen technologies, to harness the benefits of the transition and increase thequantity and quality of green jobs;

#### Conclusion

31. Call upon all countries to convey key messages of the Egypt - ICF and Meeting of African Ministers of Finance, Economy and Environment at COP27.



**Chapter 3** 

### ALIGNING NATIONAL STRATEGY WITH GLOBAL GOALS



## INTERNATIONAL COOPERATION IN ACTION

Section 2

Chapter 3

Throughout the year, there have been ongoing discussions with multilateral and bilateral development partners in setting innovative financing frameworks to enhance blended finance, to ensure project risk reduction tools, and to stimulate the participation of the private sector in mitigation and adaptation projects; emphasizing the importance of strengthening cooperation in establishing a framework that enhances climate action to be presented at COP27.

#### Despite global challenges, there are opportunities.

In today's world, international cooperation is more important than ever, and to accelerate progress towards a resilient and sustainable recovery, notwithstanding recent geopolitical developments, there are several subjects consistently being discussed namely: scaling-up development and climate finance, South-South and Triangular Cooperation, regional and international partnerships for sustainable development, and streamlining climate goals and targets.

Across 2022, and in the backdrop of what policymakers witnessed in 2020 and 2021, there is an urgent need for the global community to collectively work towards building back better post the COVID-19 pandemic, and towards a green and inclusive future. With COP27 held in Egypt's Sharm El-Sheikh, much of the regional and international partnerships, country strategies, and high-level events revolve around finding solutions, through mitigation and adaptation projects, for climate change; spotlighting the common but differentiated responsibilities.

If we are to deliver on the agreed global climate goals, cooperating to collectively mobilize finance and to scale-up mitigation and adaptation efforts is crucial. The COVID-19 health crisis has taught us that global problems require global cooperation, alongside agile policymaking. Even if every country was hit differently by the pandemic, no one was left isolated. Through collective cooperation, we are rebuilding and recovering with resilience in the backdrop of the pandemic, as resilience is our ability to withstand, adapt to, and recover from the disruptions caused by the crisis. It is also our only way to remain relevant, and accelerate progress towards building back better; a sentiment that was reiterated several times during the Egypt - International Cooperation Forum (Egypt - ICF).

While flattening both the health curve, and ensuring economic growth despite challenges, the silver lining to the COVID-19 pandemic is that the Government of Egypt managed to expedite and push through with many of the planned structural reforms, related to social safety nets, financial inclusion, and digitalization, accelerated by the pandemic that helped bring the goals to the fore, reflecting that reform is a continuous process.

Another aspect that we are taking forward in 2022 is urgent climate action and emphasis on digitalization; both of which are necessary for building back better. The pandemic has spotlighted the need and importance of digitalization, alongside the importance of adaptation and mitigation projects for climate change, as previously mentioned.

This section of the 2022 Annual Report delves into the year's country strategies, featuring multilateral and bilateral partnerships, and the developments of global partnerships; all happening in accordance with the previously outlined high-level travel events in section 1.

### GLOBAL **PARTNERSHIPS** & COUNTRY **STRATEGIES**

At the present time, the world is being faced with unprecedented, and successive challenges. ranging from geopolitical issues to post-pandemic recovery and climate change. However, the core of multilateralism is not for us to be on the same page all the time, but to rather work together despite our differences and navigate the road ahead.

With Egypt Vision 2030 and the Government of Egypt's Action Programme as overarching objectives. the Ministry of International Cooperation is aligning country strategies with development partners consistent with the SDGs.

As Egypt remains committed to the SDGs, and as anchored in all of our national strategies, according to results of the Sustainable Development Report, the country's 2022 SDG index scored 68.7, positioning the country above the regional average, a step forward compared to last year's results.



## EGYPT, ARAB REP.

Middle East and North Africa

**SDG Index Rank** 



**SDG Index Score** 



Spillover score

#### **SDG Dashboards and Trends**







































SDG achievedChallenges remain Significant challenges remain

Information unavailable

Trends: On track or maintaining SDG achievement // Moderately improving

Stagnating

Major challenges remain

 Trend information unavailable Decreasing

https://dashboards.sdgindex.org/profiles/egypt-arab-rep

Moreover, this global assessment indicates that Egypt is showing positive progress, especially in SDG 6: Clean Water & Sanitation, SDG 10: Reduced Inequalities, SDG 12: Responsible Consumption & Production, & SDG 13: Climate Action.

At the Ministry of International Cooperation, we continue to push for global goals by engaging all stakeholders as underpinned by our principles of Economic Diplomacy that foster multilateralism and strengthen international partnerships, by engaging in producing well-rounded country strategies that align with national objectives and priorities.

In 2022, the Ministry launched an inclusive process to engage all national stakeholders in the formulation of Egypt's country strategies with several development partners including the United Nations. the World Bank Group (WBG) the European Bank for Reconstruction and Development (EBRD), the African Development Bank (AfDB), and the European Investment Bank (EIB), among many others.

The coming section of the report details this year's partnerships with a variety of development partners. alongside the many projects and high-level events, highlighted across the report.

### THE UNITED NATIONS

As Egypt is one of the 50 founding members of the UN since 1945, it has a long history of relations with its programs, affiliated agencies, and funds. Today, the country is home to 29 resident and non-resident UN agencies operating in different areas of cooperation, headed by Egypt's UN Resident Coordinator.

The roadmap of cooperation between Egypt and the UN provides a comprehensive vision and guidance for the UN work team, and this includes analysis for the national context, expanding national consultations, studies of challenges facing Egypt on its path towards sustainable development, studies and priorities for working with the UN, and it takes into account building on the achievements being made.

The Ministry of International Cooperation, as the national coordinator of this partnership, is responsible for organizing and supervising the implementation of this strategic framework with the UN.

To that end, the strategic framework of the partnership between Egypt and the UN is implemented through a governance framework, where the Ministry of International Cooperation and the Office of the United Nations Resident Coordinator in Egypt jointly chair its Steering Committee. The committee's membership includes relevant national entities and UN agencies, and the technical work is also coordinated with results monitoring to ensure implementation and desired outcomes.

For the period between 2018 to 2022, H.E. Dr. Rania A. Al-Mashat and the UN Resident Coordinator in Egypt, Elena Panova, established a roadmap for the UN Partnership Development Framework for Egypt (UNPDF) that concluded this year, opening the door for the new United Nations Sustainable Development Cooperation Framework (UNSDCF) 2023 - 2027.

The UNPDF was composed of four pillars: 1) Inclusive Economic Development, 2) Social Justice, 3) Environmental Sustainability and Natural Resource Management and 4) Women's Empowerment.

- In the first pillar "Inclusive Economic Development", the UNPDF aims to support the Government of Egypt's efforts in achieving resilient and sustainable economic development by providing job opportunities, building capabilities, increasing access to technology in local areas, creating a balance between the supply and demand in the labor market, as well as supporting Small and Medium Enterprises (SMEs).
- In the second pillar "Social Justice", the UNPDF aims to support access to public services, expand social protection in health, nutrition and education, and enhance efforts to control population growth.
- In the third pillar "Environmental Sustainability and Natural Resource Management", the UNPDF aims to mitigate environmental risks including climate change and promote sustainable housing and management of water and energy resources, particularly wind energy.
- In the fourth pillar "Women's Empowerment", the UNPDF aims to build women's capacities and participation in leadership positions and the labor market, as well as their empowerment on a socioeconomic level.



Going into the new year, the partnership between Egypt and the UN will follow through with the UNSDCF.

In 2022, H.E. Dr. Rania A. Al-Mashat had launched high-level national consultation meetings on the strategic partnership framework with the United Nations for 2023-2027.

The meetings were attended by H.E. Dr. Mohamed Abdel-Atv. Minister of Water Resources and Irrigation, H.E Dr. Khaled Al-Anani, Minister of Tourism and Antiquities, H.E Dr. Ali Al-Moselhi, Minister of Supply and Internal Trade, H.E Dr. Tarek Shawky, Minister of Education, Major General Mahmoud Shaarawy. Minister of Local Development, H.F. Dr. Ashraf Sobhi, Minister Youth and Sports, H.F.Ms, Nevin Al-Kabbaj, Minister of Social Solidarity, Dr. Mava Morsi. President of the National Council for Women, Ambassador Moushira Khattab, President of the National Council for Human Rights, Engineer Yahya Zaki, President of the Economic Authority for the Suez Canal Zone, and Dr. Hussein Mansour, Chairman of the National Authority for Food Safety, and Dr. Jihan Fouad. President of the National Institute of Nutrition.

The second set of meetings for consultations in the year included the participation of 36 multilateral and bilateral development partners, including the World Bank, the African Development Bank, the European Bank for Reconstruction and Development, the European Investment Bank, the European Union, and 38 civil society organizations, including the Egyptian Network for Integrated Development, the Egyptian Center for Women's Rights,

Caritas Egypt, 31 private sector institutions including the Bank of Alexandria, the American Chamber of Commerce, Coca-Cola, the Egyptian Businessmen Association, and Falak Startup, as well as 20 representatives of academic and research organizations including Cairo University and the American University in Cairo.

The UNSDCF addresses the following focus areas: strengthening human capital through equal access to quality services, social protection and social justice; enhancing peoplecentered inclusive sustainable economic development driven by productivity growth, decent jobs and integrating the informal economy: improving climate resilience and efficiency of natural resource management for all people in a sustainable environment; improving safe and equal access to information, protection, justice and a peaceful and inclusive society through transparent, accountable. participatory, effective and efficient governance based on the rule of law and international norms and standards; and supporting women and girls realize their rights, as laid out in the Egypt Constitution, to social assets, health and livelihoods and their voice and leadership are upheld in an Egypt free of all forms of violence against women and girls.

The UNSDCF preparations, viewed as inclusive, incorporating all stakeholders, represented extensive consultations that began last year with over 32 national entities and UN agencies, and affiliated programs. This year, high-level national consultative meetings were held with the participation of ministries and relevant entities, as well as consultations with development partners, private

sector, civil society, and academics, in coordination with the Ministry of International Cooperation and UN Office in Egypt, where more than 125 representatives participated.

The incoming UNSDCF also heavily incorporates the Hayah Karima (Decent Life) Presidential Initiative as a major pillar in the commitment by the Government of Egypt to enhance cooperation with its multilateral and bilateral development partners.

The UN Resident Coordinator in

Egypt had also proposed the tracks of contribution from the UN for the Hayah Karima initiative. This includes the first track, which is to "Continue, Expand, Extend", following up on existing activities and expanding implementation in cooperation with government entities, which currently includes 400 ongoing activities that are directed to over 1.4 million beneficiaries. The second track is "Coordinated, Synchronized, and Refined Contribution" by investing in human capital in several areas such as, health, education, empowering youth, strengthening governance, supporting climate action, and empowering women and girls. This is alongside benefiting from previous national and international experiences and by placing the Havah Karima initiative as a priority within the UNSDCF 2023/2027. The third track "Enabling a UN Joint Programme" incorporates aligning the presidential initiative's goals with that of the UN SDGs. with strengthened monitoring and evaluation systems. Lastly, the fourth track is "Capturing and Disseminating Hayah Karima as an Anti-poverty and SDG Best Practice".





"Participatory and inclusive stakeholder consultations are important milestones in developing the new UNSDCF 2023-2027. Indeed, development stakeholders - civil society, private sector, international development organizations and think tanks/academia - provided invaluable inputs and reflections on the catalytic development solutions the United Nations development system in Egypt is offering through the new UNSDCF. The large participation was an acknowledgment of our collective efforts in supporting Egypt's development priorities with focus on vulnerable people who are at risk to be left behind." Elena Panova, the UN Resident

Coordinator in Egypt.

## THE WORLD BANK GROUP

To continue moving forward in the global goals, strengthening partnerships with each of the development partners is crucial to a steady recovery, that is both sustainable and green.

One of Egypt's main development partners over the years has been the World Bank Group (WBG). In that light, this year witnessed the first on-ground WBG and International Monetary Fund (IMF) Annual Meetings in 2 years; where H.E. Dr. Rania A. Al-Mashat showcased how the Government of Egypt fosters multilateralism and international cooperation through inclusive partnerships.

Faced with a cascade of successive shocks impacting post-pandemic recovery and economic development, Al-Mashat had held numerous bilateral discussions with many ministers, heads of multilateral development banks, private sector companies, philanthropists, academics and the United States Administration. Across all, the common denominator is the need to push for multilateral solutions and multi-stakeholder engagement despite differences.

While the next chapter will look into the details of H.E.'s high-level visit to Washington for the annual meetings, this segment addressed Egypt's ongoing, strong partnership with the WBG.

The WBG and the Government of Egypt are currently preparing the new Country Partnership Framework (CPF) FY 2023–27, which will guide the bank's operations and activities in Egypt.

With "people" being the core of the strategy, the new CPF focuses on spurring private sector enablement and jobs growth, improving human capital and inclusion outcomes and improving resilience to climate and macroeconomic shocks, while mainstreaming governance, citizen engagement and women's empowerment as cross-cutting themes.

The CPF is also guided by key analytical tools, namely, the Systematic Country Diagnosis (SCD) and the Private Sector Development Report (CPSD), in addition to the Country Climate Development Report (CCDR).

The upcoming CPF, being prepared with the WBG, details the framework for cooperation with the bank for the next 5 years in a manner that reflects national priorities and efforts to achieve sustainable development, supporting the transition towards a green economy and enhancing private sector participation in development efforts.

As discussed in more detail in the previous sections, the

WBG officials, and in line with a commitment to resilience and the green transition, the Ministry of International Cooperation had organized a field visit for the Executive Directors of the WBG, which visited Egypt for the first time since February 2020 to discuss the upcoming CPF for 2023-2027.

In line with the country's vision to center food security and social welfare as important requisites for building the resilience of Egyptians, the delegation of Executive Directors visited a wheat storage silo project as part of the National Project of Silos, which raised the storage capacity from 1.2 million tonnes to 3.4 million tonnes from 2014 to 2018. The delegation also visited a number of social protection projects under the "Takaful and Karama" program to listen to the stories told by local communities, civil society groups and the private sector. In addition, the World Bank delegation also toured the Fatimid city of Cairo, the National Museum of Egyptian Civilization, and the Giza pyramids area.

To add on, this year saw the WBG and the Ministry approve a \$500 million development financing agreement dedicated to the resilience of Egypt's agriculture sector,



"This emergency operation comes at a very critical juncture when the food security of many countries is threatened by the war in Ukraine...It is part of broader World Bank efforts to support Egypt's green, inclusive and resilient recovery. As always we are keen to continuously support Egypt in overcoming obstacles to its ambitious sustainable development plans and to further enable the country to pave the way for a prosperous and productive future for all its citizens."

Marina Wes, World Bank Country Director for Egypt, Yemen and Djibouti.



This year, Al-Mashat met with the WBG's Managing Director of Development Policy & Partnerships Dr. Mari Pangestu during her visit to Egypt to hold a number of meetings within the framework of cooperation with the government in its presidency of COP27. The meeting was attended by several WBG officials, including; Marina Wes, Country Director for Egypt, Yemen and Djibouti; Robert Bou Jaoude, Operations Manager, Middle East and North Africa; Yasmine El Hini, Country Officer and Acting Country Director, IFC; Adeel Abbas, Senior Climate Change Specialist; and representatives from the Ministry of International Cooperation.

The meeting included discussions on a number of files, most notably Egypt's presidency of COP27, where the WBG had made several proposals for cooperation with the government. such as implementing development projects and providing technical assistance at the national and regional levels. The meeting also looked into ongoing projects with the WBG in the environment sector, and the joint country strategy between Egypt and the bank, as well as cooperation in the green transformation, and efforts done in the Hayah Karima Presidential Initiative (Decent Life). They also discussed the Country Climate and Development Report (CCDR), which aims to assess the risks of climate change and identify opportunities for mitigation and adaptation actions, with a focus on water and agriculture, energy and industry, and resilient cities and coastal economies.

A key part of Egypt's partnership with the WBG this past year has been focused on the CCDR, which was also a key discussion point in Al-Mashat's meeting with the WBG's Vice

President of the Middle East and North Africa Ferid Belhaj, and with Dr. Stephen Hammer, the bank's Advisor for Climate Policy and Strategy, and all the way up to its launch at COP27.

As the report monitors the interrelationship between climate and development in the sectors of water, agriculture, energy, transport, industry and resilient coastal cities, H.F. Dr. Rania A. Al-Mashat, chaired a session on the Country Climate and Development Report (CCDR), organized jointly with the Ministry of Environment, along with the World Bank Group (WBG), and relevant entities including: Ministries of Planning and Economic Development, Electricity and Renewable Energy, Transportation, Agriculture, Land Reclamation, Housing and Utilities, Water Resources and Irrigation, Finance, Local Development, Trade and Industry, Petroleum. Health and Population, Education and Technical Education, and Higher Education and Scientific Research.

The discussion looked into national comments on the CCDR's initial draft for Egypt. During the meeting, the WBG officials gave a presentation on the prepared work, in coordination with national entities, the Ministry of International Cooperation, the Ministry of Environment, and the WBG team; reflecting the relationship between Egypt and the bank in climate efforts and the state's commitment to a green transition.

Reviewing how climate change affects development efforts and the SDGs in Egypt, the CCDR also takes into account the steps and measures taken by the state in various fields to enhance green transformation efforts, while also combating climate change and monitoring the country's economic resilience; all at a vital time with COP27 and as the country takes successive steps in supporting the green transformation. Additionally, the CCDR aims to assess the risks of climate change and identify opportunities for mitigation and adaptation actions. It also represents a new pillar of the development cooperation between Egypt and the bank, while working to enhance the implementation of the National Strategy for Climate Change 2050.

Another key part of Egypt's partnership with the WBG is the previously approved Development Policy Finance Framework approved by the bank last year to support structural reforms implemented by the country, enhance Egypt's development efforts, promote a green transformation and increase private sector engagement in development.

It is worth noting that the ongoing portfolio of development financing with the WBG includes 16 projects worth \$5.9 billion, 39% for housing and utilities, 23% for social protection, 12% for health, 11% for education, and 3% for the environment. Moreover, in 2021, the International Finance Corporation (IFC) directed \$421 million in support of the private sector in Egypt.

As of September 2022, the Bank's active portfolio in Egypt is composed of 14 operations for a net commitment amount of \$6.83 billion. The portfolio is focused on human development, service delivery improvement to citizens (especially in rural and lagging regions) and operations on environment sustainability.

### THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT (EBRD)

Ever since the start of the EBRD's operations in Egypt in 2012, the bank has invested more than €8.7 billion in 145 projects in the country, of which over 76% were allocated to the private sector. For three consecutive years; 2018, 2019 and 2020, Egypt was the EBRD's largest country of operations in the Southern and Eastern Mediterranean (SEMED) region.

This year, the Minister of International Cooperation and Egypt's Governor at the EBRD H.F. Dr. Rania A. Al-Mashat announced the EBRD's Board of Directors' endorsement of the new Country Strategy between Egypt and the Bank 2022 - 2027, during the session that was held on February 9, which comes within the framework of the continuous cooperation with the bank and supports the country's vision; paving the way for the achievement of the United Nations 2030 SDGs.

The new Country Strategy comes in support of the strategic relations between Egypt and the EBRD, and is an outcome of the extensive series of consultations and meetings over the past year, with the participation of all national entities, the private sector, and the civil society. to take into consideration all the national priorities and the goals of the upcoming period, with regards to "Egypt Action" Program plan, and the presidential initiatives, such as the "Decent Life" presidential initiative.

In the period from 2022 to 2027, Egypt's partnership with the EBRD will focus on three strategic priorities:

- Promoting a more inclusive economy for Egyptian businesses, women and youth.
- 2) Accelerating Egypt's green economy transition.
- 3) Enhancing the country's competitiveness by supporting private-sector growth and strengthening governance.

These key themes were developed through consultations that took place over the past year between the Ministry of International Cooperation, and all relevant government entities, EBRD officials, the private sector and civil society.

Recently, the bank's investments have been focused on renewable energy, aiming to enhance sustainable infrastructure, strengthening the competitiveness of the private sector, and increasing job opportunities.

Within the framework of the Egypt - EBRD new country strategy 2022-2027, Egypt and the bank had signed two MoUs in green hydrogen and in Inaugurating the Tourism Sector Skills Council, and one agreement to develop the Alexandria Metro worth €250 million.



#### In the strategy's launch event in March:

- The Ministry of International Cooperation and the EBRD signed a development financing agreement worth €250 million for the implementation of the Alexandria Electric Metro project, which aims to develop the existing Abu Qir railway, linking downtown Alexandria with Abu Qir area, located in the northeast of the governorate.
- The Ministry of Electricity and Renewable Energy and the Ministry of Petroleum and Mineral Resources signed an MoU to assess the potential of a low-carbon hydrogen supply economy in Egypt with the EBRD. This technical support aims to study the technical, economic and regulatory feasibility of developing hydrogen supply chains in the context of the economy.
- The Ministry of Tourism, the Egyptian Federation of Tourist Chambers and the EBRD signed an MoU on establishing a Tourism Sector Skills Council in Egypt, through which the bank will provide technical support, aiming to invest in human capital, to identify the market's required skills, and to provide training in the tourism and hospitality sector.

These agreements stimulate efforts made within the framework of the green transformation, reducing harmful emissions, increasing investment in human capital, supporting competencies and developing the skills of those working in the tourism sector, as well as enhancing the transport infrastructure in terms of sustainability, and to keep pace with technological advancements. This also reflects the Government of Egypt's commitment to promoting joint work between relevant entities and stimulating the participation of the private sector in development in a way that accelerates progress towards the state's development vision, while securing development financing and technical support that is in line with the strategic priorities of a green, comprehensive and sustainable economic transformation.

The aforementioned launch included the participation of a diversity of stakeholders from the government, the European Bank for Reconstruction and Development, the private sector, representatives of parliament, and civil society. It was also attended by H.E. Amb. Sameh Shoukry, Minister of Foreign Affairs, H.E. Dr. Mohamed Shaker El-Markaby, Minister of Electricity and Renewable Energy, H.E. Eng. Tarek El Molla, Minister of Petroleum and Mineral Resources, H.E. Dr. Khaled El Anani, Minister of Tourism and Antiquities, H.E. Dr. Yasmine Fouad, Minister of Environment, Lieutenant-General Kamel El Wazir, Minister of Transport, H.E. Nevin Gamea, Minister of Industry and Trade, and the European Bank for Reconstruction and Development delegation headed by Mark Bowman, Vice President of the Bank for Policy and Partnerships.

In terms of background information, the strategic relations between Egypt and the EBRD, resulted in a number of development financing agreements that support the country's vision and enhance the private sector's engagement. In 2021, the development financing agreements with the bank amounted to €1.17 billion for the public and private

sectors. This includes agreements directed to the implementation of the energy efficiency enhancement program for the Suez Petroleum Manufacturing Company; the rehabilitation of the infrastructure for the Kitchener Drain Depollution project; supporting the rehabilitation and upgrade of Metro Line 1; upgrading and electrifying an existing metro line that connects downtown Alexandria with the north-eastern town of Abu Qir; 6th of October's dry port; and supporting several startups to enhance the entrepreneurship ecosystem and accomplish solar power plants.

Half of the EBRD's investments are in sustainable infrastructure, contributing to the green economy and promoting energy efficiency. Over the years, the bank has contributed to the diversification of Egypt's energy mix with a commitment to finance an additional 1.6 GW of installed renewable energy capacity and an expected 8,303 kilotonne reduction in CO2e emissions (equivalent to emissions from the electricity use of about 1.4 million homes or the consumption of more than 17 million barrels of oil).

Moreover, strengthening access to finance for small and medium-sized enterprises (SMEs), the EBRD extended close to €1 billion to 19 private financial institutions and invested €128 million into SME equity funds to ensure the availability of long-term financing. In line with inclusivity, the bank also launched its Women in Business programme and Youth in Business programme to help develop financial skills, and its first sector-skills platform in Egypt; facilitating access to training and work-based learning opportunities for young people

In line with a commitment to enhancing and increasing cooperation with the EBRD, H.E. Dr. Rania A. Al-Mashat visited the HQ in London in March for board meetings and several bilateral discussions; the details of which were discussed in the previous section.



"We are proud to contribute to the future strategy for low-carbon hydrogen production in Egypt in line with the EBRD's commitment to mitigating climate change. The bank has been a strong supporter of renewable energy development in Egypt as it advised on policies, technical assistance and development financing to support development efforts in the country."

Mark Bowman, Vice President of the EBRD for Policy and Partnerships.



The ongoing development cooperation portfolio between Egypt and the EIB amounted to about €3.5 billion by the end of 2021, dedicated to various development projects in the transport, water and sanitation, energy, environment, small and medium enterprises and civil aviation sectors.

Currently, the Ministry of International Cooperation and bank's officials are preparing the new strategy 2022 - 2027. To that end, and as Europe's green bank and head of the Multilateral Development Bank Group, there are many potential areas of cooperation that can be strengthened with Egypt such as, the production of clean energy and green hydrogen. This is within the framework of cooperation between multilateral banks to enhance joint measures combating climate change.

A key part of the cooperation with the EIB lies through the EIB Climate Roadmap 2021 - 2025, where the bank aims to increase its support in financing climate action, and

reducing harmful emissions within the European Union and with the countries with which it cooperates. The bank is also working on implementing several pillars that will promote the green transformation through adaptation projects, and by mitigating the repercussions of climate change.

In 2022, H.F. Dr. Rania A. Al-Mashat visited the EIB headquarters in Luxembourg for a number of bilateral meetings with senior leaders, and also met with the bank's President Werner Hover at the WBG and IMF annual meetings. Later into the year, Al-Mashat met with the Minister of Civil Aviation H.E. Dr. Mohamed Manar and the European Investment Bank's (EIB) delegation headed by the Vice President Gelsomina Vigliott, in the bank's first high-level visit to Egypt since the COVID-19 pandemic. The EIB's delegation included: Lionel Rapaille, Head of the Neighborhood Department, and Alfredo Abad, EIB's Regional Representation in Egypt among many other senior bank officials.

During her visit, Vigliotti met with a number of ministers and officials from the government and the private sector to promote climate, technical and economic cooperation in energy and food security, in light of COP27.

Also this year, the EIB Group Climate and Environment Advisory Council (CEAC) was held, chaired by Christine Lagarde, President of the European Central Bank, included the participation of Al-Mashat, President of the EIB, Werner Hoyer, and the bank's vice president, along with the European Union's Commission, Frans Timmermans.

In a council of 11 members, the CEAC was held to provide advice and exchange expertise and experiences on activities implemented by the EIB, in line with achieving the climate goals. Participating through video conference, Al-Mashat emphasized the long-standing relations between Egypt and the EIB, extending back to 1970, which makes up for €13 billion worth of the bank's investments in the country.



"My colleagues and I look forward to discussing how to enhance the economy's resilience to meet current and new challenges, and push ahead for future engagement by the European Investment Bank in Egypt."

Vice President of the EIB, Gelsomina Vigliotti.

### THE AFRICAN DEVELOPMENT BANK

The current status of the ongoing cooperation portfolio with the African Development bank (AfDB), amounts to \$6.7 billion allocated to financing 107 projects across sectors of economic and social development, of which \$1.1 billion were directed to finance the private sector. The long-standing partnership is reflected in a diverse portfolio, covering the development of different priority sectors.

In her participation at the Africa CEO Forum this year, Al-Mashat visited the AfDB's headquarters for the first time to meet with the VPs Yacine Fal, Swazi Tshabalala, Kevin Kariuki, and Kevin Chika Urama to discuss our diversified portfolio and new 5-year strategy, and with the West African Development Bank's President Serge Ekue.

This year, Egypt's new 2022 - 2026 Country Strategy with the AfDB was launched after a series of extensive consultations with stakeholders, within the framework of the discussions held by the Ministry of International Cooperation with relevant entities. Detailing the importance of development cooperation, our new strategy with the AfDB is centered around enhancing private sector engagement to increase job opportunities and work environments, and on supporting efforts towards inclusive and sustainable growth through food and water security, and energy efficiency; all consistent with national priorities.

Building on the 2015 - 2021 strategy, the new country strategy is focused on building a competitive and resilient economy through private sector development and addressing climate change. To do so, the country strategy has two priority areas:

- Priority Area 1: Strengthening the country's competitiveness to support robust private sector-led growth and job creation.
- Priority Area 2: Building resilience to achieve food and water security and energy efficiency.

At COP27, the Ministry of International Cooperation and the AfDB officially launched the New Country strategy 2022-2026 on the sidelines of the Egypt-International Cooperation Forum (Egypt-ICF 2022).

The launching ceremony witnessed the participation of Minister of Environment, H.E. Dr. Yasmine Fouad, Kevin Orama, Vice President of the African Development Bank for Economic

Governance and Knowledge, Dr. Sherif El-Gabali, Member of the House of Representatives and Vice-Chairman of the African Affairs Committee, and Kevin Kariuki, Vice President of the African Development Bank for Energy and Green Growth.

The AfDB's Board of Directors approved the strategy in June, which is a result of an inclusive decision-making process and close collaboration with a variety of stakeholders led by the Ministry of International Cooperation, including Egyptian authorities, development partners, the private sector, and civil society.

Understanding more deeply the national policy context, the new country strategy builds on the achievements and lessons learned from previous strategies and enhances the cooperation between the Bank and the Government of Egypt over a period of five years.

The main objectives of the CSP 2022-2026 with the African Development Bank are genderresponsive climate action, improved climatesmart agriculture practices and increased renewable energy generation capacity.

Kevin Kariuki, Vice President of the AfDB for Climate and Green Growth, said that the new strategy between Egypt and the African Development Bank is in line with the Bank's climate strategy, as it enhances efforts to strike a balance between development and climate action.

He added that the Bank is exploring opportunities to support the Egypt Country Platform for NWFE in the water and energy pillars to build resilience and achieve sustainability.

Under the new strategy, the bank is also committed to supporting the country's National Development Plan; Egypt's Vision 2030, and its Government Action Program 2023-2027.

Egypt has been a founding member of the AfDB since 1964, adding that the Bank has contributed to financing development projects in all sectors through concessional loans, grants, and technical assistance.

Currently, Egypt's total portfolio with the AfDB accounts to more than US\$ 6.73 Billion, across 110 operations, with around US\$1 billion for 19 private sector operations in key sectors including manufacturing, financial sector, transportation, water, and agriculture.

"At the outset. I am pleased to express my sincere gratitude and appreciation to all of you here today to celebrate the launch of the new Egypt's AfDB Country Strategy Paper 2022-2026. The African Development Bank has been and will continue to be one of Egypt's key partners as it plays an important role in pioneering South-South cooperation and in advancing regional sustainable development. Indisputably, Africa is extravagant in natural resources and skills, and when sufficiently and effectively harnessed. paves the path to an inclusively prosperous Africa underpinned by our development agenda - Africa 2063. Egypt is working hard to overcome long-standing barriers to sustainable development in Africa, and our strategic partnership with AFDB is a key pillar to achieve that goal." H.E. Dr. Rania A. Al-Mashat.

Moreover, the ceremony included the Minister of International Cooperation, H.E. Dr. Rania A. Al-Mashat and FU Ambassador to Egypt, H.E. Christian

Berger, alongside Minister of Environment, H.E. Dr. Yasmine Fouad: Chairman of the National Bureau for the Implementation of the Fgypt-FU Association Agreement, Ministry of Foreign Affairs, H.F. Omar Aboueish: the President of the Central Agency for Organisation Administration (CAOA), H.F. Dr. Saleh Fl Sheikh. with a number of representatives from ministries, ambassadors of EU member states, and

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development partners. Also in line with the partnership, the Ministry of International Cooperation announced that the European Union has provided €117.9 million of development financing to support the budget of the water and energy sectors. supporting the ministries of housing and utilities, water resources and irrigation, finance, petroleum, mineral wealth,

electricity and renewable energy.

### International Partnerships For Sustainable Development





### **EUROPEAN** UNION

Throughout the year, Egypt has worked to strengthen its partnership with the European Union (EU) and various European countries

At COP27, a major milestone was achieved in the signing Ceremony of the "Mediterranean Hydrogen Partnership" and the letter of Intent for the EU Support to the Energy Pillar of Egypt's Country Platform for the Nexus of Water, نُوَفِي - Food, and Energy NWFE

As explained in the COP27 chapter, the EU and Egyptian Line Ministries will sign today. the "Mediterranean Hydrogen Partnership" to promote investments in renewable electricity generation. strengthening and extension of electricity grids, including trans-Mediterranean interconnectors. the production of renewables and low carbon hydrogen, and the construction of storage, transport and distribution infrastructure.

In addition, the European

Commission will allocate a grant

the Economic and Investment Plan efficient actions to produce clean, safe, and efficient energy.

of up to €35m in support of the Energy Pillar of Egypt's Country Platform for the Nexus of Water. . نُوَفِي - Food, and Energy NWFE The strategic bilateral cooperation with the European Union in the energy field has been shaped in various important programs such as: "Fostering Reforms in the Egyptian Renewable Energy and Water Sectors through **Developing Capacity Building** program amounted € 10 Million". "Egyptian Power Transmission amounted €20 Million", and "Wind Farm Gulf of Suez 200-250 Megawatt amounted € 30 million grant". Besides that, the European Union disbursed last June the second and the third tranches of the "Energy Sector Policy Support" Program amounted to €39.905.000 Million. All these programs target to strengthen and upgrade renewables and energy

to EBRD from the resources of



"Europe Day is a wonderful occasion to highlight the strategic relations between the EU and Egypt, and to strengthen our cooperation and long-standing partnership that began 45 years ago. Together, we celebrate the launch of programs that will improve the lives of many Egyptians across sectors, including agriculture, climate, housing, health and governance." EU Ambassador to **Egypt,** H.E. Christian Berger.

In the same context, The Egypt and European Union are currently working on updating "Egypt's Sustainable Energy Strategy 2040" which aims to ensure the security of energy supply by mainly adopting green energy scenarios in different horizons.

It is worth noting that the current cooperation portfolio between Egypt and the EU reaches €1.3 billion in the form of grants that supports sectors including transport, water, agriculture. small and medium-sized enterprises (SMEs), renewables, social protection, governance, civil society and capabilities building; alongside benefiting from many European initiatives and regional cooperation programmes.

Since 2008, the EU has mobilized €650 million in grants for various development sectors. contributing to the provision

of €7 billion in concessional financing provided by European financial institutions and member states of development banks.

During the year, Al-Mashat met

with the Ambassador of the EU in Egypt, Christian Berger, to follow up on the joint development cooperation efforts, as well as the Egyptian-EU 2021 - 2027 partnership. The Minister also met with the Executive Vice President of the European Green Deal at the European Commission, Frans Timmermans, and his delegation, which includes senior European Union officials, alongside the European Union Ambassador to Egypt, Christian Berger on Bilateral Cooperation. COP27 an innovative financing to support development in Egypt.

In line with the framework of the new 2021 - 2027 partnership that will encompass development in vital sectors including, a transition to the green economy,

projects, and rural development, the Ministry of International Cooperation and EU organized a signing ceremony for a number of development financing grants within the framework of the Egyptian-European partnership: supporting the Government of Egypt's development efforts in various sectors, namely rural and community development. administrative reform, local development, environment, and

new and renewable energy

The development financing grants signed are worth €138 million covering several sectors including: health, administrative reform, environment, rural and community development, and governance.





Egypt's ongoing bilateral economic cooperation portfolio has reached € 1.6 billion, allocated for implementing priority projects in different areas contributing to Sustainable Economic Development; including Energy, Climate, water supply, sanitation, irrigation, migration, solid waste management, and private sector competitiveness

The total value of the Egyptian-German debt swap program amounts to € 240 million including a variety of projects in sectors such as renewable energy, pollution reduction, drinking water and sanitation, education and vocational training.

At COP27, Egypt's cooperation with Germany witnessed major developments within the NWFE Program where "Political Declaration from the Governments of the Arab Republic of Egypt, the Federal Republic of Germany, and the United States of America on Accelerating Egypt's Energy transition" were released in which € 250 million was allocated by the German Government to support the Energy Pillar of NWFE through expected support of € 50 million as a grant, in addition to € 100 million from Debt swap and € 100 million concessional loan.

Also at COP27, we signed a total of 9 cooperation and financing agreements worth €160 million, including grants.

### The agreements:

 A financial cooperation agreement of €80 million dedicated to the Ministry of Education and Technical Education, Ministry of Environment and Credit Guarantee Company signed by H.E. Dr. Rania A. Al-Mashat and H.E. Dr. Svenja Schulze.

### With German Development Agency GIZ:

- Capacity Building through Urban Infrastructure Development worth
   €2 million as a grant dedicated to the Ministry of Housing, Utilities and Urban Communities.
- Participatory Infrastructure Project worth €11 million as a grant dedicated to the Ministry of Housing, Utilities and Urban Communities and Agriculture and Land Reclamation.
- Supporting E-Government and Innovation in the Public Administration (InnoPA) worth €8 million as a grant dedicated to the Ministry of Communications and Information Technology (MCIT) is the main political partner and one of the beneficiaries along with the Ministry of International Cooperation.

### With the KfW Development Bank::

- Rehabilitation of TVET schools II worth
   € 12.5 million as financial contribution
   dedicated to the Ministry of Education and
   Technical Education.
- Two financing Agreements for JISA Rehabilitation of Canals (one for loan and one for financial contribution) worth €16.5 million as loan and €2 million as financial contribution dedicated to the Ministry of Water Resources and Irrigation.
- Financing Agreement for Financial Support for the Comprehensive Technical Education Initiative (FCTI) worth €26 million as a financial contribution dedicated to the Ministry of Education and Technical Education.

Moreover in December, the Egyptian-German government negotiations were held on the technical level in 2022, with agreed-upon projects to be supported by Germany as part of the future framework of cooperation in 2024. This included the allocation of soft development financing, grants and debt swaps worth €370.9 million to finance 16 projects across sectors including: technical education, vocational training, innovation in the private sector, administrative reform, governance, urban development, energy efficiency, renewable energy, water sanitation, agriculture, and support for the NWFE Program.



### **ITALY**

The 2022 plans for bilateral cooperation between Egypt and Italy are currently being drawn up, and will be based on important pillars such as social development, women's empowerment, and the agriculture sector.

This year, H.E. Dr. Rania A. Al-Mashat met with the Italian Ambassador in Cairo, Michele Quaroni, his accompanying delegation from the embassy, and the technical support unit of the Egyptian-Italian Debt Swap Programme for development. This falls within the framework of the periodic meetings held by the Ministry of International Cooperation with multilateral and bilateral development partners to discuss strengthening joint relations in support of Egypt's development.

The meeting witnessed discussions on a number of projects being implemented in cooperation between Egypt and Italy within the framework of bilateral cooperation and the Egyptian-Italian debt swap programme. This includes the "Support to Private Sector Development in Egypt" worth €45 million to support the Ministry of Trade and Industry, the "Sustainable Agriculture Mechanization" through a soft loan worth €10 million to support the Ministry of Agriculture and Land Reclamation, technical assistance for the "Establishment of the Robbiki Leather City" project worth €6 million to support the Ministry of Trade and Industry, and the third phase of the "Solid Waste Support Project" in the Minya Governorate that is worth EGP 70 million to support the Ministry of Environment. They also discussed financing Egypt's National School Feeding Programme.

As the debt swap programme is a way to increase the financing for development projects with reduced external debt, while also accelerating sustainable development through financing priority projects, the first phase of the Egyptian-Italian debt swap program was signed in 2001, worth \$149.09 million dollars, dedicated to financing 54 projects in different governorates, across sectors. The second phase was signed in 2007 and amounted to \$100 million for 32 projects in various development sectors. Lastly, the third phase of the debt programme was signed in 2012, worth \$100 million, dedicated to addressing food security, education and higher education, agriculture, civil society, the environment, and the preservation of cultural heritage.

The bilateral cooperation between Egypt and Italy began after the signing of an economic cooperation protocol between the two countries in 1975. The fields of cooperation cover different sectors, including infrastructure, health, the environment, and SMEs; with economic cooperation divided into bilateral cooperation and the debt-swap programme, as well as the commodity import program.



### **FRANCE**

The long history of relations between Egypt and France is reflected across many areas of development cooperation. The total economic cooperation portfolio since 1974 amounts to €7.5 billion through 42 protocols that support development, strengthened even further in December 2020, H.E. President Abdel Fattah El-Sisi visited France, during which he met with French President Emmanuel Macron, where a number of development agreements were signed.

During the French Minister of Economy and Finance Mr. Bruno Le Maire's visit in June 2021, and Rémy Rioux, Chief Executive Officer of the Agence Française de Développement (AFD), alongside their accompanying delegation, new development financing agreements were signed in light of the 2021-2025 strategy, amounting to €1.76 billion; including €776 million from the French Treasury and €990 million from the AFD. This development financing is secured for development projects for transport, agriculture, water and sanitation, electricity, and energy sectors.

During the French Chamber of Commerce's 30th anniversary, Al-Mashat elaborated that Egyptian-French cooperation paves the way for more partnerships between the private sector of both countries. The total amount of French investment in Egypt amounts to \$5.5 billion in various fields including, infrastructure, industry, renewable energy, telecommunications and information technology, banking, and insurance.

Recently, the Ministry of International Cooperation and the AFD launched the new country strategy until 2025, which falls under the theme "Towards Shared Prosperity".

The new country strategy aims to achieve three main priority themes: 1) Boosting the integration of the Egyptian financial, commercial and production systems regionally; 2) Supporting the development of social infrastructure and 3) Promoting equitable and sustainable local development.

The three pillars of the strategy also include key sub-pillars: 1) Promoting shared prosperity; 2) Aligning development and climate goals; and 3) Job creation, innovation and entrepreneurship.





### The United Kingdom

The UK-Egypt strategic partnership serves as a catalyst for growth and achieves Egypt's key

framework of UK-Egypt Joint Statement renewed its partnership with the World Bank and analysis to the Government of Egypt on key priority areas such as economic reform, project to strengthen agricultural value chains deliver analytical solutions to transform maize with Ambassador Gareth Bayley, Ambassador in stimulating the participation of the private of UK to Egypt to explore cooperation opportunities for climate resilience and Minister for South and Central Asia. North Africa, UN, and the Commonwealth, Diana Layfield, the Chair of British International Investment (CDC group); and Louis Taylor, the CEO of UK Export Finance.

Director of the UK's CDC Group in Egypt. cooperation in terms of the green projects and water. This falls within the framework of sector to achieve the country's 2030 national agenda, in line with the UN SDGs.

the CDC in particular has supported the portfolio of about \$440 million for 39 energy and health sectors. The CDC group operating now for 70 years in promoting the sustainable long-term growth of companies in Africa and South Asia. The corporation has a portfolio of over \$9.3 billion investments in 1,200 companies in emerging economies.





### The USAID

in Egypt has exceeded \$30 billion since 1978. in various sectors such as health and portfolio of projects signed since 2014 has reached about \$1 billion.

Dr. Rania A. Al-Mashat held a meeting with Samantha Power, director of the US Agency for International Development in Washington. during the WBG and IMF Spring Meetings to discuss the need for development cooperation look into ongoing development projects and innovative solutions for food security, and the importance of the 'Decent Life' (Hayah

especially in information and communication women, and climate action. H.E. met with Egypt's USAID Mission Director Leslie

In 2022, 7 grant agreements worth \$160 million were signed within the framework

of joint economic relations between Egypt cooperation in several fields, in line with the country's 2030 Vision. The signed agreements allocate \$19 million for comprehensive economic governance, \$40 million for the \$7.5 million for the basic education sector. \$13.05 in health, \$18.45 million in trade and investment, \$47 million for agriculture and rural development, and \$15 million for the climate change initiative agreement.

**Chapter 4** 

**AMPLIFYING THE VOICES OF AFRICA:** 

# COOPERATION WITH THE CONTINENT





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Global climate financing is significantly lower and unevenly distributed with Africa receiving less than 5.5%. Hence, innovative solutions and collaborative financing models are central in supporting the global climate agenda, particularly in a continent that needs the most support. This year, with COP27 held in Egypt, we are predominantly focused on the needs of the African continent and with this year's Egypt - ICF was also themed around the continent's priorities, convening African ministers of finance, economy, and environment.

Towards a robust recovery, this year H.E. Dr. Rania A. Al-Mashat represented H.E. President Abdel Fattah El-Sisi in the International Development Association (IDA) discussions in Dakar, with heads of state and delegations from Africa, along with the WBG's Axel van Trotsenburg, and hosted by Senegal's President H.E. Macky Sall.

During the discussions, Al-Mashat emphasized the importance of climate finance for Africa, particularly finance for adaptation projects to address food security and water scarcity. I also noted the role of South-South Cooperation in scaling successful development examples across counties.

This concluded with the "Dakar Call to Action"; an action plan to overcome crises and achieve economic transformation with the Heads of State and Government of Cabo Verde, Cameroon, Democratic Republic of Congo, Egypt, Ethiopia, Guinea Bissau, Guinea Equatorial, Ivory Coast, Kenya, Liberia, Madagascar, Malawi, Mauritania, Nigeria, Republic of Congo, Rwanda, Senegal, Sierra Leone, Tanzania, The Gambia, Togo, The Union of the Comoros, and Zimbabwe.

Mobilizing African countries in supporting an ambitious development agenda, the "Dakar Call to Action", includes accelerating the continent's economic transformation for resilience, food security, job creation, climate action, investment in human capital, digitalization, private sector engagement, and trade.

### #AfricaCEOForum

The same sentiment was reiterated during the Africa CEO Forum this year: posing an opportunity to further bilateral and multilateral partnerships.

To strengthen regional economic cooperation and integration amid global food security concerns and climate change. During her participation in the Africa CEO forum, H.E. Dr. Rania A. Al-Mashat, Minister of International Cooperation, held two meetings with Moussa Sanogo, Minister of Budget of Côte d'Ivoire, and Adama Coulibaly, Minister for Finance and Economy, in the presence of Dr. Wael Badawy. Egyptian Ambassador in Abidjan.

H.F. Dr. Rania A. Al-Mashat also met with the CEO and President of the Africa Finance Corporation (AFC). Samaila Zubairu, during her visit to Côte d'Ivoire for the Africa CEO Forum, on ways to enhance joint cooperation with

the Government of Egypt and the AFC, in light of ambitious development plans in various sectors and infrastructure development projects that fall within Egypt's 2030 vision, the Government of Egypt's Action Programme 2023 - 2027, and the National Climate Change Strategy 2050.

Looking forward to unlocking Africa's untapped potential. and for more partnerships across sectors to accelerate global progress in sustainable development, the Minister also took part in a panel on COP27 with Africa Finance Corporation's on increasing private sector CEO and President Samaila Zubairy, Mahmoud Mohieldin, FDF's Valerie Levkov, H.F. Amadou Hott, and H.E. Ousmane Mamadou Kane.

H.E. also engaged in a panel on urbanization, sharing the importance of #sustainable

infrastructure and clean energy to power the cities of the future with H.F. Niale Kaba, Madani Maki, Tall, Emmanuel Nyirinkindi, Tolu Oyekan, Marco Aurelio De Assis. and Amaury de Féligonde, and gave closing remarks in a gender panel with Valérie Neim, Felicia Djibo, and Lamia Merzouki.

In bilateral meetings, Al-Mashat met with the Global Center on Adaptation's Patrick Verkooijen on climate adaptation solutions. IFC's Sergio Pimenta on climate goals and blended finance. Patrick Dupoux from the Boston Consulting Group (BCG) engagement, and Côte d'Ivoire's Ministers of Economy & Finance. and Budget Support, H.E. Adama Coulibaly and H.E. Moussa Sanogo on enhancing economic relations.

### Egypt's Cooperation with the United Nations Economic Commission for Africa

In Vera Songwe's, the United Nations Under-Secretary-General and Executive Secretary of UNECA, official visit to Egypt to participate in COP27-related discussions with government officials and other stakeholders. H.E. Al-Mashat met with her on opportunities with Africa on unifying objectives through common challenges.

The meeting assessed the prospects of strengthening South-South and triangular

of modalities for the exchange of development solutions. In line with the African Union's commitment to transform the African agriculture sector and end hunger in Africa by 2025, as well as promote climate-resilient economies, the Ministry's guidebook for financing incorporates the pillars of the international framework for adopting innovative climate financing, with transparency,

cooperation to diversify the range inclusion, and justice at the core.

Moreover, South-South and triangular cooperation will also be realized through the South-South Development Academy in Egypt, which will capitalize on Egypt's leading role in exchanging expertise and sharing success stories with developing and emerging economies, and identify development priorities that will need additional attention and financing.

"We underscored the challenges and opportunities for multilateral cooperation, crisis responses, and preparedness for COP27 in Sharm ElSheikh. We highlighted the importance of South-South and Triangular Cooperation; and mobilizing development financing for Africa, pushing for adaptation & resilience through blended and innovative financing."

Vera Songwe's, the United Nations Under-Secretary-General and Executive Secretary of UNECA.







### **Enhancing Relations Between African Countries**

Early in the year, Al-Mashat met with both the Minister of Economy, Planning, & Regional Development for Cameroon H.E. Alamine Ousmane Mey, and with the Minister of Finance, Budget & National Planning in Nigeria H.E. Zainab Shamsuna. These meetings come within the framework of strengthening economic relations with African countries, in light of the country's 2030 development vision, where both ministers addressed ways to enhance bilateral cooperation across different sectors.

The Ministry of International Cooperation is working to promote joint development between Egypt and the African continent by pushing for regional integration, and by enhancing expertise and knowledge-sharing while spotlighting Egypt's own development experiences with other African countries. This is in light of the political leadership's commitment to strengthening relations and supporting areas of development across the continent.

During the meetings, Al-Mashat reviewed several agreements that were concluded in terms of promoting development in Africa.

This includes the navigation line project between Lake Victoria and the Mediterranean Sea, the railway line project between Egypt and Sudan, and Cairo-Cape Town road project, which facilitates transportation and trade. This particular project is operating, reflecting opportunities for international and regional financing institutions to contribute, as well as stimulating the participation of the private sector in developing the road to advance integrated development in the continent.

For his part, the Minister of Economy, Planning, & Regional Development for Cameroon H.E. Alamine Ousmane Mev. stressed the importance of enhancing the prospects for trade exchange between both countries, and in achieving integration between the Arab and African regions, which has become urgent in light of the health crisis and geopolitical challenges faced by the world. Mey also expressed his interest in starting an Egyptian-Cameroonian business forum to discuss prospects for economic and technological cooperation, increase the exchange of information and expertise, and ensure capacity building, while also paying the way for joint manufacturing.

With enhanced cooperation and inter-trade between both countries, particularly in new and renewable energy, health, food security, and agriculture, he also referred to unlocking the great potential for Egypt and Cameroon.

During H.E. Al-Mashat's participation in the WBG and IMF 2022 Annual Meetings, she also met with H.E. Shamsuna again; and with Emmanuel Mpawe Tutuba, Tanzania's Permanent Secretary of the Ministry of Finance and Planning, to discuss strengthening joint economic relations and economic cooperation.

The meeting also discussed South-South cooperation and its importance in accelerating sustainable development in developing and emerging economic countries by exchanging expertise and experience, as well as emphasizing that climate action cannot be seen separately from development, in the backdrop of the importance of enhancing food security efforts through cooperation within the African continent, to address global challenges in supply chains.

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### The Role of South - South Cooperation in Africa

In April, the Ministry of International Cooperation and United Nations Development Programme (UNDP) launched the Multi-Stakeholder Platform on South-South and Triangular Cooperation to drive impactful, transformative initiatives.

Titled, "Towards Effective South-South and Triangular Cooperation", this included the virtual participation of more than 60 representatives from governments and multilateral and bilateral development partners, including the World Food Programme, the Islamic Development Bank, the World Bank, the International Finance Corporation, the European Bank for Reconstruction and Development, the Climate Investment Funds (CIF).

and the African Development Bank.

In his remarks, Mengstab Haile, Regional Director of the World Food Program for South Africa, said that the program has implemented ambitious partnerships with Egypt, the most important of which is the Luxor Center for Innovation and Knowledge Exchange. He added that the African Union considers Egypt as a model for knowledge exchange, and that there is an opportunity to coordinate more platforms to share success stories and experiences.

This multi-stakeholder platform marks the beginning of continuous discussions to set up working groups and mechanisms for South-South and triangular cooperation. The Ministry has also revamped

the South-South Development Academy to showcase successful development practices, especially those implemented in cooperation with development partners.

Hosting multi-stakeholder platforms is one of the Ministry's principles of a country-led multi-stakeholder engagement framework, where we strengthen dialogue and partnerships through regular interactive and participatory consultations with all development partners to achieve value-centric results. In the case of Africa, such consultations are needed to increase knowledge-sharing and cooperation within the continent.

### Global Conferences for African Cooperation: The 54th Economic Commission for Africa

H.E. Dr. Rania A. Al-Mashat participated in the virtual session on financing green growth and the African Continental Free Trade Area (AfCFTA) in its 54th Session of the "Economic Commission for Africa Conference of African Ministers of Finance, Planning and Economic Development". This is alongside the Director General of the Arab Bank for Economic Development in Africa (BADEA), Sidi Ould Tah; the Secretary General of the AfCFTA Secretariat, Wamkele Mene; Minister of Finance in the Democratic Republic of the Congo, H.E. Nicolas Kazadi; and Deputy Minister of Finance for the Republic of South Africa, David Masondo.

During her speech, Al-Mashat stressed the importance of strengthening multilateral cooperation, and the role that development banks and international institutions can play in promoting green growth in the African continent. He pointed out that the COP27, to be held in Egypt in November, will be crucial in highlighting Africa's efforts towards a green economy transition, in line with reducing harmful emissions and providing the necessary development finance.

Al-Mashat referred to Egypt's experience in international cooperation and in development financing, noting the importance of pushing for South-South Cooperation to exchange knowledge and experiences so as to advance the 2030 global agenda. The Minister also explained that innovative financing constitutes one of the most important mechanisms for consolidating cooperation among relevant entities to stimulate green investments from the private sector.

Moreover, Al-Mashat pointed out that there are various development opportunities in Africa through the AfCFTA and via digital transformation and e-commerce.



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### The African Regional Forum

The Ministry of International Cooperation participated in two sessions on food security, energy, and sustainable transport, within the activities of "The African Regional Forum on Climate Initiatives to Finance Climate Action and the SDGs" in Addis Ababa. This is one of the five regional forums held in cooperation with the United Nations Economic Commission for Africa and the Egyptian presidency of COP27, and with the high-level climate action champions, and Glasgow's COP26, under the title "Towards COP27: Regional Forums on Climate Initiatives to Finance Climate Action and the SDGs".

During the two sessions, Dr. Mohamed A. Gawad Allam, Minister plenipotentiary (commercial) and Head of IFIs Sector, at the Ministry of International Cooperation, and Ms. Sherihan Bekhiet, the Assistant Minister of International Cooperation, discussed the "NWFE Program"; launched by the Ministry to increase development financing for green projects in energy, water and food.

### The Way Forward

The African continent, while full of challenges, is rapidly developing, led by its large population of youth and rising tech scene.

As per the WBG, "Prospects for the East and Southern African subregion show a sustained recovery (4.1%) from the recession, down to 3.1% in 2022, and then settling around 3.8% in 2024. The Western and Central Africa subregion is projected to grow 4.2% in 2022 and 4.6% in 2023. The 2022 forecast is revised up by 0.6 percentage points compared to the October 2021 forecast, largely reflecting upgrades in Nigeria. Economic activity in Sub-Saharan Africa is projected to grow at 3.9 percent and 4.2 percent in 2023 and 2024, respectively. A recovery in global demand is expected in 2023 as most of the shocks dragging down the global economy are expected to dissipate."

With economic challenges, there is also the impending climate crisis. In the African Economic Outlook 2022 report titled "Supporting Climate Resilience and a Just Energy Transition in Africa", climate change is positioned as a clear threat to livelihoods in Africa. The report explains that, "despite having 17% of the current global population, Africa has accounted for a negligible 3% of cumulative worldwide CO2 emissions historically"; leading to severe economic, social, and environmental consequences.

"Collectively, African countries received only \$18.3 billion in climate finance between 2016 and 2019. This leaves a climate finance gap of up to \$1288.2 billion annually from 2020 to 2030," explains the report.

This reflects that pledged global commitments, particularly from the private sector, may not make their way to the countries that need them the most. Innovative solutions, such as de-risking instruments and blended finance, are therefore more important than ever.



Chapter 5

**Chapter 5** 

# ENGAGING FOR COMMON INTERESTS







### The 17th Egyptian-Tunisian Joint Higher Committee

The Egyptian-Tunisian Joint Higher Committee falls under a government vision that emphasizes win-win economic and technical cooperation between both countries in order to use regional trade integration as a tool to spur mutual economic benefits and investment opportunities. The committee's agenda covered cooperation in a variety of priority issues, including technical and cooperation in trade, petroleum, energy, higher education, health, housing, finance, and transportation.

Moreover, the Egyptian delegation includes representatives of 22 ministries and national representatives headed by the Ministry of International Cooperation. It also includes representatives from the ministries of Foreign Affairs, Electricity, Minera Resources, Electricity and Renewabl Energy, Justice, Interior, Finance, Social Solidarity, Education, Higher Education, Scientific Research, Health, Population, Agriculture, Land Reclamation, Trade, Industry, Housing, Communications and Information Technology, Transportation, Planning and Economic Development, the Genera Investment Authority, the National Training Academy and the Food Safety Authority.

During H.E. Dr. Rania A. Al-Mashat visit to Tunisia, H.E. met with the Tunisian Minister of Trade and Export Development, Fadila Al-Rabihi bin Hamza on potential area of cooperation, prior to the joint committee meetings.

Historically, the Egyptian-Tunisia Joint Higher Committee held 16 sessions headed by the prime ministers of the two countries and is known to be one of the oldest joint Arab committees, producing more than 135 cooperation protocols. In terms of cooperation with Tunisia, the Egyptian-Tunisian Economic Forum was also inaugurated this year, led by H.E. Mostafa Madbouly and H.E. Naila Bourden

The Government of Egypt is committed to ensuring strategic cooperation with Tunisia in many areas. Early in January 2022, H.E. Dr. Rania A. Al-Mashat held a meeting with Tunisia's Ambassador to Cairo, Mohamed Ben Youssef, to address areas of joint cooperation between both countries, across different sectors of development. This was held within the framework of preparations for the Egyptian-Tunisian joint committee

During the aforementioned discussion, H.E. Al-Mashat stated that the COVID-19 pandemic has negatively affected world economies, especially at the international trade level, and the intra-regional trade between Egypt and Tunisia; as the first wave of the pandemic has impacted foreign trade and logistics services, hence the importance of enhancing economic relations between both countries through holding joint trade specialized exhibitions.

The Minister underscored the importance of empowering businessmen and companies to take part in such exhibitions, and to hold "commercial weeks" for Egypt's products in Tunisia and likewise for Tunisian products, which increases awareness on exports for both sides.



During the 8th Egyptian-Algerian Joint Higher Committee, preparatory ministerial level meetings were headed by H.E. Dr. Rania A. Al-Mashat and Algeria's Minister of Industry, H.E. Ahmed Zeghdar.

Egypt and Algeria have longstanding relations, with 7 sessions of the joint committee held under the chairmanship of the prime ministers of both countries, the last of which was in 2014, where 17 agreements and Memorandums of Understanding (MoUs) were signed.

In that light, the Ministry of International Cooperation has

been coordinating with national entities and their Algerian counterparts in preparation of the 8th Egyptian-Algerian Joint Higher Committee. From the beginning of the year, several meetings have been held between Al-Mashat and the Algerian Ambassador in Cairo, as well as meetings between relevant entities from both sides regarding the convening of the committee.

In the 8th joint committee, the delegation from the Egyptian side was headed by the Ministry of International Cooperation and included representatives from the Ministries of Foreign Affairs, Interior, Higher

Education and Scientific Research, Health and Population, Housing, Utilities and Urban Communities, Electricity and Renewable Energy, Petroleum and Mineral Resources, Military Production, Education, Trade and Industry, and Civil Aviation, Transportation, the Central Bank of Egypt (CBE), the General Authority for Investment and Free Zones (GAFI), and the Micro Small and Medium Enterprises Development Agency (MSMEDA).

During the committee's activities, Al-Mashat emphasized the depth of the relations between both countries, and their common history, looking forward to deepening cooperation that is reflected in the will of the political leadership in Egypt and Algeria. Regularly holding high-level joint committees is a key way to ensure streamlined consultations, and an exchange of information, expertise and knowledge.

Unlocking a new level of enhanced cooperation, the sessions concluded with 11 MoUs addressing several sectors including: water resources, industry, MSMEs, governance, environment, employment, investment, finance, and education.









### The 30<sup>th</sup> Egyptian - Jordanian Joint Higher Committee

Also this year, and to step up technical collaboration and spur the exchange of successful innovation- and technology-based experiences, the Ministry of International Cooperation launched preparatory meetings for the 30th session of the Egyptian-Jordanian Joint Higher Committee.

This was attended by representatives of Egypt's Ministries of Foreign Affairs, Interior, Transport, Health, Trade and Industry. The Jordanian delegation included representatives of the Ministry of Industry, Trade and Supply, Health, Transport, Customs, the Food and Drug Corporation, and the Ministry of Labor and Agriculture.

During the meeting, both countries agreed to collaborate in leveraging technical and

knowledge exchange in energy, trade and industry, and sharing knowledge of governance frameworks that seek to address the health, water, food, and energy nexus. The 29th session of the Egyptian-Jordanian Joint Higher Committee, which was held in Jordan last year, witnessed the signing of 7 documents for joint cooperation in a diversity of sectors, including electricity, water management and antiquities.

The Egyptian-Jordanian Joint Higher Committee has witnessed a number of substantive interactions since its launch in 1985, where 29 sessions were held that resulted in 154 protocols, agreements and documents of cooperation to strengthen technical cooperation in accordance with both countries' aspirations for path-breaking achievements in sustainable development.





### The 5<sup>th</sup> Egyptian- Azerbaijani Joint Committee for Economic, Scientific & Technical Cooperation

For the first time since 2018, and on the back of 30 years of diplomatic relations, the 5th session of the Egyptian - Azerbaijani Joint Committee for Economic, Scientific & Technical Cooperation was held, headed by H.E. Dr. Rania A. Al-Mashat and Azerbaijan's Digital Development & Transport Minister, H.E. Rashad Nabiyev.

During the committee's activities, 5 strategic cooperation documents were signed to push economic partnerships in SMEs, trade, industry, ports, and establishing a business council. This is alongside the inauguration of the Egyptian-Azerbaijani Business Forum, to highlight opportunities for both countries in the presence of private sector representatives from both sides.

The joint businessmen forum was held with the participation of representatives from the General Authority for Investment and Free Zones, the General Federation of Egyptian Chambers of Commerce, the Azerbaijan Export and Investment Promotion Fund (AZPROMO), 24 businessmen and representatives of the Egyptian private sector, and representatives of Azerbaijani companies.

The strategic partnership between Egypt and Azerbaijan can open doors for new paths of trade exchange between the two countries.

which comes against the backdrop of strengthened Egyptian-African relations through the African Free Trade Agreement.

Leveling-up infrastructure, modernizing cities and trade, and boosting the energy sector, the Minister noted that Egypt has risen as the next destination for investment for the private sector, which is backed by the stabilization of the economy in recent years as a result of the structural and reform policies that were undertaken.

As Egypt is rising as the next export gateway to Africa and Asia, particularly in light of the competitive advantages it possesses logistically, the Minister called on the business community and the private sector in the two countries to capitalize on this key opportunity and enhance engagement to diversify areas of cooperation in various development sectors.

Al-Mashat also held a meeting with Azerbaijan's Prime Minister H.E. Ali Asadov, on potential development areas in investment, trade and tourism; and with the Minister of Economy Mikayil Jabbarov who expressed interest in enhancing cooperation in several areas, including private sector engagement and investment.



"Mindful of the importance of "Multilateralism" to address the changing global dynamics and the tremendous challenges that followed, it is vital to engage different stakeholders to create inclusive, green and digital economies by capitalizing on each's own role, whether it is governments, international organizations, private sector, and civil society." H.E. Dr. Rania A. Al-Mashat.

International Partnerships For Sustainable Development

Annual Report | 2022

### Reviving the Egyptian-Polish Joint Committee for Economic Cooperation

Also in 2022, and as part of the first visit of the President of the Republic of Poland, Andrzej Duda, to the Arab Republic of Egypt, H.E. Dr. Rania A. Al-Mashat signed an economic cooperation agreement with the Polish side. This took place during the Egyptian-Polish Joint Committee for Economic, Scientific and Technical Cooperation to enhance joint economic relations between both countries.

The Egyptian-Polish Joint Committee for Economic, Scientific and Technical Cooperation paves the way for more joint cooperation in areas of joint development;

the first held after 29 years. This is within the framework of the immense development of Egyptian-Polish relations under the leadership of H.E. President Abdel Fattah El-Sisi, reflecting the strength of bilateral relations between both countries.

The new economic cooperation agreement signed between Egypt and Poland replaces the economic cooperation agreement signed in 1964 with 12 sessions of the joint committee; consolidating a new phase of relations between both countries, which will be carried out through joint action in different areas of

development and economic cooperation

It is worth mentioning that Egyptian-Polish relations date back to the beginning of the 20th century, and in the past 90 years, the joint relations between both countries have grown significantly, at all levels; witnessing new stages when Poland joined the European Union in 2004. As Egypt and Poland have distinguished economic, trade and investment relations, the reconvening of the economic committee between the two countries opens the door for more opportunities for cooperation and joint coordination.

### The Egyptian-Kazakhstan Joint Committee

Holding the 6th Session of the Egyptian-Kazakh Joint Committee for Economic, Scientific and Technical Cooperation is in the works, as H.E. Dr. Rania A. Al-Mashat held a meeting with the Ambassador of the Republic of Kazakhstan, Khairat Lama Sharif, in Cairo to discuss arrangements for convening the joint committee between the two countries to enhance economic cooperation. Enhanced economic cooperation with Kazakhstan, opens a new important chapter of partnership for the two countries in light of their long-standing historical relations, particularly in trade, investment, industry, antiquities, and pharmaceutical industries.

With potential opportunities coming through with the 6th committee, there is also more

room for the private sector to play an active role in the development and enhance trade and investment exchange, pointing to the importance of continuous communication between the technical teams from both sides to deepen and strengthen the partnership between the two countries.

### Celebrating Cooperation in the Arab Region

As worded by the G20 Indonesia Presidency, "Recover Together, Recover Stronger".

With November's COP27 and G20 fast approaching, global conversations on sustainable finance, innovative solutions, private sector, and multilateralism are center stage, while also spotlighting the voices of the South.

This year, H.E. Dr. Rania A. Al-Mashat participated in the 2022 Islamic Development Bank Group's (IsDB) Annual Meetings in Sharm El-Sheikh in discussions on resilience and sustainability, including a special panel on Indonesia's 2022 G20 Presidency, with

Indonesia's Minister of Finance H.E. Sri Mulyani, the UN Climate Change High-Level Champion Dr. Mahmoud Mohieldin, and Governor of Bank Indonesia Perry Warjiyo.

In H.E.'s participation of the High-level Seminar on "The Indonesian Presidency of the G20 Throughout 2022: 'Recover Together, Recover Stronger' Agenda and Priorities", the Minister spotlighted the role of Indonesia as one of the IsDB's 3 member countries in the G20; raising awareness within IsDB member countries.

Earlier in the year, H.E. Dr. Rania A. Al-Mashat held a meeting with Mai Ali Babiker, Director

of the Regional Office of the IsDB, in the presence of Murad Bin Ali Al-Shuwaikh, the bank's Director of Country Operations, and Bekzod Parmanov, the bank's Operations Team Leader (Water), to review the current status of projects and chart a new path ahead amid changing global contexts.

The meeting reviewed IsDB's financing plan and its future directions in light of the current global context, as well as a review of development projects that the bank can contribute to with financing, in light of being a key partner of Egypt's development agenda. The annual meetings also featured the IsDB Group Private Sector Forum.



### An Opportune Time For Engagement: Joint Arab Cooperation

The current global challenges have highlighted the continued role of Arab financial institutions to support member states in development efforts.

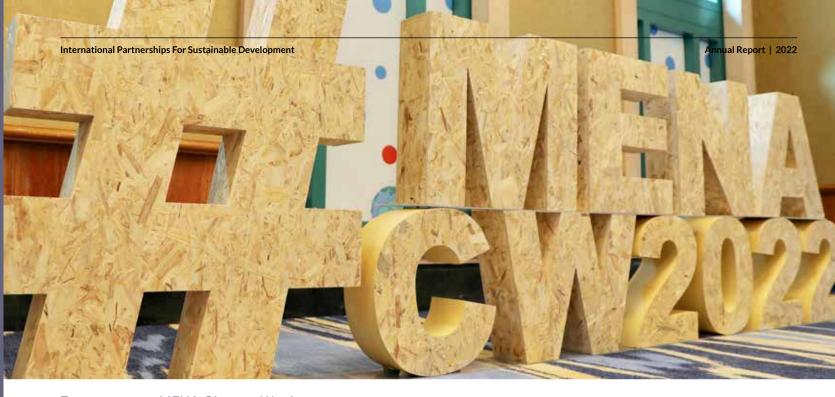
H.E. Dr. Rania A. Al-Mashat participated in the Annual High-Level meetings with Arab Financial Authorities and Institutions in Jeddah, Saudi Arabia, held under the patronage of the Custodian of the Two Holy Mosques. The meetings also included the participation of Tarek Amer, the Governor of the Central Bank of Egypt; H.E. Dr. Mohamed Maait, the Minister of Finance in Egypt; and high-level representatives such as Ministers of Finance, Economy, and International Cooperation from different Arab countries.

As both a representative of the Government of Egypt, and as the governor of Egypt to the Arab Fund for Economic and Social Development (AFESD), the Arab Investment & Export Credit Guarantee Corporation, and the Arab Bank for Economic Development in Africa (BADEA), the meetings come within the framework of the strategic economic relations between Egypt and Arab financial institutions.

The high-level annual meetings also included the AFESD, Arab Investment & Export Credit Guarantee Corporation, BADEA, the Arab Monetary Fund (AMF), and the Arab Authority for Agricultural Investment and Development (AAAID).

During the meetings, Al-Mashat underscored our long-standing strategic partnerships and discussed the important economic role of Arab financial institutions given current global developments, where H.E. also met with Dr. Abdulhamid Alkhalifa, the Director General of the OPEC Fund for International Development and Mr. Musab Alomar, the OPEC Fund's Director of the MENA, Eastern Europe and Central Asia.

Within the annual meetings, the Ministry of International Cooperation and Kuwait Fund for Arab Economic Development (KFAED) signed a development agreement to prepare a study on establishing a 570 km railway link between Egypt and Sudan, increasing trade and economic opportunities.



### Zooming in on MENA Climate Week

Early in the year in March, the MENA Climate Week was hosted in Dubai, UAE, highlighting many opportunities for cooperation within the region, and with the world, to promote green growth, to overcome challenges caused by climate change, and to implement international agreements on climate action, such as the Paris Agreement.

During a High-Level Panel Discussion organized by the United Nations Development Programme (UNDP), Al-Mashat shared that Egypt is accelerating its steps towards achieving a green transformation through development cooperation and stimulating private sector engagement, to expand environmentally-friendly projects, while also strengthening regional and international efforts in addressing climate change, noting the needs of developing countries.

This panel session also included H.E. Mr. Mahinda Amaraweera, Minister of Environment in Sri Lanka; H.E. Dr. Jasim Al-Mohammedi, Deputy Minister of the Environment in Iraq; H.E. Mr. Mohamed Abdoulkader Moussa, Minister of Urbanism, Environment and Tourism in Djibouti; H.E. Ms. Samia Moualfi, Minister of Environment in Algeria; and H.E. Mr. Nigel Topping, High-Level Climate Champion for Climate Action COP26.

### Some of the highlights shared by H.E. Dr. Rania A. Al-Mashat:

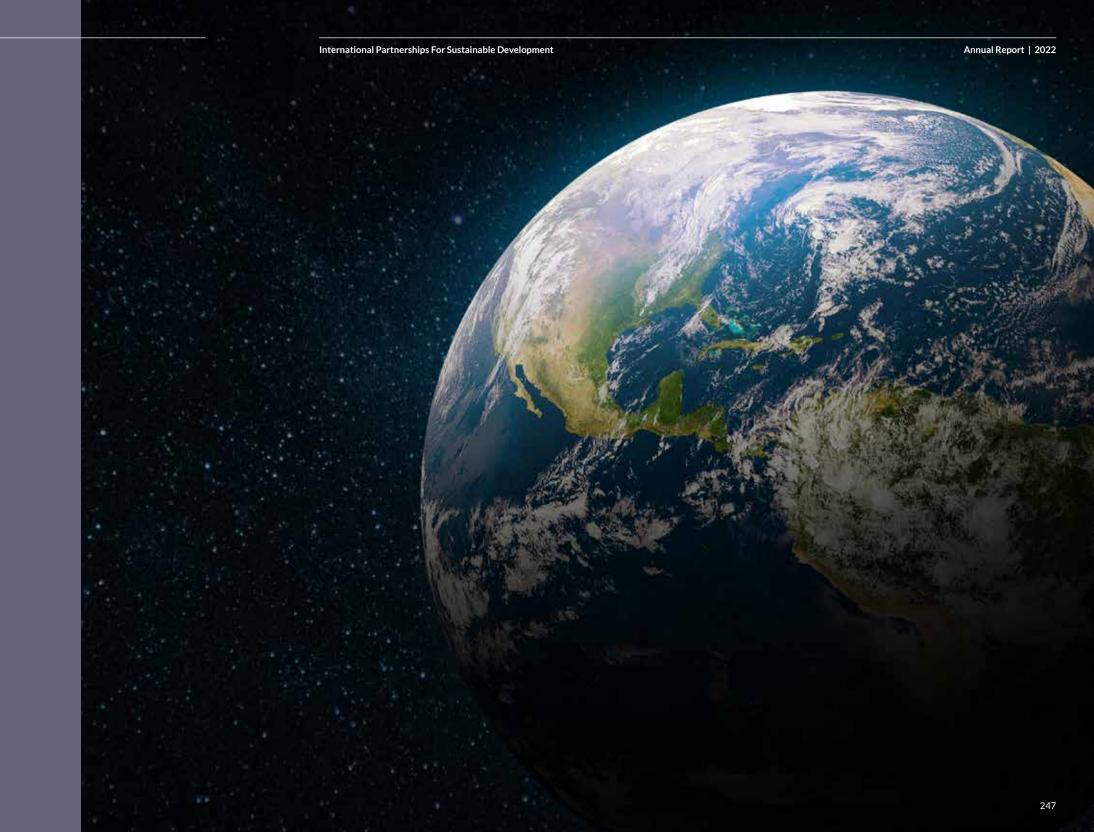
- Increasing development financing directed to adaptation and mitigation projects to address climate change is a necessity in supporting global development efforts.
- Egypt is accelerating its steps towards achieving a green transformation through development cooperation and stimulating private sector engagement, to expand environmentally-friendly projects, while also strengthening regional and international efforts in addressing climate change, noting the needs of developing countries.
- Expanding innovative financing tools to open the door for increased private sector
  participation is necessary to finance adaptation projects, mitigate climate change, and fulfill
  global commitments.

Al-Mashat also attended the Green Banks Event "A Green Finance Facilities Ecosystem: A USD 3tn Opportunity for Africa", organized by the African Development Bank (AfDB), as part of the Middle East and North Africa Climate Week 2022. She had explained innovative financing tools are a catalyst to ensure that the international community's commitments made at COP26 are put into action, ahead of, and beyond COP27 in Egypt.

"Going forward, we are looking to strengthen our partnerships with the different stakeholders, ensuring that green is a primary keyword in all our work." H.E. Dr. Rania A. Al-Mashat.

### **Chapter 6**

# TOGETHER, WE INFORM, INVOLVE & IMPACT.



# SOUTH SOUTH COOPERATION

"South-South cooperation refers to the technical cooperation among developing countries in the Global South. It is a tool used by the states, international organizations, academics, civil society and the private sector to collaborate and share knowledge, skills and successful initiatives in specific areas such as agricultural development, human rights, urbanization, health, climate change etc", as per the UN,

Through this, South-South cooperation has led to a massive amount of knowledge and expertise exchange via programs, projects and initiatives that support problems in countries of the Global South

### **Driving Impactful Transformation**

To drive impactful transformative initiatives, the Ministry of International Cooperation and United Nations Development Programme (UNDP) launched a Multi-Stakeholder Platform on South-South and Triangular Cooperation.

The meetings discussed reinvigorating our collaboration on the South South Development Academy in Egypt (SSDA), further highlighting the role of South-South and Triangular Cooperation, and opportunities and prospects for international partnerships.

With the ambition to drive impactful transformative initiatives, the Ministry of International Cooperation is continually aiming to enlarge and deepen its partnerships by building a "network of networks" where new and diverse actors from around the world are involved in inclusive dialogue.

As one of the principles of the Ministry of International Cooperation, hosting multistakeholder platforms is where we strengthen dialogue and partnerships through regular interactive and participatory consultations with all development partners to achieve value-centric results.

The Ministry of International Cooperation and the UNDP launched a multi-stakeholder platform titled, 'Towards Effective South-South and Triangular Cooperation, which included the virtual participation of more than 60 representatives from governments and multilateral and bilateral development partners, including the World Food Programme, the Islamic Development Bank, the World Bank, the International Finance

Corporation, the European Bank for Reconstruction and Development. the Climate Investment Funds (CIF). the African Development Bank, the International Fund for Agricultural Development (IFAD), United States Agency for International Development (USAID), Agence Française de Développement (AFD). International Organization for Migration (IOM). United Nations International Children's Emergency Fund (UNICEF), World Food Programme (WFP), United Nations Educational, Scientific and Cultural Organization (UNESCO), Green Climate Fund. International Islamic Trade Finance Corporation (ITFC). United Nations Economic Commission for Africa (UNECA). Organisation for Economic Cooperation and Development (OECD), and many others, as well as some of our bilateral partners: Cameroon, Nigeria, Romania, Algeria, Switzerland, Germany, Netherlands, and Denmark.

This level of international cooperation capitalizes on the growing appetite for a deeper partnership between all stakeholders to save time and resources by building on existing projects and identifying significant opportunities and lessons learned to bridge the different contexts and starting points when it comes to critical domains of cooperation.

This multi-stakeholder platform also marks the beginning of continuous discussions to set up working groups and mechanisms for South-South and triangular cooperation. The Ministry has also revamped the South-South Development Academy to showcase successful development practices. especially those implemented in cooperation with development partners.



H.E Dr. Rania A. Al-Mashat, noted that South-South and triangular cooperation offers an opportunity to catalyze action and transfer Egypt's experience in sustainable development to other countries in the region.

H.E. added that in efforts to strengthen cooperation with development partners to leverage Egypt's pivotal role in Africa through South-South and triangular cooperation, the Ministry of International Cooperation. organized a workshop on "Triangular Cooperation with Africa" during the Egypt-International Cooperation Forum 2021.

Egypt has pushed ahead in project innovation through implementation and design simultaneously, as the 'Decent Life' initiative illustrates its unique approach in bringing together a variety of stakeholders, from development partners to local actors, and targeting a multitude of interconnected SDG goals.

For his part, Alessandro Fracassetti. Resident Representative of the UNDP, noted that Egypt is presented as a leading example to the region and the continent, and that there is an opportunity this year in Egypt to work on some of these best practices in the run-up to COP27. He added, "South-South cooperation plays an indispensable role in today's development landscape and the future of development, and is one of the topics of particular importance to the program and part of its strategy. The program estimates that 13-19% of its development support already includes South-South cooperation."

In his remarks, CEO of the International Islamic Trade Finance Corporation, Eng. Hani Salem Sonbol, expressed the support of the Islamic

Development Bank Group for the objectives of this platform and its guest for effective South-South and triangular cooperation. He added that financing is not the only solution for South-South cooperation, but technical cooperation is also essential. The bank's TCP (Technical Cooperation Programme) supports the transfer and exchange of skills. knowledge and the know-how to member countries.

Yasmine Fl Hini. Country Director of the International Finance Corporation, the arm of the World Bank for financing the private sector, stressed the importance of the initiative and the role of South-South cooperation in promoting Egypt's successful private sector projects to other countries in Africa and transfer experiences.

Mohamed Al-Azizi, Director General at the African Development Bank for North Africa, shared significant initiatives and project stories that present lessons learned for South-South and triangular cooperation, such as the Desert to Power that stretches across the Sahel region, connecting: 250 million people with electricity by tapping into the region's abundant solar resources.

In his remarks, Mengstab Haile, Regional Director of the World Food Program for South Africa, said that the program has implemented ambitious partnerships with Egypt, the most important of which is the Luxor Center for Innovation and Knowledge Exchange. He added that the African Union considers Egypt a model for knowledge exchange and that there is an opportunity to coordinate more platforms to share success stories and experiences.





# Leveraging New Tools to Put Africa in the Driver's Seat & Identify Regional Priorities for Addressing Climate Change

H.E. Dr. Rania A. Al-Mashat, held a meeting with Vera Songwe, United Nations Under-Secretary-General and Executive Secretary of UNECA to discuss opportunities in putting African countries in the driver's seat of combating climate change, where they are able to unify their objectives through defining regional development.

The meeting is part of Vera Songwe's official mission to Cairo to participate in COP27-related discussions with government officials and other stakeholders.

In the face of Africa's many common and overlapping challenges, the meeting assessed the prospects of strengthening South-South and triangular cooperation to diversify the range of modalities for the exchange of development solutions. In line with the African Union's commitment to transform the African agriculture sector and end hunger in Africa by 2025, as well as promote climate-resilient economies, the Ministry is working on drafting a guidebook that incorporates the pillars of the international framework for adopting innovative climate financing, with transparency, inclusion, and justice at the core.

The Ministry's vision for South-South and triangular cooperation will also be realized through the South-South Development Academy in Egypt, which will capitalize on Egypt's leading role in exchanging expertise and sharing success stories with developing and emerging economies, and identify development priorities that will need additional attention and financing.



### Promoting Food Security & Human Capital Development

In the current context, mutual learning and spurring knowledge exchange has become a key ingredient in achieving sustainable development. South-South and technical cooperation has also been emphasized as a transformative development cooperation modality, which builds on the strengths of diverse development partners to implement innovative solutions.

These remarks came during H.E. Dr. Rania A. Al-Mashat's meeting with Praveen Agrawal, Country Director of the World Food Programme (WFP) in Egypt, to strengthen cooperation in food security and sustainable food systems.

Reflecting this context, the Minister expressed goals to transform the Luxor Center for Innovation and Knowledge Exchange into a Center of Excellence (CoE), which is implemented in cooperation with the WFP, into a regional African hub for technical and knowledge exchange in food security among developing countries.

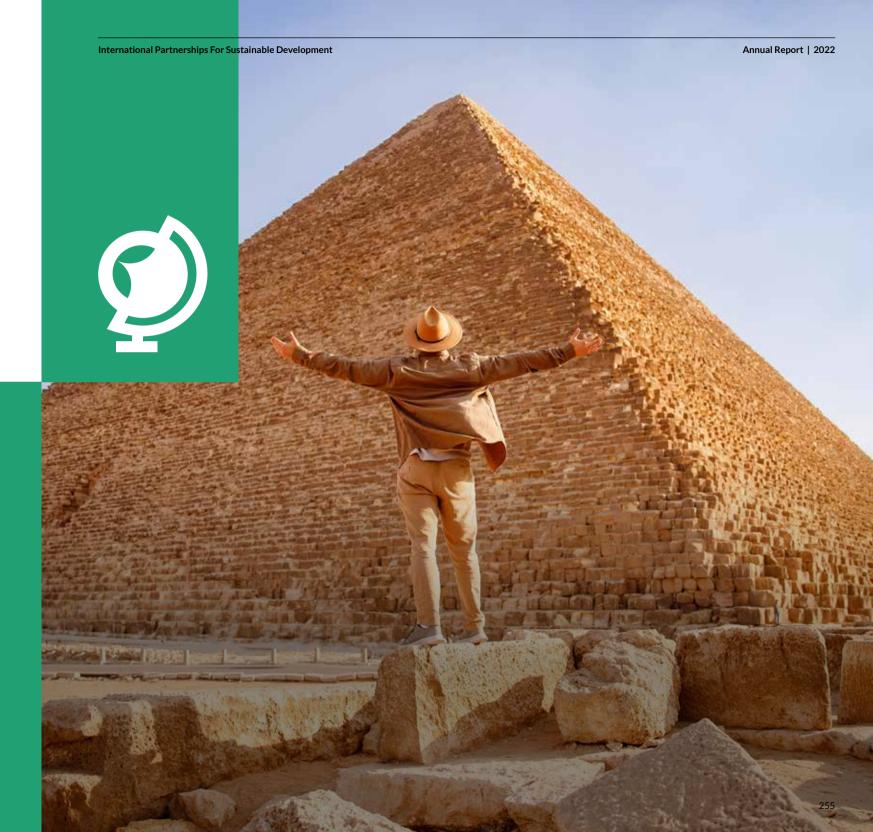
For his part, Praveen Agrawal, WFP Country Director in Egypt, praised the ongoing and strategic partnership with Egypt and the pivotal role the Ministry of International Cooperation plays to coordinate relevant authorities to accelerate development. He added that partnership successes in Egypt throughout the 2018-2022 partnership framework reached a total of \$240 million.

This meetings comes within the country-led engagement framework held by the Ministry of International Cooperation with multilateral and bilateral development partners to periodically follow up on the progress of ongoing partnerships and strategies, which is in line with presidential directives to optimize the value of development cooperation along two dimensions: social-environmental and financialeconomic through bolstering Egypt's economic and sustainable development, enhancing role of the private sector, as well as improving infrastructure and investing in human capital through the "Decent Life" initiative.

Discussing pathways to achieve SDG2: Zero Hunger, by expanding and strengthening the government's school meals programme, working to enhance community resilience and ensure food security, H.E. Dr. Rania A. Al-Mashat underlined the value of the school meals programme, which is part of the state's priorities, and receives greater attention from President Abdel Fattah El-Sisi and continuous follow-up by the Prime Minister, and also falls under the "Decent Life" initiative to develop rural areas in Egypt.

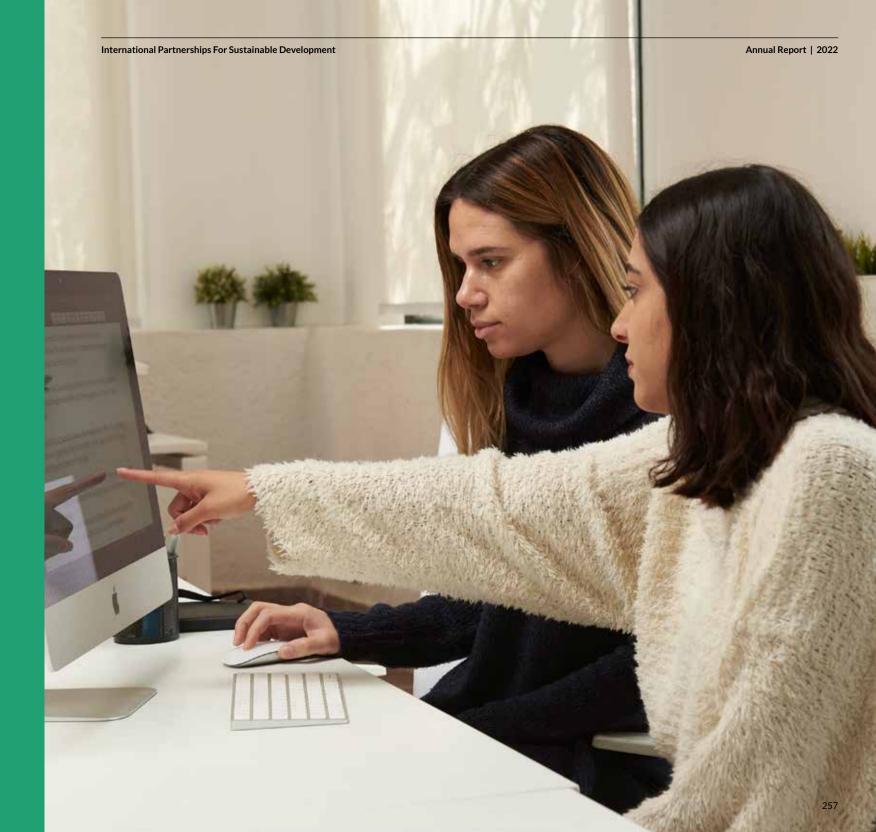
The presidential initiative, A Decent Life, is one of the largest development projects to be ever implemented in the history of Egypt, which is focused on improving the lives of citizens in more than 4,500 villages in 20 governorates, representing 58% of the Egyptian population.

# OPTIMISM & OPPORTUNITIES IN EGYPT



**Chapter 1** 

# POWERING AFUTURE



# YOUTH, ENTREPRENEURSHIP & DIGITALIZATION







# "To dare yourself is to uncover your true potential. But in that journey of self-realization, remember that there is a fine line between defying yourself and defeating it...Always dare to dream, but be conscious of your own impatien ce and mindful of the factors that are beyond your control." H.E. Dr. Rania A. Al-Mashat.

Egypt is a regional powerhouse for innovation and creativity, giver our thriving, dynamic and young entrepreneurial ecosystem.



### Starting the Year at the World Youth Forum

The year 2022 for Egypt began with the 4th edition of the World Youth Forum (WYF) held in Sharm El-Sheikh for the first time again in 2 years, post-pandemic, and under the auspices of H.E. President Abdel Fatah El-Sisi, and covering three themes: Peace, Development, and Creativity.

The WYF has become a distinctive feature of Egypt, reflecting the country's keenness on empowering its youth and enhancing their role in development efforts; stressing that the forum empowers the youth; prepares them for leadership positions; and advances their skill-set across various aspects of life. It also serves as an opportunity to inform the youth about the governments' efforts and raises their awareness of decision-makers' strategic ways of thinking; which in turn shall enable their experiences and help them develop clear visions to overcome any future challenges that might arise.

Within the activities of the WYF, H.E. Dr. Rania A. Al-Mashat took part in the launch of Egypt's version of "Generation Unlimited" (Shabab Balad) Initiative done by the United Nations, making Egypt the first country in the region to witness the launch of this initiative after its launch by the UN in over 50 countries across the world, aiming to support empowering youth in **education**, **employment**, **entrepreneurship**, and **engagement**. This took place in the presence of the Minister of Finance H.E. Mohamed Maait; the Minister of Youth and Sports, H.E. Ashraf Sobhi; and Dr. Ghada Waly, the Executive Director of the United Nations Office on Drugs and Crime (UNODC).

The launch of this initiative during the WYF activities; an event that spotlights the exchange of information and effective communication between youth and decision-makers, and is held under the auspices of H.E. President Abdel Fatah El-Sisi, reflects Egypt's commitment to innovation and creativity, alongside enhancing the participation of youth in development efforts.

For her part, the country's UN Resident Coordinator, Elena Panova emphasized that Egypt is a regional power with strong partnerships with the rest of the world and that "we strongly believe that through the committed participation of all stakeholders, the Shabab Balad initiative will have a tremendous impact on youth in Egypt."

In her recorded speech, the United Nations Children's Fund's (UNICEF) Executive Director, Henrietta Fore, said that this initiative "has a bold goal; that every boy and girl in the world be given an opportunity to go to school, learn, and have a suitable job by 2030." Moreover, the CEO of Generation Unlimited, Dr. Kevin Fret, said that in 3 years, the initiative had reached 220 million young people, with over 3,000 partners, and with operations in over 50 countries, opening the door to opportunities for new skills, employment, entrepreneurship, and positive social impact.



"Egypt's vision for 2030 with regards to youth education, entrepreneurship, and employment, provides the basis on which the Shabab Balad initiative can play an important role, thus supporting the progress of

Representative in Egypt, Jeremy Hopkins.

the country's youth." The UNICEF

Moreover, the US Ambassador to Egypt, Jonathan Cohen added that, "the United States is the largest donor to UNICEF's work across the world. In Egypt, we fund a project aimed at creating a supportive environment for youth in the country, worth \$4 million, that helps girls gain necessary job skills and support, health, civil society, and local governments to provide essential services."



"I was delighted to meet so many inspiring young people at the WYF, as the youth represent a large part of the Egyptian population." The UK Ambassador to Egypt, Gareth Bailey. The Founder and Chief Executive Officer of Vezeeta, Amir Barsoum shared that, "Vezeeta will be supporting the Shabab Balad initiative through investments and by providing training opportunities to thousands of youth across several areas, particularly in technology and healthcare."

Also, during the WYF, the minister participated in the session on "The Role of International" Institutions in Post-Pandemic Recovery". This included the Executive Director of the International Monetary Fund and the United Nations Special Envoy on Financing the 2030 Sustainable Development Agenda. Dr. Mahmoud Mohieldin: President of the Furopean Bank for Reconstruction and Development (EBRD). Odile Renaud-Basso: Ambassador Nasser Kamel, the Secretary-General of the Union for the Mediterranean: Marina Wes. the WBG Country Director for Egypt, Yemen and Diibouti: Executive Vice President, African Export-Import Bank (Afreximbank), George Elombi; Deputy Regional Director of the United Nations Industrial Development Organization (UNIDO), Ahmed Rizk: Director of Media and Communications for the International Organization for Migration, Leonard Doyle; and Under-Secretary-General for the United Nations Department of Economic and Social Affairs, Liu

On a similar note, it is important to acknowledge that the role of youth is key on the international scene, particularly when it comes to climate action.

During the WBG and IMF Annual Meetings, H.E. Dr. Rania A. Al-Mashat took part in Connect4Climate's video ahead of COP27 in Egypt, highlighting the importance of multilateralism for climate action and the role that youth can play in fundamental development issues.

### From Sharm El-Sheikh To Sharm El-Sheikh Yet Again

### Meeting Our Shabab Balad Ambassadors

The inaugural Shabab Balad (Generation Unlimited) Advisory Board meeting was held on the sidelines of COP27. The board benefited from the exceptional presence of public and private stakeholders and could potentially become one of the major programs for cooperation between the Government of Egypt, the United Nations, the private sector, and the youth.

This took place with our absolutely inspirational and ambitious ambassadors Ahmed Dash, Amir ElMasry and Habiba Marzouk.

H.E. Dr. Rania A. Al-Mashat chairs the board with Minister of Youth and Sports H.E. Ashraf Sobhy, the UN Resident Coordinator Elena Panova, and the National Training Academy Rascha Ragheb. The session also included the Global CEO of Generation Unlimited Dr. Kevin Frey, UNICEF Egypt's Partnerships and Generation Unlimited Lead Ghada Makady and Egypt's UNICEF Representative, Jeremy Hopkins, and many others.

The Shabab Balad Coalition consists of 5 Subcommittees that will include entities from the government, private sector, CSOs, DPs and youth. The members of each Subcommittee will be selected by the Advisory Board. Each of the five subcommittees will cover one of the 5 Shabab Balad Strategic Pillars: education, employment & entrepreneurship, training & skilling, connectivity & digital accessibility, and engagement.

Al-Mashat has also become part of the GenU Global Leadership Council, composed of ministers, CEOs of businesses and foundations, heads of multilateral agencies, and civil society and youth leaders.

### Global Leadership Council members help to advance GenU's mission in different ways including:

- Advocacy & Representation: Proactively raising awareness and advocating for the GenU mission and its work with the aim to a) bring new public, private and/or youth partners to join the GenU global movement and/ or b) create policy change.
- 2. Technical contribution to programme reach and scaleup: Collaboration on specific in-country initiatives through joint programming and/or technical leadership to expand GenU's reach and program impact.
- Mobilizing financial or human resources to contribute to GenU's impact.



Our Time. Our Turn. Our Future.





### ClimaTech Run 2022: Innovate, Imagine, Impact

### Outrun Climate Change with Tech & Art

It is innovative technology and unmatched creativity that will take us forward in life.

In 2022, the Ministry of International Cooperation, along with the Ministries of Communication and Information Technology, and Environment, launched the global ClimaTech Run competition in August, paving the beginning of the road to an innovative COP27.





"We are all very diverse and different, but we have one common goal, and that is to protect our planet...We want to see which projects can be scaled and can be used in different places. So this is an initiative that lasts beyond COP27." H.E. Dr. Rania A. Al-Mashat.

"Through innovation, through startups, and through youth, we can better our environment, we can better our lives for ourselves and for our future generations."

Minister of Communication and Information Technology H.E. Dr. Amr Talaat. "The road to COP27 is a COP of implementation. As President of COP27, we called this a just and ambitious transition." Minister of Environment H.E. Dr. Yasmine Fouad.

This competition was done in partnership with the USAID, Afreximbank, World Food Programme, Google, the United Nations Population Fund, General Motors, and the Mansour Group. The event is also in collaboration with the United Nations Industrial Development Organization (UNIDO), the United Nations Development Programme Accelerator Labs (UNDP), Microsoft, AfriLabs, the Youth Entrepreneurs Network, the International Association for the Advancement of Innovative Approaches to Global Challenges, and Falak Startups.

All under the COP27 umbrella, the competition addressed startups from around the world, and digital artists, aiming to increase the role they can play in raising awareness on climate change and also establishing innovative and sustainable solutions for climate action. This is through ideas presented in various fields, such as clean energy, smart transportation, and food security, as well as promoting circular economy efforts in Africa; the region most impacted by climate change.

The competition has two main tracks: startups working in the field of climate technology in the ICT for Climate Action Track and digital art in the DigitalArt4Climate Track.

The first phase of the competition was the registration period which lasted for a month. The second phase starts during COP27, where the qualified applications will be given the opportunity to present their ideas and participate in the climate conference alongside high-level officials from governments, development partners, and the private sector.

The third and final phase begins after COP27, where a tailored support package is offered to the finalists in this acceleration phase. This will include high-level consultants and international experts to support the startups in implementing their ideas on-ground.













AUGUST 22<sup>nd</sup>

SEPTEMBER 22<sup>nd</sup>

OCTOBER 5<sup>th</sup>

NOVEMBER 7-18<sup>th</sup>

NOVEMBER 10th

NOVEMBER ONWARDS

Launch Date

Deadline for Submissions

Shortlisted Announcement COP27 in Sharm El-Sheikh Pitching Day & Winners Announcement

Acceleration Program

### A Focus on Africa

The Global ClimaTech Run competition spotlights special attention on the African continent and its role in stimulating the green economy. Climate-focused African tech startups lag significantly in terms of investment inflow, receiving only 0.2% of venture dollars compared to 94% for the United States, Canada, China, and Europe.

To that end, the ClimaTech Run awarded 2 startups from Africa, and the top 5 African startups will be invited to pitch their idea during the global pitch event at COP27. The best African startup received a prize of \$50,000, and the second-place startup received a prize of \$25,000.

And a few months later, at COP27, the launch of the ClimaTech Run competition came to life, meeting our green and tech-led startups onground and taking in all the creativity of the digital artists.

### The Road to COP27: Navigating The Creativity Pool

It's all about the youth. It always has been, and it always will be. But it's time we take a back seat to listen and support.

The Ministry of International Cooperation announced that over 422 startups across 77 countries from Asia, Africa, Europe, the Americas and Australia, reflecting the international nature of the competition and its commitment to bringing innovative ideas from youth around the world in addressing climate change. The participating startups provided solutions in many priority sectors, both mitigation and adaptation, such as renewable energy, food security, sustainable agriculture, water management, industry, urban development, transport, and other areas.

Moreover, the turnout of startups and digital artists in the ClimaTech Run is one of the largest of its kind at the level of competitions held during previous conferences. This points to Egypt's COP27 presidency and the commitment to moving from pledges to implementation, increasing adaptation efforts. In the DigitalArt4Climate Track, over 166

In the DigitalArt4Climate Track, over 166 artists from 55 countries applied, including 16 from Africa. This was filtered into 33 designs that will be participating in the COP27, where the public voted on their favorite pieces online.

Closer to the date of COP27, the Ministry of International Cooperation announced the shortlist of the startups that qualified for the finals in the ClimaTech Run 2022 competition. The shortlist of finalists includes 15 startups, including 8 from the African

continent, that work in a variety of sectors aimed at combating climate change, reducing harmful emissions and expanding clean energy practices for the green transition, and using technology, such as AI, big data and analysis for innovative solutions.

The startups that qualified as finalists were characterized by the expansion of their work to include about 46 countries worldwide in Europe, Asia, Africa and the United States, reflecting the global nature of competition and its keenness in encouraging the role of startups in innovative solutions to advance climate action.

# Interestingly, the 15 finalist startups, together, reduce emissions by a total of about 400,000 tons of carbon dioxide through the solutions they provide.

This list of companies includes BeeSage. which uses data analysis and technology to enhance and sustain the productivity of beehives, operating in Latvia, the Netherlands. Portugal, Bulgaria, Denmark; BleagLee, which is a waste management and recycling company in Cameroon: Earthly which operates in the food security and agriculture sector in 20 countries: Botswana, Cambodia, Canada, Czech Republic, DR Congo, Ethiopia France, Germany, India, Ireland, Italy, Kenya, Madagascar, Malawi, Mozambique, Peru. Portugal, Spain, United Kingdom, and United States. A startup called HelioRec, operating in the energy sector in France, Belgium, Spain, Greece and Cyprus, as well as Infinite Cercle Private, which works in waste management in India, are also finalists.

Moreover, the finalists also include Koltiva. based in Indonesia. Vietnam. Philippines. Ivory Coast, Ecuador, Mexico, and Colombia, for work in the food security and agriculture sector: Koolboks from Nigeria and Kenva. operating in the energy sector; LiquidGold from South Africa and Kenva which work on water management; Mozare 3 which operates in Fgypt and Sudan in the food security and agriculture sector: Nadeera from the UAE. Lebanon and Saudi Arabia that works in waste management; Ng'wala from Tanzania and Rwanda that operate in solar energy: Rvp Labs from the USA and Belgium that work in food security and agriculture; as well as Seppure that work in industry 4.0 in Singapore and Canada.

Lastly, Skenariolabs from the UK, Germany, Canada and Finland, that work in climate action resilience, and ThinkBikes from Nigeria, that work in urban sustainability, mobility and transportation, are also finalists.

The winning teams, which were honored at the COP27, had a chance to win a number of prizes, including a grand prize of up to \$100,000, a second prize of \$50,000, and a third prize of \$25,000. Moreover, the ClimaTech Run awarded two startups from Africa, with the first prize receiving \$50,000, and the second-place startup receiving a prize of \$25,000. In the digital art track, the first place prize was \$5000, the second place prize was \$3000, and the third place was \$2000.





# At COP27: Celebrating Youth on #YouthDay

At the global ClimaTech Run competition, we saw creativity in the most challenging sectors and heard about solutions instigated by youth.

These were innovative solutions that inspire and ignite the on-ground change we need to meet the demands of the global climate agenda.

And that's exactly what the 15 tech startup finalists and 5 winners were able to present. Laid out by CNN in a "Beyond COP27" feature on ClimaTech Run.



The finalists were evaluated by a high-level jury on Youth Day at COP27.

This includes the USAID's Mission Director Leslie Reed; Director of Strategy and Innovation from Afreximbank Emeka Uzoigwe; UNIDO Representative Patrick Nussbaumer; Microsoft's Chief Sustainability Officer Sherif Tawfik; Google's Director of Public Policy & Government Relations MENA Martin Roeske; the WFP's Head of Innovation Accelerator Bernhard Kowatsch; Head of Policy and Partnerships UNDP Egypt Reham Youssef; and Director of Policy Strategy and Governance at the, UN Office of Information and Communication Technology Salem Avan.

The startups that won feature the key theme of adaptation and resilience with a focus on water, food, agriculture and waste management.





### The winners were:

- Ryp Labs as Top Global Startup with \$100,000. This startup is focused on food security and agriculture, combating food waste through transformative technologies.
- Project Earthly as Second Top Global Startup with \$50,000. This is centered around nature-based solutions to restore biodiversity and improve livelihoods in the food security sector.
- Koltiva as the Third Top Global Startup with \$25,000. This startup works to connect producers and business users with farmers.
- Bleagleee as the Top African Startup with \$50,000. This startup uses disruptive technologies in the waste management sector.
- Liquid Gold as the Second Top African Startup with \$25,000. This includes sanitation solutions in the water management sector.

Through the global competition, new innovative solutions were established to push the climate agenda forward.

In a true show of #TogetherForInnovation, the eco-friendly startups, both winners and applicants, offered:

- Real-world solutions
- On-ground change
- Creativity, energy & passion

For highlights on the participating startups and competition, scan this QR code.



In the global ClimaTech Run DigitalArt4Climate Track, we had over 160 applicants, each coming in with their own creative concept on #climate action presented digitally in a metaverse kind of experience.

The future is digital, and Egypt, along with the world, is embracing a new tech-led lifestyle that is inclusive and accessible.

This quote was said by H.E. during the UN World Innovation Day Hack 2022, held by Steve Nouri and the Hackmakers on April 21. As this day embraces the idea that innovation is essential for harnessing the economic potential of nations, this hackathon is dedicated to collaborating with and encouraging people to creatively use their skills in generating new ideas and solutions for health and wellbeing, economic growth, decent work and quality education.

Events such as this open the door to a multi-stakeholder approach that empowers and encourages entrepreneurship.

Zooming in on the Ministry of International Cooperation's role, and fostering an innovation-centric atmosphere, the Ministry continuously supports startups via Egypt Ventures and through cooperation with development partners. Aiming to cultivate resilient entrepreneurs ready to compete globally, lead GDP growth, and increase economic competitiveness, Egypt Ventures, established in 2017, is an investment firm seeded by the Ministry of International Cooperation and the General Authority for Investment and Free Zones (GAFI) with a mandate of supporting and investing in startups from a diverse range of sectors across Egypt.

Since its establishment in 2017, Egypt Ventures has invested over EGP 383.5 million in over 197 startups, of which EGP 222.2 million are direct investments, and EGP 166.3 million are indirect investments. Within Egypt Ventures, there are Falak Startups which created 500 jobs covering 27 governorates and representing 11 sectors, Flat6Labs with over 2,000 jobs, and EFG EV with 1,005 jobs, each with their own set of innovative achievements.

Falak Startups works through a 6-month accelerator program and provides entrepreneurs with a network of business relations, resources, and all the necessary tools needed to develop and expand their business strategy. This program encompasses technical workshops on securing property rights and achieving growth rates, as well as providing skills development programs. The incubator provides financial support through development financing worth EGP 100 million to startups in order to enable new businesses to attain high growth rates. Moreover, the EFG EV Fintech was established in partnership between EV and EFG-Hermes as a pioneering investment company focused on Fintech, providing startups with workspaces, legal and accounting services, and customized training and mentorship programs.

Many of these startups have gone on to create impactful, sustainable projects in Egypt, such as Hussein Abou Bakr's "Mozare3". Celebrating the #PeopleofNow in the Egypt Entrepreneur Awards (EEA) held by Amr Mansi, "Mozare3"; an agri-fintech startup supported by Egypt Ventures through EFG EV Fintech for receiving the Social Enterprise Award.









# Leveraging the Untapped Potential of Startups

Continuously striving to catalyze the development of an agile, entrepreneurial ecosystem, Egypt is unlocking its position as a hub for creativity and innovation in the Middle East and Africa.

This year, and marking the first anniversary of the Orange Corners Egypt Programme during the "Orange Corners Egypt Entrepreneurship Festival" in Assiut, we celebrated the graduation of 19 startups and met with a group of already operating small businesses, each of which brought to the table new ideas and faster solutions with defined potential.

Within Orange Corners, there have been a total of 61 graduates from March 2021 to February 2022, of which 57% are female-led. It is a practical example of partnerships with stakeholders from the government; the Ministry of International Cooperation, the Kingdom of the Netherlands, the Bank of Alexandria, Cultiv (Cairo), & Outreach Egypt Consultancy for Development (Upper Egypt).

H.E Dr. Rania A. Al-Mashat said that the Orange Corners program reflects the valuable role of international cooperation in pushing stakeholders, such as the private sector, to act as key partners and allies in development. She added that the Ministry of International Cooperation is supporting the private sector in Egypt's rural areas and different regions through finance, knowledge, and standards and endeavor to create high-impact, sustainable development projects and programs.

### Putting Egypt's Assuit on the Map of an Innovation-Driven Economy

The event also witnessed the participation of Major General Essam Saad, the Governor of Assiut, the Ambassador of the Netherlands in Cairo, Han-Maurits Schaapveld, and Dante Campioni, Managing Director and CEO, AlexBank.

Putting Egypt's Assiut on the map of an innovation-driven economy, Orange Corners Upper Egypt is another stellar example of startups rising and growing across governorates. In 2021, this incubation programme completed the first cycle of the project that took place over the course of 6 months from March to August of this year, where a total of 135 applications were received, and a total of 33 startups attended the two-day bootcamp. In Cycle 1, there were 16 startups selected to be part of the programme, where 50% of the attendees were females and 31% were males, all based in either Assuit or Sohag.



"The Netherlands encourages ambitious and sustainable cooperation and aims to find win-win solutions for all globally. The young Egyptian entrepreneurs have proven to be risk-taking, daring to make change and often with limited resources. Orange Corners Egypt aims to help young entrepreneurs to develop not only their ideas but also their personal skills."

Ambassador of Netherlands in Cairo, Han-Maurits Schaapveld.



"We are honored to celebrate the first year of success for Orange Corners Egypt with the Ministry of International Cooperation and the Embassy of the Kingdom of the Netherlands in the Arab Republic of Egypt and we are very proud of the results of the first two sessions to prepare startups to venture and grow in their fields of specialization."

Dante Campioni, Managing Director and CEO, AlexBank.











# Bridging The Digital Divide: Joint Team for Digitalization and Innovation (JTDI)

Around the world, there is a debate between embracing the hybrid workplace and digital education and going back to 'business as usual'. But the truth is that the 'usual' and 'normal' today is digital. Whether we are in our offices, co-working spaces or homes, technology is not only a support system, it is a necessary part of our day to day.

Organized and hosted by the United Nations in Egypt and the Government of Egypt, represented by the Joint Team for Digitalization and Innovation (JTDI) and the Ministry of International Cooperation, we held the 1st Joint Government of Egypt - UN Ideation Workshop on Technology and Innovation this year.

This included H.E. Dr. Rania A. Al-Mashat; Minister of Communications and Information Technology H.E. Dr. Amr Talaat; and Egypt's UN Resident Coordinator Elena Panova launched the Joint Team for Digitalization and Innovation (JTDI) with the United Nations, alongside the participation of 18 UN agencies, 9 ministries, and the Director of the Regional Office of the International Telecommunications Union (ITU) for the Arab States, Adel Darwish, to discuss strengthening public-private partnerships in harnessing resources and skills in a multi-stakeholder approach that brings to the fore #innovation and #digitalization.

The initiative aims to enhance cooperation between national entities and UN agencies operating in Egypt by holding a number of workshops to formulate original and innovative government projects that are technology-based, characterized by creativity, and able to attract development financing from development partners. The workshop also aims to create close partnerships between national authorities and United Nations entities to achieve the objectives of the United Nations Sustainable Development Cooperation Framework (UNSDCF) 2023-2027, in addition to the exchange of expertise on a global level.

During the event, H.E. Dr. Amr Talaat said that this initiative aims to encourage partnerships between the Government of Egypt and the private sector, enhancing the use of technology and embracement of innovation as one of the main pillars in achieving the 2030 SDGs at the national, regional and international level. He adds that at the national level, the second phase of structural reforms, announced in May 2021, focuses on three sectors that would increase production capacity in Egypt; increasing the rate of women's employment, encouraging micro-enterprises, and creating iob opportunities. The telecommunications and information technology sectors, in addition to manufacturing and agriculture, are among the sectors that have been selected to achieve the success of the second phase of structural reforms.

Innovation and entrepreneurship serve as key elements to digital transformation and human capacity building, which is within the strategy of the Ministry of Communications and Information Technology. The Ministry seeks to encourage research development, creativity and entrepreneurship in the field of Information and Communication Technology (ICT), adding that Egypt aims to be a leading regional and global center for innovation.

Talaat referred to the national efforts being made to develop an ecosystem for innovation and entrepreneurship and the establishment of specialized training centers for youth across governorates, where 7 innovation centers were created in the first phase, with 14 new centers currently being established in the second phase. aiming to support students, businessmen, and small and medium-sized companies. The Ministry of Communications and Information Technology also established the Applied Innovation Center (AIC), aiming to provide opportunities for successful partnerships that bring together experts, academics, beneficiaries and companies leading in specific technologies so that effective solutions can be reached, all in the Knowledge City in the New Administrative Capital.









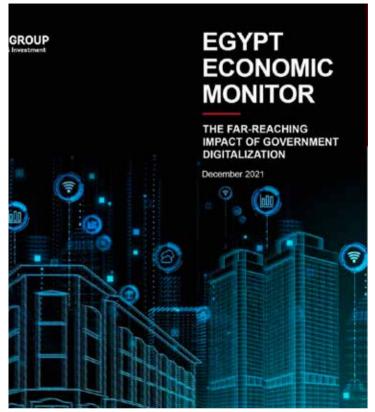
"Delivering on effective digital cooperation is one of the main priority areas of the UN's efforts in Egypt. Through the UN Joint Team for Digitalization and Innovation (JTDI) in Egypt - our instrument in fostering technology and innovation in Egypt - we are working on better harnessing digital technologies with the aim of boosting more inclusive and sustainable growth that leaves no one behind. JTDI's first ideation workshop is an attempt to advance our multi-stakeholder engagement to strengthen the cooperation in the digital sphere with our partners from the government, private sector, civil society, international organizations, the technical community and other relevant stakeholders. The meaningful participation of all stakeholders is vital to bring realistic and effective approaches that accelerate digital cooperation and collectively progress towards achieving 2030 Sustainable Development Agenda." Elena Panova, the United Nations Resident Coordinator in Egypt.

60% of the Egyptian population is under the age of 35, confirming the importance of entrepreneurship, innovation and job opportunities created through SMEs, coupled with developing the capacity of youth and the role of the private sector in achieving these goals.

For that reason, entrepreneurship and emerging startups can play a key role in promoting digitalization, and in achieving the green economy, as the development and sustainability of the entrepreneurial environment has a multiplier effect on creating job opportunities and progressing towards a circular economy.

H.E. Dr. Rania A. Al-Mashat gave these remarks at the Atlantic Council's virtual event "Developing ecosystems: How Middle East governments drive entrepreneurship", alongside UAE's Minister of State for Entrepreneurship and SMEs H.E. Ahmad Belhoul Al Falasi; Jordan's Minister of Digital Economy and Entrepreneurship H.E. Ahmad Al-Hanandeh; and Bahrain's Minister of Industry, Commerce, and Tourism, H.E. Zayed R. Alzayani . As the Atlantic Council is one of the most prominent think tanks in the USA, this is part of the organization's empowerME initiative to support entrepreneurs, startups and SMEs.







### Innovating for Relevance

The moment we stop innovating is the moment we become outdated, no longer in line with how fast our interconnected world moves.

H.E. Dr. Rania A. Al-Mashat, participated in Google Zeitgeist summit's session titled "An Equitable & Sustainable Economic Recovery", which was organized by Google and was held in the United Kingdom, with the participation of high-level officials, decision-makers, entrepreneurs and CEOs.

The session included the participation of Roger Ferguson, former Vice Chairman of the US Federal Reserve, and was moderated by Dr. Linda Yeuh, Adjunct Professor of Economics at London Business School. Global tech giants like Google, Facebook, Microsoft are shaping the next wave of innovation in sustainable development by partnering with governments to support rising entrepreneurs and provide key digital skills for youth, such as the Maharat min Google program.

Zeitgeist means "spirit of the age and time" in German. And today, in Egypt, it is the age and time of entrepreneurship, a growing community acting as our agents of change and creativity to address some of our greatest problems, including climate change through Al, smart cities, clean energy solutions, and much more.

While the global community is braving for a new technology-powered world, accelerating digital transformation is one of Egypt's key development goals.

As Egypt is taking successive steps to become a start-up nation, which is backed by strong policies and reforms, embracing full digitalization is also part and parcel of the plan.

Launched from Egypt, the EBRD's "System Upgrade: Delivering the Digital Dividend" transition report stated that "Egypt, which is the SEMED region's largest market by population, is also forecast to be the fastest growing market for broadband services."

The report adds that "Several SEMED countries have adopted specific measures in order to cope with the increasing demand for communication services during the Covid-19 crisis. In Egypt and Tunisia, for example, the government asked operators to provide free internet packages and

offer free access to e-learning and healthcare platforms. In Egypt, the cost of the additional data packages and free browsing was covered by the state. In Jordan, meanwhile, the country's regulator gave telecom operators temporary access to additional spectrum in order to increase network capacity."

The report was launched during EBRD's Chief Economist Beata Javorcik's visit, and she explains that these reports represent an important factor in monitoring the development indicators in the bank's countries of operations to enhance cooperation and unify efforts towards achieving development.

Moreover, H.E. Dr. Rania A. Al-Mashat and H.E. Dr. Amr Talaat, witnessed the launch of the WBG's "Egypt Economic Monitor" report for 2021, highlighting the wide range of the Government of Egypt's digital transformation and the most prominent macroeconomic indicators. The event also included the participation of the Country Director for Egypt, Yemen and Djibouti, Marina Wes; and Nadir Mohammed, the Regional Director for Equitable Growth, Finance and Institutions (EFI) in the MENA region, alongside several officials from both ministries and the WBG.

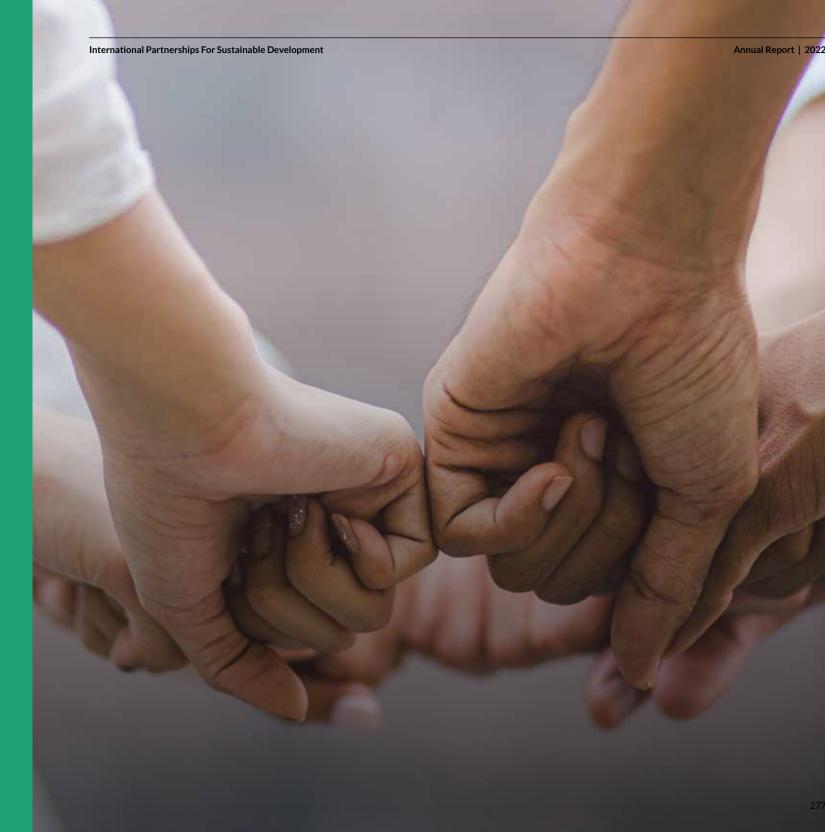
The WBG's report indicated that the Egyptian economy had shown resilience despite the COVID-19 pandemic, as macroeconomic stability and ongoing reforms witnessed by the energy sector during the past few years enhanced the country's ability to face challenges. Moreover, the report highlights Egypt's digital transformation, including the adoption of various digital technologies and the increased online services that have supported this transition and the "Digital Egypt" Strategy.

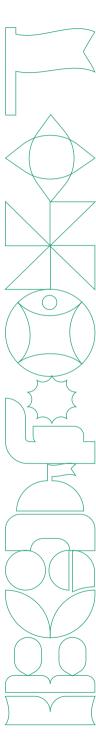


"We are launching about 120 government services on the Digital Egypt platform. Egypt is also among the top 3 countries in Africa with an average fixed internet speed." Minister of Communications and Information Technology H.E. Dr. Amr Talaat.

**Chapter 2** 

# PRIVATE SECTOR ENGAGEMENT FOR EFFECTIVE PARTNERSHIPS





# ESTABLISHING JUST FINANCING OPPORTUNITIES

In 2022, the Ministry of International Cooperation secured

\$2.6 BILLION

for the private sector.

Moreover, the Ministry secured

\$3 MILLION

in Micro, Small and Medium Enterprises (MSMEs).

## Total ODA directed to Finance Private Sectors Development through Multilateral and Bilateral Development Partners in 2022



1: Signed in 2022. 2: Declared Effective in 2022

## Total ODA Directed to Finance Public Sector through Multilateral and Bilateral Development Partners in 2022

SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
MSMES	3		
The Upgrading of Public services and utilities in unplanned areas in Greater Cairo <sup>1</sup>	3	Grant	USA

1: Signed in 2022.

Moreover, under trade and industry an agreement to support private sector training and employment initiatives in the MENA region was also signed in 2022, worth \$13 million.

## Total ODA Directed to Finance Public Sector through Multilateral and Bilateral Development Partners in 2022



SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
TRADE AND INDUSTRY	13		
Special Initiative for the Middle East and North Africa to support the private sector training and employment initiative <sup>2</sup>	13	Grant	Germany

### 2: Declared Effective in 2022.

Additionally, in line with good governance and increased public-private partnerships as well as the introduction of electronic payments and comprehensive economic governance, the Ministry secured \$85 million.

## Total ODA Directed to Finance Public Sector through Multilateral and Bilateral Development Partners in 2022





SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
GOVERNANCE	85		
FEXTE Partnership Agreement <sup>2</sup>	1	Grant	AFD
Comprehensive economic governance <sup>1</sup>	19	Grant	USA
Trade and Investment Promotion in Egypt (TIPE)	19	Grant	USA
Improving the public electronic procurement system in Egypt for the benefit of the Authority government services <sup>1</sup>	8	Grant	Korea
Supporting electronic-government and public administration innovation <sup>2</sup>	9	Grant	Germany
Risk management in Egypt <sup>1</sup>	29	Grant	Germany

1: Signed in 2022.

2: Declared Effective in 2022



Chapter 2

### Egypt's Economic Conference

Under the auspices of H.E. President Abdel Fattah El-Sisi, the 2022 Egyptian Economic Conference was held in the New Administrative Capital (NAC), putting together a roadmap for the Egyptian economy, also in coordination with the private sector, proposing clear policies and measures that contribute to increasing competitiveness and flexibility.

The conference covered several pillars, including macroeconomic policies, empowering the private sector and creating an investable business environment, as well as a focus on the priority sectors for the national economy.

In H.E. Dr. Rania A. Al-Mashat's session on "Opportunities and Prospects of International Finance to Support the Private Sector", in the presence of the Prime Minister H.E. Dr. Mostafa Madbouly, the discussions focused on disseminating mechanisms to stimulate partnerships between IFIs and the Egyptian private sector. Doing so would enhance the entry of other financing mechanisms

and increase financing opportunities for partnership projects with the government sector.

During her discussion with panelists, Al-Mashat explained that the ongoing financing portfolio for state sectors amounts to \$23.4 billion with 24% going to the transport sector, 24% to housing, 11% in energy, 5% in budget support, 4% in agriculture and irrigation, and 27% in other sectors. Moreover, \$7.3 billion is dedicated to the private sector, with \$3.11 billion from the European Bank for Reconstruction and Development (EBRD), \$1.67 billion for the European Investment Bank (EIB), \$1.25 to the International Finance Corporation (IFC), and many others.

The Minister also discussed the role of Egypt Ventures, established in 2017, an investment firm seeded by the Ministry of International Cooperation and the General Authority for Investment and Free Zones with a mandate of supporting and investing in startups from a diverse range of sectors across Egypt. In its blended finance model, where investments

are directed to accelerators, venture capital firms, and startups in their early stages, this one-of-a-kind investment firm empowers our strong and resilient entrepreneurs. Up until mid-2022, it has financed 191 startups and provided advisory support, contributing to over 4,500 jobs opportunities and 3 company exits.

The sessions moderated by the Minister also witnessed the participation of businessmen. investors and representatives of IFIs such as Ahmed El Sewedy, President and CEO of ElSewedy Electric, Ibrahim Zaher, the CEO of IND for Constructions & Solar Power Plants. Mohamed Eletreby, Chairman of the Board of Directors in the Federation of Egyptian Banks, Hani Sarie-Eldin, a member of the Egyptian Senate, Heike Harmgart, EBRD's Managing Director for the Southern and Fastern Mediterranean (SEMED), Cheick-Oumar Sylla, the IFC's North Africa Regional Director, and Nadir Abdellatif Mohammed, the Regional Director for Equitable Growth, Finance and Institutions (FFI).



### In Cooperation With Our Partners

Through cooperation with all our development partners, there is an angle of private sector engagement. As an example, in the Government of Egypt's partnership with the upcoming United Nations Sustainable Development Cooperation Framework 2023 - 2027, we aim to promote private sector engagement for the SDGs through:

A business-friendly and conducive environment is maintained, allowing for private sector development.

Dynamic and Sustainable Corporate Social Responsibility (CSR) of both international and national companies.

Broad financial, technical, and policy-oriented partnerships with the Government, led by MOIC, and bilateral and multilateral Development partners.

Leverage innovative and sustainable solutions for inclusive, competitive, diversified, green and knowledge-based economic development, inter alia, through fostering MSMEs and entrepreneurship, skills development and employability, integration into regional and global value chains, digital transformation, and decent jobs for Women and vulnerable groups.



### An Ongoing Public-Private Dialogue

Throughout the year, the private sector has been playing a leading role, side by side with the Government of Egypt, in major development projects, ensuring sustainable investments.

In a global press conference in 2022, Egypt's Prime Minister, H.E. Dr. Mostafa Madbouly, outlined Egypt's vision to increase private sector investments to 65% in the next three years and the recent measures to empower the start-up community in Egypt under its vision to grow as a start-up nation.

With a disproportionate global distribution of climate finance, the financial sector's contribution and commitment can emphasize more ESG opportunities to strengthen private sector engagement. This was the focus of the "Just Financing" for the green transition with HSBC Egypt's CEO and Deputy Chair, Todd Wilcox, and the bank's regional CEO for MENAT, Stephen Moss, along with more than 130 representatives of private sector companies.

According to a 2021 report by the Climate Policy Initiative, 90% of climate finance - for the period 2019-2020 - was directed to mitigation projects, yet only 7% was directed to adaptation projects, particularly in water infrastructure. Emphasizing the need to restructure the global climate financing architecture, the Middle East and North Africa region also received only about \$16 billion of climate financing, while the African continent was one of the least receiving regions with only 5.5% of the total finance.

In a similar light, H.E. Dr. Rania A. Al-Mashat has held numerous fruitful discussions across the year on enhancing private-sector engagement. For instance, during her participation in the WBG and IMF annual meetings, H.E. met with Scott A. Nathan, the Chief Executive Officer of the U.S. International Development Finance Corporation (DFC), to discuss joint economic relations within the framework of strengthening development cooperation efforts.

The DFC is a US government institution that invests in private sector-led projects in low- and middle-income countries through direct investments, risk insurance, feasibility studies and technical assistance across several sectors, including energy, health care, infrastructure, technology and innovation, and the empowerment of women.

As Egypt aims to enhance its cooperation with the DFC to increase private sector engagement; encouraging US companies to explore investment opportunities, the DFC in Egypt has investments estimated at more than \$1.5 billion in infrastructure, financial services and health care.

Moreover, Egypt's transition into a regional energy center enhances opportunities for cooperation with the DFC within the framework of its climate action plan. This includes the implementation of ambitious strategies for expansion in renewable energy, such as solar and wind, and the production of green hydrogen, as well as exporting surplus energy to countries in the Middle East, Africa and Europe.



"Leading the transition to net zero is a pillar of our ambitions and strategy globally, so we're mobilizing finance to support our customers' transitions, accelerating innovation to help scale up climate change solutions. and building global partnerships to ensure investmen't is swiftly channeled towards truly sustainable projects... We are committed to working with our customers across Egypt, who are all at different stages of their sustainability journey. We are supporting them in articulating the challenge, understanding the solutions, and then working with them as partners to make change happen." Stephen Moss, Regional Chief Executive of HSBC in the Middle

East, North Africa and Turkey.

Todd Wilcox Chief Executive Officer HSBC Bank <u>E</u>gypt S∕

# Chapter 2 Section 3 International Partnerships For Sustainable Development The Great Green Potentia framework of engaging with the private including the Suez Canal's investment American Chamber of Commerce in Cairo, renewable sources to 20% by 2022 and 42% Adding on to the aforementioned regarding sector, to study development opportunities by 2030.

green hydrogen, Al-Mashat explained that green hydrogen is Egypt's next great private investment opportunity in a meeting with the mission of investors and the American business community, which was organized by the American Chamber of Commerce, to attract finance and investment in the run-up

to COP27.

The meeting was attended by Steve Lutes vice president of Middle East Affairs at the U.S. Chamber of Commerce, Ambassador David Thorne Senior Advisor to the US Special Presidential Envoy for Climate, Adviser to the US Special Presidential Envoy for Climate, John Kerry, Tarek Tawfik, President of the

along with representatives from the US Embassy in Cairo.

The mission included representatives from 40 major US development institutions, including the US Export-Import Bank, the US Development Finance Corporation (DFC). the Apache Software Foundation, Bank of America, Boeing, Google, Citibank, General Electric, HSBC, IBM, Fedex, and PepsiCo.

Private sector investment in green hydrogen is Egypt's "next great investment opportunity" as it is regarded globally as the fuel of the future. As per the Integrated Sustainable Energy Strategy, Egypt aims to increase the supply of electricity generated from

In the same context, Al-Mashat met with Steve Lutes, the Vice President of Middle East Affairs at the U.S. Chamber of Commerce, during his visit to Egypt to discuss areas of joint work and to enhance private sector participation.

For his part, Lutes referred to the close cooperation between the USA and Egypt. He emphasized the USA's interest in supporting climate action in terms of new and renewable energy and the green transformation, pointing out that the U.S. Chamber of Commerce is seeking to organize two visits for US companies in the current year within the

in Egypt, and to take a closer look at the achievements.

In more regional and global events, the same was reiterated during the Egyptian-Azerbaijani Businessmen Forum, which comes within the work of the Joint Committee for Economic, Scientific and Technical Cooperation being held in Baku under the leadership of Minister Dr. Rania Al-Mashat and Minister Rashad Nabayev.

Framed as the next export destination for Africa and Asia, Al-Mashat, called on the Azerbaijani private sector companies and businesspeople in all sectors to capitalize on the investment opportunities in Egypt. fund, real estate development projects in the New Administrative Capital, as well as industrial cities and projects in the energy sector. More on the visit to Azerbaijan is detailed in the previous section on global partnerships.

H.E. also shared Egypt's opportunities for investment and private sector cooperation in a meeting organized by the French Chamber of Commerce, alongside the presence of the French Ambassador in Cairo Mr. Marc Baréty and members from the chamber, in celebration of its 30th anniversary since its establishment; strengthening Egyptian-French relations, early this year.

### Regional Cooperation with **Arab Partners**

H.F. Dr. Rania A. Al-Mashat held a meeting with Abdullah Ahmed Al Sabeeh. Director General of the Arab Investment and Export Credit Guarantee Corporation, and with Abdullah Ahmed Al-Sabeeh, Director General of the Arab Corporation for Investment and Export Credit Guarantee Corporation, on joint cooperation across fields of trade and investment in Egypt, and on exploring how Egypt's sovereign bonds can act as a new window for attracting investments.

Egypt's cooperation with the Arab Investment and Export Credit Guarantee Corporation in the fields of trade and investment in Egypt advances development while also pushing forward economic relations between member countries.

During the meeting with Al-Sabeeh, Al-Mashat noted that Egypt envisions boosting the role of the private sector in the economy, and that this comprehensive economic partnership will mark a new era for Egypt's trade and investment sectors. The meeting also explored future cooperation in regards to holding workshops with relevant government agencies to spur technical and knowledge exchange for the private sector in Egypt.

For his part, Al-Sabeeh expressed that the corporation is keen on opening new horizons in its strategic partnership with Egypt to encourage the flow of Arab and foreign investments, support Arab export markets, and promote comprehensive economic growth.

### Between The Future of Sustainability & The Future of Work

Working towards a sustainable future can no longer be the job of governments alone. The vital role of small and medium enterprises and the need to provide all means of support for them at the level of financing, as well as technical support, and targeted partnerships with the private sector, is game-changing when it comes to ensuring positive change.

Catalyst Partners Private Equity, a leading private equity fund manager focused on Egypt, has launched the first private closed-end Impact Investing Fund in Egypt and the Middle East, Catalyst Capital Egypt Fund (CCE) in 2022. The fund is established according to the rules of the Egyptian Financial Regulatory Authority (FRA) with a target size of EGP1 billion over five years.

CCE aims to invest in Small and Medium Enterprises (SMEs) in Egypt according to the Central Bank of Egypt (CBE) guidance of investing in SMEs. The Fund seeks to generate a positive, measurable social and environmental impact alongside a financial return as one of the key methods to achieve the Sustainable Development Goals (SDGs). The Fund will adopt globally recognized impact measurement principles, standards and tools to a concrete pool of investment-ready SMEs that will help these enterprises measure, manage, and promote their social and environmental impact in society. This is in accordance with a memorandum of understanding that was signed with the United Nations Development Program on April 4, 2021, at the headquarters of the Misr Insurance Holding Company and in the presence of its Chairman, Dr. Basil El-Heni, and representatives of the Ministry of International Cooperation.

Driven by the growing interest from investors in making a positive impact in society beyond pure financial returns. The fund succeeded in attracting Egypt's largest institutions as limited partners; including, Misr Insurance Holding Company & affiliates, Post for Investment, Misr Fund Company, Banque du Caire, Attijariwafa Bank, Ahli United Bank, Suez Canal Bank and Al Baraka Bank.

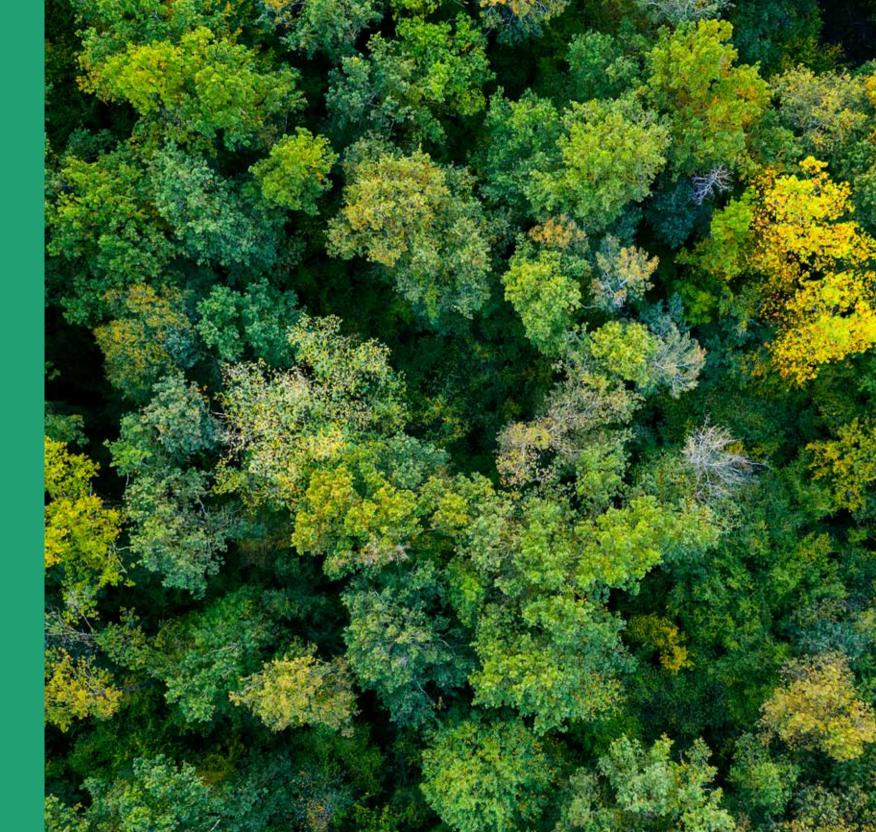
Building people-centric cities for the next generation, the Minister noted that private investment in sustainable infrastructure is also key to unlocking job opportunities for Egypt's laborintensive economy, and mobilize collective action around private capital to close the financing gap.

This year, H.E. Dr. Rania A. Al-Mashat inaugurated the First National Forum on the Future of Work in Egypt, organized by the German Agency for International Cooperation (GIZ), within the framework of bilateral cooperation with the Government of Egypt under the slogan "Joining Forces For Tomorrow and Bevond". This took place in presence of the German Ambassador in Cairo, Frank Hartmann, the President of the Central Agency for Public Mobilization and Statistics (CAPMAS), General Khairat Barakat, and several representatives from other relevant ministries. The forum is held under the auspices of the Ministry of International Cooperation, the Ministry of Planning and Economic Development, the Ministry of Education and Technical Education, the Ministry of Manpower, and CAPMAS. This is focused on working together to implement successful projects addressing the future of work, including the Technical and Vocational Education and Training Reform Programme (TVET).



**Chapter 3** 

# SPOTLIGHTING SUSTAINABILITY STORIES



# INTERNATIONAL MEDIA

Together, we are building forward through stories of development success.

If there's anything to say about Egypt, it is that we have opportunities. It goes without saving that there are challenges, but in every corner of the country, we have people working to create new iobs, innovators solving problems, and a constant flow of creativity.

### Building Forward: MolC & CNN

To help create a consistent drumbeat around sustainable development. sharing project stories is now more important than ever to help scale up impact, bring about new solutions and further foster international cooperation: reflecting the power of communication through the Ministry of International Cooperation's Global Partnerships Narratives.

One of the key ways to spotlight all of these opportunities, developed and built throughout the years, is via the Ministry's partnership with CNN, highlighting the evolving energy landscape, circular economy, sustainable transportation network, and dynamic and inclusive workforce.

The strategic partnership with CNN in our global advertising campaign "Building Forward: Stories From Egypt" pinpoints developments across the country in different sectors, namely energy, water, transport, and gender.

With each video encapsulating a story in under 35 seconds, the energy video showcases how Egypt aims to provide 42% of its electricity from renewable energy by 2030, such as through solar and wind energy; also detailing our flagship project, the Benban Solar Park, which is producing 1.500 MW worth of power.

Moreover, in the water video, there is a focus on the Gabal El-Asfar Wastewater Treatment Plant that treats 2.5 million m<sup>3</sup> of water per day, produces organic fertilizers, generates electricity, saves carbon emissions, and irrigates 150,000 feddans.

In the transport video, Egypt's multi-modal, environmentally-friendly connection network is portrayed, with the Cairo Metro Lines carrying over 3.5 million passengers every day, reducing carbon emissions and easing traffic congestion.

Lastly, in the gender video, we express the importance of a dynamic and inclusive workforce, telling the story of STEM schools in Egypt; implemented in 11 governorates in the country, with 44% of STEM field students being girls.

"Sustainability and creating a positive impact are key priorities for CNN and are important to our audience and our partners. We are delighted to be joining once again with Hon. Minister Rania Al-Mashat and her excellency's team to highlight MOIC's efforts towards the Sustainable Development Goals and the Ministry's involvement in Egypt's economic progression through this dynamic international campaign that will reach audiences in English and Arabic.'

### Cathy Ibal. Senior Vice President. CNNIC.

As published in the CNNIC press release, "the world faces pressing environmental and sustainability challenges, international cooperation and global solutions are increasingly significant, and this is reflected in the timely partnership between CNNIC and the Ministry of International Cooperation."









# Bloomberg: A Business Portal Unlocking Egypt's Limitless Potential

Another international media campaign that the Ministry of International Cooperation started in 2022 is with Bloomberg.

Some of the spotlight stories include "Egypt's New Cities: A Blueprint for Sustainability in the Middle East" and "The Modern Trading Hub at the Center of the World's Most Historic Waterway".

Some of the highlights:



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The blueprint for change is based on dozens of new smart cities currently under construction. "We are a nation of builders and, historically, we have always contributed to the success of humanity," says Hassan Allam, CEO of Egyptian construction giant Hassan Allam Holding, which is contributing to the infrastructure for this Cities of the Future program.

"A huge change has happened in the mind of the country and how Egyptians think about the future," says Ahmed Elsewedy, CEO

of Elsewedy Electric, a leading Egyptian electrical provider working on the smart cities program, which also has partnerships with global enterprises including Toyota and Siemens, and operations in 100 countries.





"Egypt is at the center of global trade. The SCZONE is vital in connecting investors to the rest of the world from Egypt," says Walid Gamal El Din. Chairman of the General

Authority for SCZONE.

The SCZONE, extending over 461 square kilometers, comprises four industrial parks and six ports. Each port is strategically placed from north to south along the canal at East Port Said, Qantara, East Ismailia and Ain Sokhna. "Each one is different, and their location is their beauty because each one depends on its end market," explains Walid Gamal El-Din, Chairman of the General Authority for SCZONE. "If exporting to Europe and Americas, it's better to be located in Fast Port Said, while for investors targeting Asia and Africa, it's better to be located in Ain Sokhna."

The SCZONE is already home to 250 operational enterprises. With attractive incentives for investors, it aims to generate 1 million good-quality jobs by 2030.

The Egyptian government is encouraging investors into the SCZONE with a series of financial incentives, notably an exemption on customs tax and a zero VAT rate inside the zone when importing from the local market or abroad; a 14% VAT rate is applied to goods exported from the economic zone to the local market.

The benefit to Egypt's people is clear: The SCZONE has already created 100,000 job opportunities. "That number has increased dramatically and will increase in the future," says Gamal El-Din. "The SCZONE—and Egypt as a whole—has a very talented workforce that enables investors to operate, and we have vocational training centers for the extra skill sets required."



**Chapter 4** 

# AGENTS OF CHANGE



# AMPLIFYING THE VOICES OF WOMEN

To empower the economy, we must first empower its women, amplifying their voices as our true agents of change.

In Egypt, SDG5: Gender Equality is incorporated across development projects in different sectors, emerging as a crosscutting theme in about 99 projects worth \$6.7 billion, including STEM schools, scientific research and training.

The Government of Egypt puts girls and women at the forefront of its strategic priorities. Gender mainstreaming is not an end in itself, but a means to achieve the objectives of gender equality. It is not just about including women in the decision-making process or adopting a gender perspective for every sector, but also putting the necessary political will, funding and resources behind women's priorities so that they can lead the movement themselves.

The country's gender equality efforts are reflected in Egypt's rank in international indicators in the report on "Women, Business and the Law 2022" issued by the WBG. The report showed that Egypt is at 50.6 points compared to 45 points in the 2021 report, coming within a list of countries that have taken positive measures in enhancing the participation of women, in line with accelerating progress towards sustainable development.

"When we look at the link between gender and climate, the importance of women as catalysts for impacting climate change and environment is substantial."

H.E. Dr. Rania A. Al-Mashat.

International Partnerships For Sustainable Development

### But much more is yet to be done.

This year, 98 female judges were appointed in a transformative and historic step that will help to break gender stereotypes and broaden access to justice.

In line with Egypt's gender agenda, which prioritizes women's participation and influence in decision-making processes at all levels and in all fields, Counselor Mohamed Mahmoud Hossam El-Din, President of the State Council, and H.E. Dr. Rania Al-Mashat launched the bilateral meetings between the State Council and the WBG to design a framework of cooperation between the two sides in women empowerment and promoting women's representation in the judiciary.

The meeting included the participation of Marina Wes, Country Director for Egypt, Yemen and Djibouti at the World Bank, Counselor Taha Abdo Karso, Vice-President of the State Council Secretary-General, judges and female judges of the State Council, representatives of the Ministry of International Cooperation and the World Bank delegation.

In other good news, our gender champion Dr. Maya Morsy became a member in the United Nations Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW) 2023-2026; reflecting her unwavering dedication and leadership on the gender agenda and contributions to empowering women in Egypt.

### #InternationalWomensDay2022

Celebrating International Women's Day in 2022, H.E. Dr. Rania A. Al-Mashat took part in a special panel discussion with EBRD President Odile Renaud-Basso, and many other key leading female figures in the bank, on the importance of gender equality, and how to accelerate progress towards inclusivity, especially in our unpredictable world.



## In Climate: From COP27 to Beyond

Design note: Start this spread with a collage of pictures of the women at COP27.

Something that we've all noted at COP27 is the numerous women in leadership, making a change.

There are outstanding and remarkable women advocates, ministers, and heads of financial institutions who have put #climate action at the core of their national and hence the global agenda.

In 2022, the Ministry of International Cooperation secured \$1 million in the gender and social protection sector.

# Total ODA Directed to Finance Public Sector through Multilateral and Bilateral Development Partners in 2022



SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
GENDER & SOCIAL PROTECTION	1		
Gender Equality in Urban Transport <sup>1</sup>	0.5	Grant	AFD
Supporting the Women's Complaints Office's strategy for Sustainable Rights <sup>1</sup>	0.5	Grant	Spain

### Gender Equality in Climate Action Accelerator

In 2022, the European Bank for Reconstruction and Development (EBRD), the African Development Bank Group (AfDB) and the French Development Agency (AFD), in partnership with the Egyptian government, launched the Gender Equality in Climate Action Accelerator.

The launch took place at COP27, where it was decided that the Accelerator would help private-sector companies improve the gender responsiveness of corporate climate governance. It will also help governments to promote gender-sensitive climate policies, thereby accelerating their green transition to meet Paris Agreement targets, the United Nations Framework Convention on Climate Change Gender Action Plan and key Sustainable Development Goals.



"COP27 strengthens international efforts to move from pledges to implementation and achieve the goals of the Paris Agreement. The launch of the Accelerator, a collaboration between the government and development partners, strengthens gender equality efforts, enhances climate action and adaptation efforts to ensure women's more effective participation. It also creates opportunities to enhance women's development and to draw key lessons to accelerate gender equality in work tackling climate change." H.E. Dr. Rania A. Al-Mashat.



"Women are a transformative force for economies. We need to harness their ingenuity and their potential and their business acumen to identify and deliver the solutions to the huge challenges we face, to tackle climate change. Our role is to work collectively to create better access to green skills and jobs, lend more support for innovative entrepreneurship in the green economy and scale up investments in sustainable business practices." EBRD President Odile Renaud-Basso.



"This initiative is in line with AFD's feminist policy. AFD is proud to showcase that more than 60 percent of its climate finance contributes to achieving gender equality. AFD projects have shown that adaptation strategies are more effective when they involve women. Women are a force for structural transformation and we need women to achieve our climate ambitions." Cassilde Brenière, Deputy Chief Operations Officer of AFD.



"We at the African Development Bank Group believe that this is a step in the right direction. We need to get better at tracking, and we are committed to working with African governments and development partners to develop and fine-tune tools to improve on gender equality in climate change." Gareth Philips, Manager of Climate and Environment Finance at the AfDB.

1: Signed in 2022.

### **Government Initiatives**

Supporting gender parity is critical to ensuring strong, cohesive and resilient societies with stakeholder capitalism as the guiding principle. In its continued efforts to close the Gender Gap, the Ministry of International Cooperation with the National Council for Women, World Economic Forum and the Private Sector launched the "Closing the Gender Gap Accelerator" action plan.

As the first country to launch this public-private collaboration model supported by the WEF, the accelerator aims to address current gender gaps and reshape gender parity for the future. The accelerator model drives systems change, highlighting the need for collaborative action across different scales – not just institutional structures and policies but also norms, attitudes and through individual business commitments.



"We are very happy to launch the accelerator's action plan, ensuring no-one is left behind. The action plan serves as a clear roadmap to implement Egypt's National Women Agenda. It also supports the effective and efficient mapping of our local needs with global solutions." H.E. Dr. Maya Morsy, President of the National Council for Women.

The "Closing the Gender Gap Accelerator" action plan consists of 10 pillars, each includes several tasks and sub-actions for all stakeholders to implement, bringing their own expertise to the gender agenda plan. The pillars also cover a wide array of fields where development is necessary to ensure women's inclusion: empowering work regulations, leadership mentorship and protocols, educational re-skilling and preparation, digitalization of businesses, and social inclusion measures and policies.

The accelerator is built on partnerships between the government, private sectors, civil society and development partners. With 4 major private sector companies co-chairing the accelerator, it also aims to include 100 private sector companies to enhance efforts and policies in terms of empowering women and increasing their participation in the labor market. Crucial for economic growth and increasing local production, gender equality both increases economic growth and bridges the gender gap.

H.E. Al-Mashat shared the details of the accelerator with the Director General of the Government of Dubai Media Office and Vice President of the Gender Balance Council, Mrs. Mona Al Marri, in the presence of the CEO of Dubai Women Est & Secretary General of UAE Gender Balance Council, Shamsa Saleh, and the Director of Dubai Press Club at Dubai Media Office, Dr. Maitha Buhumaid.

The Government of Dubai Media Office and Vice President of the Gender Balance Council, Mrs. Mona Al Marri noted that there are many future cooperation opportunities, in light of the common vision shared by both countries, as she also presented an introduction on the Gender Balance Council, established in 2015 under the directives of Sheikh. Mohammed bin Rashid Al Maktoum, as a government entity focused on developing and implementing the gender agenda in the UAE.

As one of the council's main objectives is to reduce the gender gap across sectors and jobs, including leadership positions, the UAE's Gender Balance Strategy 2022-2026 includes 4 main pillars: Economic Participation, Entrepreneurship, and Financial Inclusion; Well-being; Projections; and International Partnerships and Leadership.



# Climate & Multilateralism Through Gender-Sensitive Approaches

United under the gender agenda, there is no sugarcoating the fact that the world has been faced with numerous challenges in a relatively short period of time, but when we talk about recovery, we all agree that women participation is macro-critical; a topic that unites the global community through the multilateral system.

As our common denominator for multilateral partnerships, the gender agenda, in specific, is not only a government agenda, a private sector or a civil society agenda. Rather, it is a multi-stakeholder agenda, each playing a key role. Considering the quantifiable proof established by multilateral institutions, economically empowering women promotes inclusion, and increases GDP and productivity, which is exactly what is needed today.

H.E. Dr. Rania A. Al-Mashat shared the previous remarks in Dubai's World Government Summit on "Women in Public Leadership: Why Multilateralism Matters" with Dr. Mahmoud Mohieldin, and the UNCDF's Preeti Sinha, moderated by CNN's Eleni Giokos.

The session discussed how multilateral organizations and governments can work together to garner multi-stakeholder commitments and partnerships to remove the barriers that women face, such as lack of resources, information, influence and reach.

In her remarks, Al-Mashat, called for international financial institutions to mainstream gender-sensitive approaches to climate action on the ground. She added that climate financing mechanisms are beginning to adopt gender-sensitive approaches, but more needs to be done to improve the effectiveness of climate finance and actions on the ground.

To accelerate and scale up gender-responsive policies, the Ministry of International Cooperation engages through its country-led multi-stakeholder framework with a variety of actors to unlock gender-sensitive funding. This framework incorporates gender as a crosscutting theme in policies related to climate change, food security and science and technology as an essential condition for sustainable development.

Egypt's gender agenda prioritizes women's participation and influence in decision-making processes at all levels and in all fields.

The World Economic Forum's 'Global Gender Gap Report 2021' highlighted that Egypt is listed among the 96 countries that have reduced the gender gaps in parliament; increasing female representation

from 14.9% to 27.4%, and 24.2% among ministers.



## Women's Economic and Social Empowerment Program

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Along with H.E. Nevine El-Kabbaj and Dr. Maya Morsy, H.E. Dr. Rania A. Al-Mashat participated in the "Women's Economic and Social Empowerment Program" launch event, in partnership with the USAID with a grant of \$39 million, the Ministries of International Cooperation and Social Solidarity, the National Council for Women (NCW), the Central Bank of Egypt (CBE), and various private sector companies and research institutions. This program will be implemented from 2022 to 2027 in the governorates of Assiut, El Beheira, Minya, Greater Cairo (Giza), Sohag, and Qena.

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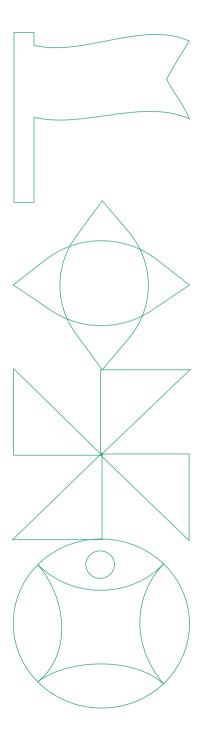
The program aims to increase economic opportunities for women in Egypt by

improving work environments, expanding women's financial inclusion, and reducing the socioeconomic impact of violence against women. Moreover, the program operates in close partnership with the private sector in a number of high-growth sectors, including those that are traditionally uncommon for women; thus promoting equal employment opportunities and enhancing private-sector employment practices, all in line with closing gender gaps.

Moreover, this is a continuation of the extended partnership between Egypt and the USAID, which for decades has contributed to advancing development

efforts through various programs to improve work environments for women in the private sector, enhance financial inclusion, and reduce violence against women, in line with promoting equal opportunities and contributing to the global goals.

Mapped to national commitments and programs, funded by USAID, and implemented by Pathfinder International, this is an example of a multi-stakeholder approach to closing gender gaps, reflecting the importance of international and public-private partnerships in meeting our shared commitment to gender mainstreaming.



### Education, Empowerment, Economic Growth

As Egypt is designing country strategies with all our development partners, placing SDG5: Gender Equality as a cross-cutting theme, embracing the gender agenda starts from very early on; such as through education and classroom learning. One of the country's most important examples of this is the Science, Technology, Engineering, & Mathematics (STEM) schools.



In 2022, H.E. Dr. Rania A. Al-Mashat visited a STEM school in Assiut and interacted with students, particularly young girls, who shared their commitment to education, science, innovation and creativity. Implemented in 11 governorates with 18 schools, benefiting over 5,000 students, the STEM schools initiative is a key pillar of the framework of the cooperation between Egypt and the United States of America, through USAID.

During the visit, the Minister was accompanied by Major General Essam Saad. the Governor of Assiut.

The aforementioned school is one of the STEM schools implemented in partnership with USAID, within the Basic Education Agreement amounting to \$124 million since 2014. This is implemented in coordination with the Ministry of Education and Technical Education,

aiming to ensure educated and skilled youth who can meet the demands of a dynamic labor market.

It is important to note that STEM schools play a key role in accelerating the Government of Egypt's efforts to enhance investment in human capital in cooperation with development partners, so as to prepare the youth for the demands of a dynamic labor market.

To ensure the sustainability of the project and to provide qualified instructors to work in STEM schools, a one-year diploma and 4-year university program were established in 5 public universities, including Assiut University, to prepare teachers specialized in science, technology, engineering and mathematics to be able to lead the educational process in STEM schools.





# Advancing Africa through Gender Integration

This year, the Africa Women Innovation & Entrepreneurship Forum (AWIEF) was held in Cairo for the first time, the continent's leading women and entrepreneurship conference and awards event. The event is hosted in partnership with the Ministry of International Cooperation and co-organized by the Egyptian Businessmen's Association (EBA).

The event featured a line-up of high-profile speakers and industry experts, keynotes, interactive industry panel sessions, fireside chats, masterclasses/workshops and networking under the theme "Advancing Africa through Gender Integration".

The event featured Minister of Social Solidarity H.E. Nevine El Kabbaj, President of the National Council of Women Dr. Maya Morsy, EBA Chairman Ali Eissa, and AWIEF CEO Irene Ochem.

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Mark Carney © StriamsCurrey 19 Oct 2023
A pleasure discussing preparations

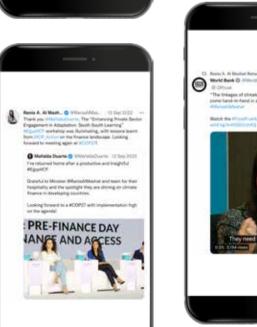
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# **PHYGITAL** FROM STORIES **TO TWEETS**



















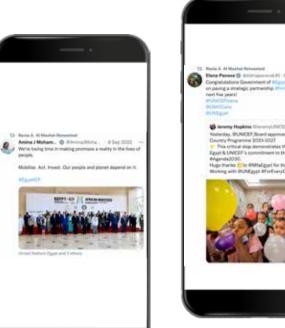


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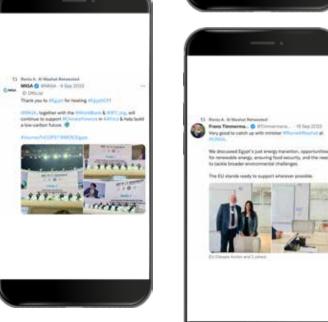














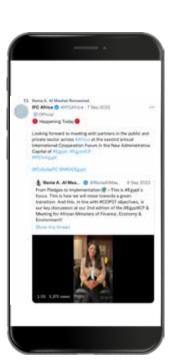
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For rememble energy, ensuring food excurring, and the need to tackle broader energy-mental challenges.





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Rania A. Al Mashat . 27 Dec 22

Honored to have been selected among

the distinguished Global Leadership

Council (GLC) of the @GenUnlimited,

the world's young leaders-to-be.

initiative, a global Public Private #Yout

partnership by **BUNICEF**, working to skill

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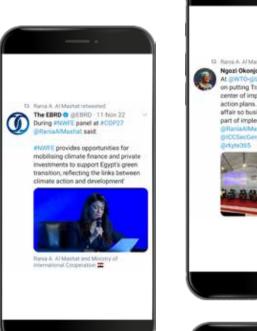
















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III.E. Offeria A Machael shares that PEgypt's Integrated

Sustainable Streety Strategy 2040 has abolished the use of coal for electricity generation and replaced it by renewable resources of energy.

#AmChamUNCOPS7

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Int'l Cooperation at the POPECFundDevForum.

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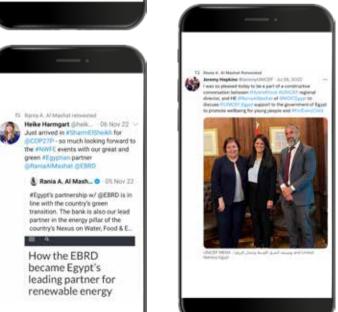




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Rania A. Al Mashat 6 ... 19 Nov 22

Since it's launch, I've been explaining

reflects commitment, clarity & credibility.

Our good friend @SelwinHart, the @UN

#ClimateAction, added a few more C's:

how efgypt's NWFE وفي Program

Special Adviser & Assistant SG for

country-ownership, collaboration &

cooperation.







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Climate Investment F. © 2005 Au. - Apr 25, 2022 —
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53 Special Williams Spreading

Mari Elka Panga. © Elifon Foreja. Apr 25, 2552 — In leading with \$\infty\$ is focus on implementation, we had a very

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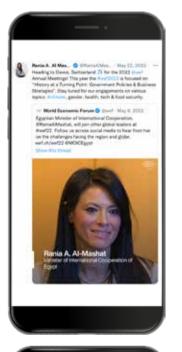
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France on Egyp. © Offrecone(Egyp. - Feli 18, 2001)
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Minuter of International Cooperation of Wildset Cant.

#50Gs, inclusive greenty, the green economy, #COPST

EBRO Geverno's GRania A Maubut for your powerful

Strategy

and so much more!

Thank you diffigure is, we surely have a lot to look forward to in the coming period with our new 2022 - 2027 Country

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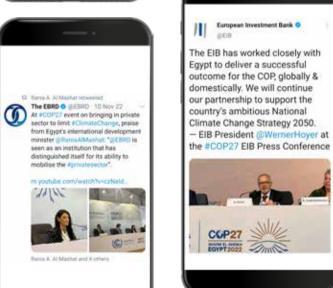
12 Surva A Al-Mashat retweeted

mobilise the #privatesector\*

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## Total ODA Directed to Finance Public and Private Sector Development in 2022

SECTOR	AMOUNT (in USD million)
Total ODA Finance directed to public sector development	11106
Total ODA Finance directed to private sector development	2616
TOTAL	13,722
1 Western 2 Beller 3 Beller Beller 4 Beller 5 Beller 6 Beller Bell	

SECTOR	AMOUNT (in USD million)	DEVELOPMENT PARTNER	SDGS
Budget Support	1818	WB, AIIB, Japan, AFDB	3 mention 7 mention 13 that 16 mention 17 me
Agriculture, Supply and Irrigation	137	Germany, USA, IFAD,EU	2 mil Santonia 9 million 12 months
Transport	2553	EIB, WB, Spain, AFD, Korea, EBRD	9 mentanda 11 mentanta A Bulan
Energy, Renewable Energy and Petroleum	31	AFD, Germany, SIBA	7 similar 12 months 13 min
Environment	38	USAID, Germany, AFD	8 ROCKETOR STATE OF THE PROPERTY OF THE PROPER
Housing and Utilities	184	AFD, Germany, EU, EIB	6 bitters.  © ### AB46
Education	161	USAID, Germany, Japan	4 mm. 5 mm. 8 mm. 9 mm. 10 mm.
Governance	85	USAID, Germany	16 manual 17 meruta ************************************
MSMEs	3	EU, AFD	
Gender & Social Protection	1	AFD, Spain	1 % 5 5 5 6 8 5 6 10 10 10 10 10 10 10 10 10 10 10 10 10
Trade and Industry	13	Germany	8 solution 9 street, 12 street, company of the comp
Health	20	USAID	1 North 3 North 10 No
Framework Agreements	6063	ITFC, China	7 common 11 common 12 common 13 cts



<u>11,106</u>

# Total ODA directed to Finance Private Sectors Development through Multilateral and Bilateral Development Partners in 2022

DEVELOPMENT PARTNER	AMOUNT (in USD million)	SDGS
African Development Bank	21.5	8 marrier 9 marrier 4 marr
European Bank for Reconstruction and Development	558	8 milyrum 9 Outstands
Credit Line between JICA and Mitsubishi Financial Group	200	8 miran 9 miran M
OPEC Fund for International Development	1210	8 marrain 9 manusium
French Development Agency	159	8 salvan gundunt
European Union	15	8 HANGAN SHIPMENT
International Finance Cooperation	233	8 marrain 9 marrain 19
World Bank Group	50	8 married 9 married &
European Investment Bank	170	8 Martin 9 Communication of the Communication of th



2,616



SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
BUDGET SUPPORT	1818		
Electricity Sector: Development Policy Loan for Power Sector Reform <sup>2</sup>	238	Loan	Japan
Development Policy Financing Program in Support of the Egyptian Budget <sup>1</sup>	360	Loan	World Bank
Development Policy Financing Program in Support of the Egyptian Budget <sup>1</sup>	360	Loan	AIIB
Electricity Sector: Electricity and Green Growth Support Program <sup>1</sup>	90	Loan	AfDB
Supply Sector: Emergency Food Security and Resilience Support Program <sup>1</sup>	500	Loan	World Bank
Supply Sector: Food Security and Economic Resilience Support Program <sup>1</sup>	271	Loan	AfDB

1: Signed in 2022. 2: Declared Effective in 2022.



SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
HOUSING, UTILITIES AND LOCAL DEVELOPMENT	184		
The Helwan Wastewater Treatment project <sup>1</sup>	88	Loan	EIB
The Helwan Wastewater Treatment project m <sup>1</sup>	57	Loan	AFD
The Helwan Wastewater Treatment project <sup>1</sup>	27	Grant	EU
Nile Delta Water Management Program <sup>1</sup>	6	Grant	Germany
Urban Transportation and bus Rapid Transit (BRT) <sup>2</sup>	1	Grant	SIDA
Participatory Infrastructure Project <sup>2</sup>	2	Grant	Germany
Capacity building by developing Infrastructure works in areas affected by illegal immigration <sup>2</sup>	2	Grant	Germany

1: Signed in 2022. 2: Declared Effective in 2022.



SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
TRANSPORT	2553		
Supply of two levelling, lining and tamping machines and of two high capacity ballast distributing and profiting machines <sup>2</sup>	10	Loan	Austria
Scheme Alexandria Abu Qir Railway <sup>1</sup>	262	Loan	AFD
Scheme Alexandria Abu Qir Railway <sup>1</sup>	1	Grant	EBRD
Tanta – EL Mansoura – Damietta Railway Upgrading ¹	250	Loan	EIB
Tanta – EL Mansoura – Damietta Railway Upgrading ¹	106	Loan/Grant	AFD
Development of Railway Signaling Systems from Nag Hammadi to Luxor Egypt <sup>1</sup>	252	Loan	Korea
Manufacturing and supplying 55 air-conditioned trains for the first metro line <sup>1</sup>	854	Loan	France
Rehabilitation and Modernisation Cairo Metro Line <sup>1</sup>	257	Loan/Grant	EBRD
Cairo Alexandria Trade Logistics Development Project <sup>1</sup>	400	Loan	WB
Rehabilitation 23 Trains For Cairo Metro Line <sup>1</sup>	158	Loan	Spain
Grant assistance in making purchases for a loan to purchase 100 tractors ¹	1	Grant	EBRD
Preparing feasibility studies for the construction of the railway link between Egypt and Sudan <sup>1</sup>	2	Grant	KFAED

1: Signed in 2022.

2: Declared Effective in 2022.





SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
ENERGY, RENEWABLE ENERGY AND PETROLEUM	29		
Rehabilitation of hydroelectric stations in Aswan Governorate - Phase II <sup>2</sup>	1	Loan	Germany
Egyptian -Swedish Collaboration for Improved Electricity Grid Stability and Efficiency <sup>2</sup>	1	Grant	SIDA
Memorandum of Understanding regarding strategic technical cooperation between Egypt and France to develop the green hydrogen sector in Egypt <sup>1</sup>	29	Grant	AFD

1: Signed 2: Pending Final Signature



SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
MSMEs	3		
The Upgrading of Public services and utilities in unplanned areas in Greater Cairo <sup>1</sup>	3	Grant	EU/AFD

1: Signed in 2022.



SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
GENDER & SOCIAL PROTECTION	1		
Gender Equality in Urban Transport <sup>1</sup>	0.5	Grant	AFD
Supporting the Women's Complaints Office's strategy for Sustainable Rights <sup>1</sup>	0.5	Grant	Spain

1: Signed in 2022.



SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
TRADE AND INDUSTRY	13		
Special Initiative for the Middle East and North Africa to support the private sector training and employment initiative <sup>2</sup>	13	Grant	Germany

1: 2. Declared Effective in 2022.



SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
GOVERNANCE	85		
FEXTE Partnership Agreement <sup>2</sup>	1	Grant	AFD
Comprehensive economic governance <sup>1</sup>	19	Grant	USA
Trade and Investment Promotion in Egypt (TIPE) ¹	19	Grant	USA
Improving the public electronic procurement system in Egypt for the benefit of the Authoritygovernment services <sup>1</sup>	8	Grant	Korea
Supporting electronic-government and public administration innovation <sup>2</sup>	9	Grant	Germany
Risk management in Egypt <sup>1</sup>	29	Grant	Germany

1: Signed in 2022. 2: Declared Effective in 2022.



SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
EDUCATION	161		
Technical Support for the Comprehensive Technical Education Initiative -TSTI <sup>2</sup>	25	Grant	Germany
Basic Education II -Sixth Amendment <sup>1</sup>	8	Grant	USA
Technical Cooperation Project to Support the Teaching of the French Language in Egypt Government Schools <sup>1</sup>	1	Grant	AFD
Rehabilitation of Vocational Schools <sup>2</sup>	14	Grant	Germany
Financial support for the Comprehensive Technical Education Initiative-FCTI <sup>2</sup>	32	Grant	Germany
Financial support for the Comprehensive Technical Education Initiative -FCTI <sup>1</sup>	39	Grant	Germany
Strengthening of Metrology for the Competitiveness In the Egyptian Economy <sup>2</sup>	1	Grant	Germany
Construction of outpatient Facility at Cairo University Specialized Pediatric Hospital <sup>2</sup>	1	Grant	Japan
THE U.SEgypt Higher Education Initiative <sup>2</sup>	40	Grant	USA

1: Signed in 2022. 2: Declared Effective in 2022.



SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
HEALTH	20		
Health Outcomes for Target Populations Improved- Fifth Amendment <sup>1</sup>	13	Grant	USA
Support urgent needs in response to COVID-19I <sup>1</sup>	7	Grant	USA

1: Signed in 2022.



SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
AGRICULTURE, SUPPLY AND IRRIGATION	137		
Sustainable Transformation for Agricultural Resilience (STAR) <sup>1</sup>	65	Grant/Loan	IFAD
Nile Delta Water Management Program <sup>2</sup>	7	Grant	Germany
The European Union's Joint Rural Development Program in Egypt <sup>2</sup>	32	Grant	EU
Agribusiness for Rural Development and Increasing Incomes (ARDII) Seventh Amendment <sup>1</sup>	12	Grant	USA
Joint Integrated Sector Approach-JISA <sup>2</sup>	21	Loan / Grant	Germany

1: Signed in 2022. 2: Declared Effective in 2022.



DEVELOPMENT PARTNER	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
ENVIRONMENT	38		
Transforming Financial Systems for Climate (TFSC) in Egypt <sup>1</sup>	1	Grant	AFD
Climate Initiative Agreement <sup>1</sup>	15	Grant	USA
National Solid Waste Management Program (NSWMP) <sup>1</sup>	21	Grant	Germany

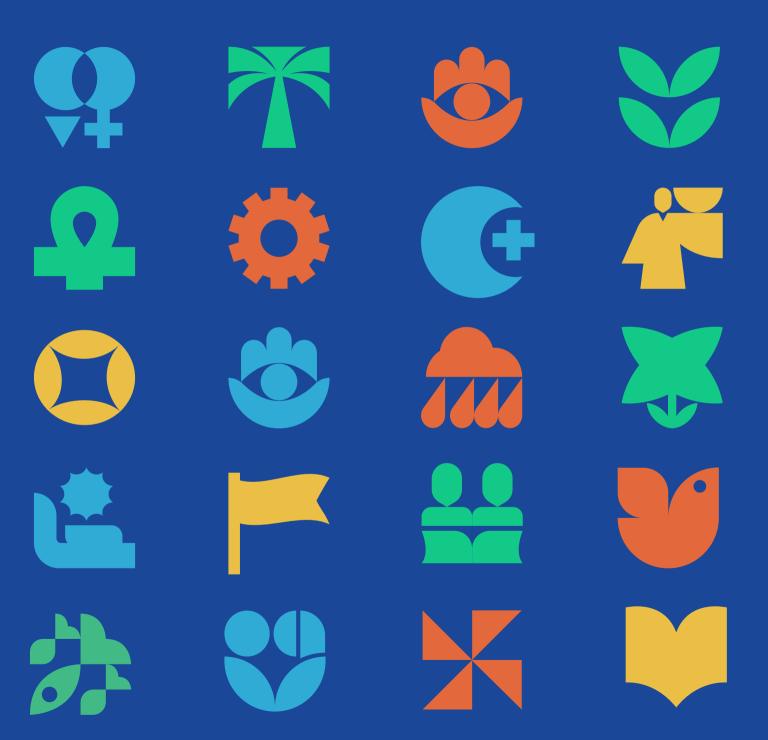
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SECTOR	AMOUNT (in USD million)	TYPE OF FINANCE	DEVELOPMENT PARTNER
FRAMEWORK AGREEMENTS	6063		
Financial Agreement <sup>1</sup>	6000	Loan	ITFC
Development Projects <sup>2</sup>	63	Grant	China

Signed in 2022.
 Declared Effective in 2022.







# "Let's NWFE Together!"

@RaniaAlMashat