Business monthly

THE JOURNAL OF THE AMERICAN CHAMBER OF COMMERCE IN EGYPT

July 2023

NOT FOR SALE

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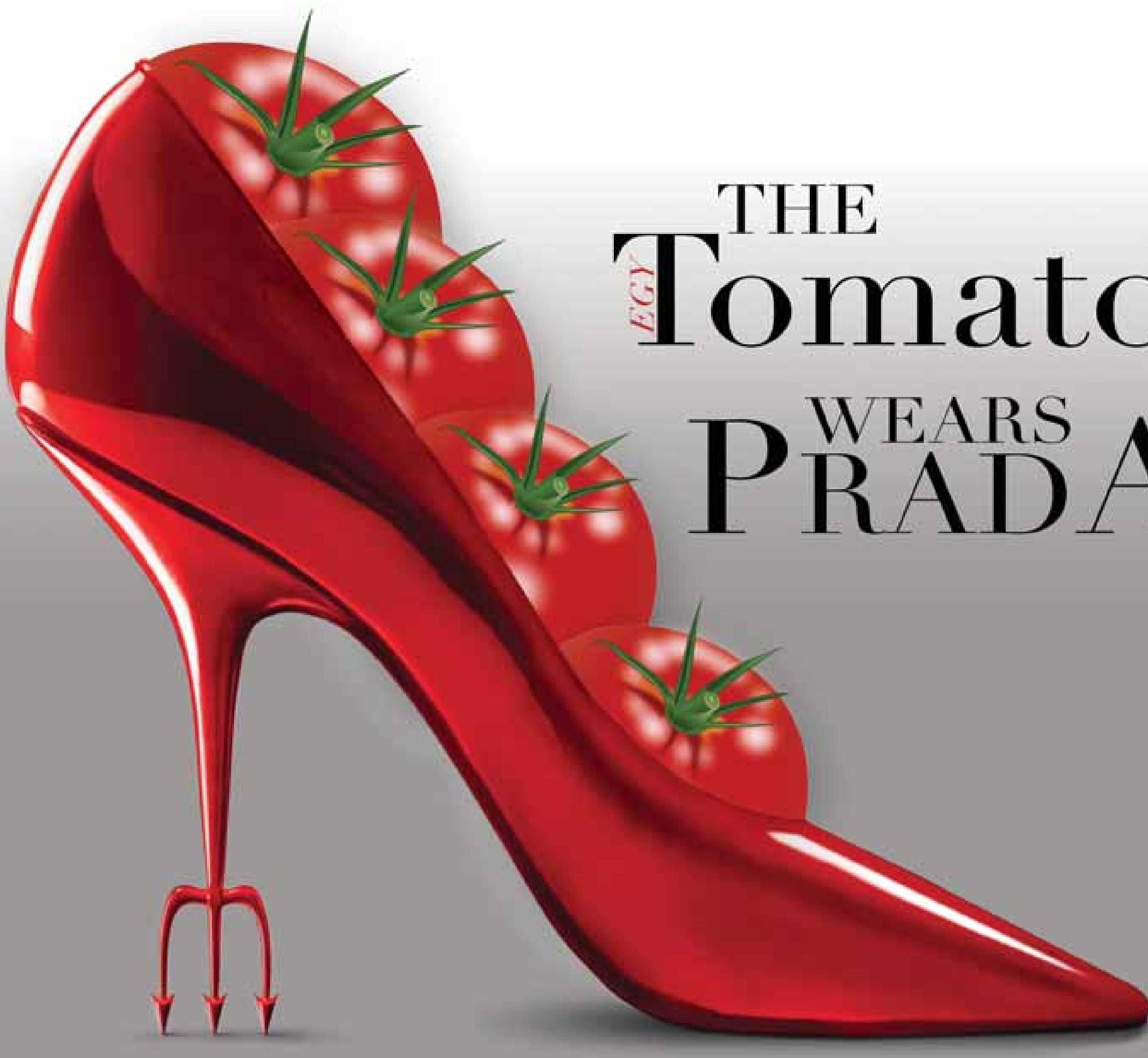
Egypt's power sector future
Egypt joins BRICS
Economic coverage landscape



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GOING INTERNATIONAL

Exporting goods and services is becoming increasingly crucial for fueling Egypt's GDP growth amid the ongoing foreign currency crunch. Food and produce exports are an essential part of the country's non-oil export portfolio.

Accordingly, exporters must ensure their products adhere to food safety regulations in local and destination markets to maintain or expand such operations and reach.

This month's cover story examines the latest global food safety regulatory trends and their role in promoting exports. We also highlight Egypt's efforts to improve local food safety standards. Lastly, we focus on some features of Saudi Arabia, EU, and U.S. food safety regulations, as they are the top buyers of our produce and food.

Exporting electricity is another game-changer for Egypt's economy. However, buyers are increasingly adamant it must come from eco-friendly, sustainable sources. This month, we highlight the Ministry of Electricity and Renewable Energy's efforts to boost Egypt's conventional and clean electricity (solar, wind, and green hydrogen) capacity beyond domestic peak consumption. The aim is to export eco-friendly electricity to neighbors such as Jordan, Libya, Saudi Arabia, Italy, and Greece.

We also discuss Egypt joining the BRICS coalition comprising Brazil, Russia, India, China, and South Africa. That move could have lasting effects on foreign policy as BRICS nations are often at odds with the United States and EU, Egypt's traditional trade and political partners.

Lastly, we summarize an African Union report on how homegrown and foreign media outlets report on Africa's economy and business environment. Their narratives and coverage could build or destroy the confidence of local and foreign investors.

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SEIZING THE MOMENT

While we are still waiting for the moment of truth, when the government of Egypt will announce the anticipated sales of the first batch of state-owned enterprises, the momentum for reforms is building. There have been a number of welcome steps taken recently.

The Cabinet has announced a new law that should impose a level playing field on all state enterprises, including military ventures. When it comes to implementation, however, the devil will be in the details. It will be a huge challenge, to be sure.

Another impressive feat is the draft amendments to the import-export law, which will allow all foreign companies to import directly, thus annulling the 51%/49% ownership requirement. For some obscure reason, this issue had been lingering for almost 20 years, and now it is simply being done.

Meanwhile, the 1% deduction from companies' net profit to fund the Ministry of Manpower's training fund is already a work in progress, but the Ministry of Justice is looking to alleviate retroactive liability.

The Standard & Poor's Global PMI for Egypt in June edged closer towards 50, hitting its highest point since August 2021. At 49.1, our index still shows economic contraction, but it's a positive sign nonetheless. The rise could be explained by informal talk in business circles that banks are unofficially accepting dollar deposits with a condition of releasing import documents. It is not a solution but could be a prelude to reducing the backlog before the anticipated free trading of the Egyptian pound.

The unofficial exchange rate is down to LE 37.5 to the dollar, another interesting sign. The remarkable observation is that, unlike 2016 when foreign currency inflows dried out, the market is actually flush with U.S. dollars, just not entirely in official channels. Customer dollar bank deposits have increased by $6 billion over the last two months, but observers note that everyone is holding on to their dollars.

On the alarming side, our trade deficit edged higher in April as a direct consequence of lower natural gas exports. It just proves the point: Egypt cannot build an economy on volatile revenues, be they oil & gas, tourism or remittances. Without FDI and industry we cannot have a sustainable trajectory. Lesson learned? I truly hope this time the lesson is loud and clear. The dire economic situation that we put our country in is unprecedented and unwarranted.

Amid these circumstances, I want us to capitalize on the economic reforms' growing momentum, making the most of my role as a member of the Prime Minister's Advisory Committee. I urge AmCham members to come forward and share their challenges in doing business. We have already compiled a file of impediments from over 20 AmCham companies for an upcoming hearing at the Prime Minister's reform committee, which will address the problems one by one.

We still have a long way ahead of us, with the challenges mounting. Yet I do see a silver lining, and the reprieve might start sooner rather than later.

TAREK TAWFIK
President, AmCham Egypt

American Chamber of Commerce in Egypt
Career Development Center - CDC

2023 AMCHAM EGYPT EMPLOYMENT FAIR

DECEMBER 15TH-16TH
CONRAD CAIRO HOTEL

YOUR PATH
YOUR MARK
...... YOUR SUCCESS

THE NEWSROOM

IFC TO ADVISE EGYPT ON PRIVATIZATION

The IFC will become the government's adviser, helping it to sell some state-owned firms to strategic investors or list them on the stock exchange. Minister of International Cooperation Rania El Mashat and IFC Managing Director Makhtar Diop signed the agreement June 18.

The IFC statement said it would offer "technical assistance and advisory support." The deal is part of the 2023-2027 Country Partnership Framework with the World Bank Group, focusing on reforming the government's privatization framework.

Prime Minister Mostafa Madbouly said the IFC would help the government formulate a strategy and implementation plan to sell state assets. The focus will be on improving corporate governance, among other issues that have kept foreign investors from buying state-owned firms.

Madbouly said in a Cabinet press release that the purpose of the sale is to increase the role of the private sector in driving economic growth.

Some experts predict the IFC should help the government generate $2 billion from those sales.

NO MORE DEVALUATION?

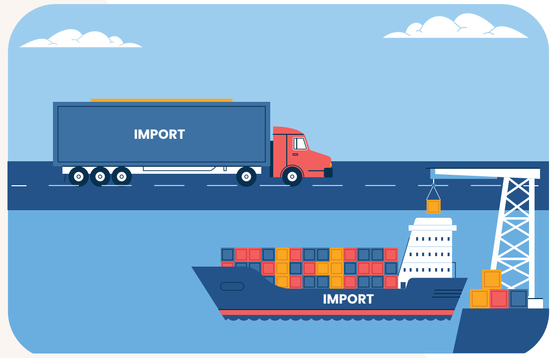
In early June, a Citigroup note said the Central Bank (CBE) will "likely not engineer another aggressive pound devaluation over the next month or so." The note's writer, Citigroup analyst Luis Costa, said the government is banking on the $14 billion the country generated from tourism in 2023 to spare it another devaluation.

The CBE further cemented this expectation, retaining overnight interbank interest rates at 18.25% and lending at 19.25% for the third consecutive month. That is significantly higher than in April 2022, when the overnight rate was 9.25% and 10.25% for lending.

A big reason why the CBE decided to keep interest rates unchanged in June is the U.S. Federal Reserve kept interest rates the same the previous week. Fed Chairman Jerome Powell said that U.S. inflation is expected to cool.

Amr Elalfy, head of research at Prime Securities, told Enterprise, "A potential hold on interest rates is likely as the CBE takes time to assess the situation and hold off any moves that may increase the cost of public debt."

GOVERNMENT RELEASES MORE IMPORTS



Minister of Finance Mohamed Maait announced the national treasury would pay $16.8 billion in June to release goods held at ports since mid-April. According to Al Sharq, Bloomberg's Arabic news platform, an additional $5.5 billion worth of goods is stuck at the ports as of the end of May.

In the first quarter of 2023, the ministry released merchandise worth $5 billion every month. It increased those monthly releases in April and May to $8.4 billion of imported goods.

The news came as importers complained that government and private banks stopped giving them foreign currencies or opening letters of credit. It was the second time that happened this year. The first was in January after the government released $1.2 billion of goods.

Al Ahram reported the government had released goods worth $31.8 billion in the first five months of 2023.

TRADE DEFICIT HALVED IN MARCH

CAPMAS's latest report, published in mid-June, showed Egypt's trade deficit dropped to $1.9 billion in March. That was 49.6% less than the previous year.

Part of the reason was imports in March declined by 40.6% to $5.7 billion. The most significant drops were in wheat (41.9%), steel and iron raw materials (65.2%), pharmaceuticals (5.2%), and chemicals (38.7%).

Meanwhile, exports of baked goods and ready-made foods jumped 23.2%, as steel bars and other metal-based products surged 87.3%.

However, that was insufficient to reverse a 34.6% drop in overall exports, reaching $3.75 billion. The most significant falls were in natural gas (67.9%), fertilizers (54%), and crude oil (50.5%). Ready-made garments saw exports decline 25.3%, while fresh fruits remained roughly the same (0.7% drop).

WORTH FOLLOWING

QATAR COULD BUY STAKES IN SEVEN STATE HOTELS

According to Reuters, the Qatar Investment Authority (QIA) is looking to buy a stake in seven hotels in Egypt. The newswire cited two unnamed sources familiar with the matter. They agreed the QIA is negotiating with the Sovereign Fund of Egypt to acquire a maximum 30% stake in one, if not all, of those seven facilities.

Reuters said the hotels are all five-star government-owned facilities: the Cairo Marriott, Steigenberger El Tahrir in Cairo, Marriott Mena House at the Giza pyramids, Sofitel Legend Old Cataract in Aswan, Mövenpick Aswan, Sofitel Winter Palace in Luxor and Steigenberger Cecil in Alexandria.

In February, the government announced it would put up to 20% of prominent hotels for sale to strategic investors and up to a 5% stake on the stock exchange.

The news could be part of Qatar's pledge in March 2022 to invest up to $5 billion in Egypt.

CHANGING **LANES**

Egypt has joined the National Development Bank established by the BRICS coalition comprising Brazil, Russia, India, China and South Africa. The move comes with pros and cons.

By **Tamer Hafez**

Since COVID-19 started, Egypt, like many middle-income developing countries, has suffered from soaring inflation and public debt, local currency depreciation, and mounting pressure to implement structural reforms in exchange for financing.

Central Bank (CBE) data shows that Egypt has witnessed inflation rise to four-decade highs, the pound has devalued to unprecedented lows, and external debt has increased nearly 40% since January 2020.

Conventionally, the government has sought assistance from the United States, EU, and multilateral international financial institutions like the World Bank, IMF, and EBRD to secure a significant portion of its dollar needs. Their approval came with an added advantage: a signal to international investors that Egypt meets those organizations' baseline criteria.

In 2021, Egypt sought new and very different international financing partners. President Abdel Fattah el-Sisi said the country wanted to join the National Development Bank (NDB) that the coalition of Brazil, Russia, India, China, and South Africa (BRICS) created in 2015. Deputy Chairman Mohamed Abdel-Hamid of the House's Economic Committee told the media at the time the move would "relieve the state budget of the pressure of finding ... dollars to meet the country's imports, as members of the bank can use their national currencies as trade exchange."

Ronak Gopaldas, director of Signal Risk at the South Africa-based Gordon Institute of Business Science, said joining the NDB could backfire. "For advocates, it is a long overdue [move] that will present a credible economic and political counterweight to Western dominance," he wrote in Premium Times, a Nigerian publication. "Cynics believe it's simply a backdoor strategy by China to expand its sphere of influence."

BRICS evolution

In 2001, Jim O'Neil, chief economist at Goldman Sachs, bundled Brazil, Russia, India, and China into one bloc (BRIC), as all four saw strong GDP growth given the international outlook back then. In 2010, South Africa joined, changing the name to BRICS.

In the following years, BRICS became an economic and geopolitical coalition as their GDP growth rate prospects began to cool. "The founding myth of the emerging economies has faded," Günther Maihold, deputy director of the German Institute for International and Security Affairs, told Deutsche Welle in April. "The BRICS countries are experiencing their geopolitical moment."

Their target is to become a counterpower to the G7, an "informal forum" comprising Germany, France, the U.K., Italy, Japan, Canada, and the U.S. Like the G7, BRICS members aim to align their agendas to global events.

That was evident in June 2022, when BRICS members met in China. "We are convinced that now, more than ever, the leadership of BRICS countries is needed to develop a unifying, positive course toward the formation of a truly multipolar system of intergovernmental relations," Russian President Vladimir Putin said at the time.

That sentiment echoed once more in the June 2023 meeting, when South Africa's Foreign Minister Naledi Pandor said: "Developed countries have never met their commitments [particularly since COVID-19] to the developing world and are trying to shift all the responsibility" onto emerging economies.

The key to realizing BRICS' ambitions is to add more members, particularly to the NDB, which aims to become an alternative to the IMF and World Bank. Anil Sooklal, South Africa's ambassador to BRICS, told Japan Times they were looking into applications from 20 countries that want to join. "This [expansion] is positive news for the bloc," he said. "It demonstrates the confidence of [middle-income emerging countries] in the leadership of our group."

BRICS doesn't target all emerging economies. The priority is 100 countries categorized as "The Global South." Sookal explained those are "developing [nations] that are not aligned with any major power," he told Japan Times in May. "Most of them are still largely marginalized in terms of global decision-making." He added such inclusion would "address the existing fault lines in the global, geopolitical, geoeconomic and financial architecture."

Ultimately, BRICS gives Global South countries economic and political options. "The BRICS alliance is not so much a counter to the West as more of a forum for increased sovereign and autonomous thought," Maihold of the German Institute for International and Security Affairs told Deutsche Welle in April. "In a bipolar world, [Global South countries] are vying for better terms."

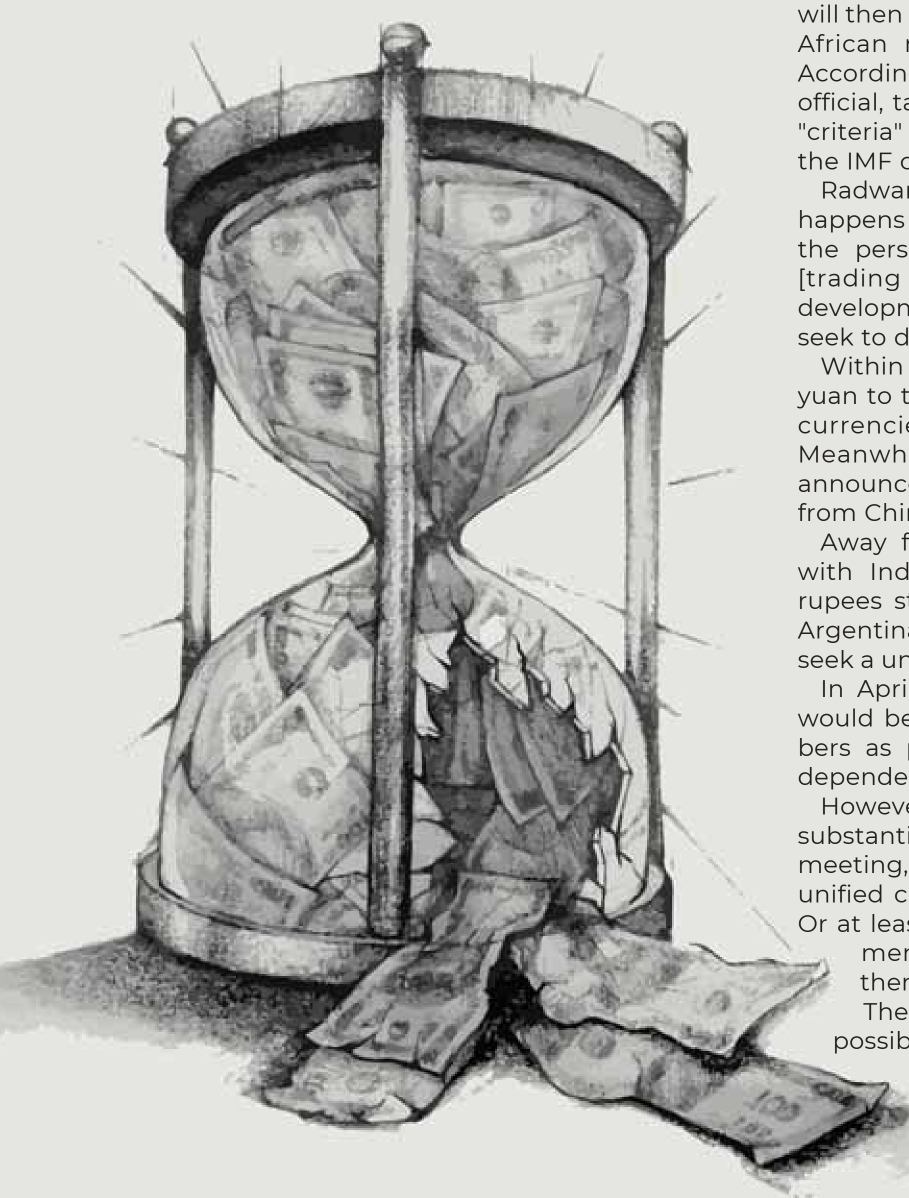
What Egypt wants

In March, the NDB announced the approval of Egypt's request to become a member, joining other non-founding members Bangladesh, the U.A.E., and Uruguay (members in NDB since September 2021, according to Reuters).

In June, Egyptian Minister of Foreign Affairs Sameh Shoukry told Al Ahram the decision came because "current global crises require urgent dialogue among developing countries on ways to promote peace and prosperity." There also are economic reasons for joining, Shoukry said.

Becoming part of the BRICS bank will benefit Egypt, he added, citing "shared positions on global economic challenges and opportunities." He also noted that joining the coalition reflects the "importance of multilateral action and cooperation based on principles of national sovereignty, mutual respect, common benefits, and solidarity."

Azza Radwan, a former communications professor in Canada, said in an Ahram op-ed that joining a coalition of emerging economies like BRICS "is exactly what many nations hope to achieve. Amidst the current global economic crisis, all nations are looking to strengthen their own currencies, and the BRICS group can support them in accomplishing that goal." Radwan added that joining that coalition should help Egypt "overcome soaring prices, inflation and its acute dollar shortage."



BRICS benefits

One of the most important perks for Egypt is its eligibility to seek financing from the NDB's $100 billion capital and lending pool. Egypt also would benefit from the coalition's Contingent Reserves, a friendlier funding framework compared to the IMF and World Bank, particularly if the debtor country struggles to repay its loan.

That financing also should be easier to secure. NDB's mandate allows BRICS and non-BRICS Global South countries to secure funding "away from the painful experiences of the IMF's structural adjustment and austerity measures," said Astrid Prange, a reporter for Deutsche Welle, in April. "That is why many countries said they might be interested in joining the BRICS group."

So far, there has been no lending by the NDB. "Once we've shaped the criteria [for lending], we will then make the decision," said Pandor, the South African minister, at a March press conference. According to Joe Sullivan, a former White House official, talking to the Japan Times, whatever those "criteria" are, they will have fewer restrictions than the IMF or World Bank.

Radwan said another perk is intra-BRICS trade happens using both parties' local currencies. "From the perspective of the global monetary system, [trading with BRICS] could mark a significant development in ... de-dollarization, as countries ... seek to diversify their foreign exchange reserve."

Within BRICS, Russia, the UAE, and Brazil use the yuan to trade with China and their respective local currencies when trading among themselves. Meanwhile, Argentina, a BRICS applicant, announced it would use the yuan to pay for imports from China.

Away from China's currency, the U.A.E. agreed with India to exchange non-oil products using rupees starting in January. Meanwhile, Brazil and Argentina, which share a 1,224-kilometer border, seek a unified currency to trade among themselves.

In April, the NDB said at least 30% of its loans would be in currencies of one of the BRICS members as part of its strategy to reduce the bloc's dependency on the greenback.

However, BRICS members are considering a more substantial separation. In their June 2022 annual meeting, several BRICS members discussed using a unified currency for members, similar to the Euro. Or at least create a single reserve currency that all members could use when trading among themselves and with willing non-members.

The coalition's economic clout is fueling the possibility of creating that new currency. BRICS GDP surpassed that of the G7 nations (31.5% vs. 30.7%) in 2021. That influence will only proliferate as more countries join, increasing BRICS's geographic footprint beyond the current 26% of land and 42% of the world's population.

A wise decision?

Gopaldas of the Gordon Institute of Business Science noted that joining BRICS could prove complicated for Global South nations. "First is the ideological disconnect between the current BRICS members," he wrote in Premium Times Nigeria. "Apart from being regional [leaders] and having large masses with a sizable population, there's not much else in common."

Paul McNamara of GAM Investments, an asset management company, summed up BRICS as "an economic superpower in China with a potential one in India with three essentially stagnant commodity exporters," he wrote in a February blog on The Financial Times. These "economies are dramatically different in terms of trade, growth and financial openness."

A significant factor that Global South nations need to consider is "India and China's competitiveness in manufacturing and their large demand for natural resources may push up the relative price of commodities," said Dominique Desruelle, director of the Institute for Capacity Development at the IMF, in 2011. That would "undermine incentives for [Global South countries] to shift into manufacturing."

There also are political conflicts between those two nations over the Ladakh border. Additionally, India distrusts China's technology, banning 138 Chinese apps as of February, and wants to lure tech companies away from the world's second-biggest economy. In May, the Indian government announced a pilot project that cuts processing time at ports from 10 days to one for electronic devices that enter the country for repair and return. Moreover, media reports have said Apple and China's smart device maker Xiaomi want to increase their production in India for export.

The second major concern is "South Africa, Russia, and Brazil are all battling their own domestic and external money issues," said Gopaldas. "Their financial firepower would be constrained." That means Global South nations joining BRICS or the NDB "would be primarily funded by China."

That could prove unsustainable. Ammar Malik, the head of AidData's Chinese Development Finance Program, told CNN in August that 35% of China's Belt and Road projects to create preferential global trade routes for Chinese goods "are suffering from ... implementation challenges."

Gopaldas said strong demand for relatively lax funding could "force [China] to become more selective in its global efforts, which may compromise its ambitious plans for BRICS."

Despite those concerns, Gopaldas sees that BRICS has "renewed impetus." First is the "attack' of wealthy nations, particularly the United States, on China and Russia. The second is rich nations' "behavior during COVID-19 -- especially through vaccine apartheid." Lastly, the "West's... Cold War mentality around the Russia-Ukraine conflict has alienated developing nations who don't want to pick sides."

Ultimately, "despite its obvious limitations and contradictions, the idea of forming an alternate node of power to rival the traditional global ... order is compelling and ultimately unavoidable," Gopaldas wrote "It's like being at a playground and picking another seesaw to play on."

THE STORY TELLING ECONOMY

The Business in Africa Narrative Report published by the African Union stresses media coverage as vital to the continent's ability to attract investment.

Summarized by **Tamer Hafez**

Africa is laden with untapped economic potential and opportunities, "the last frontier for global growth," wrote Colin Coleman, a senior fellow at Yale University's Jackson Institute for Global Affairs and a former CEO of Goldman Sachs in Sub-Saharan Africa, in a February 2020 blog on Project Syndicate. It "can emulate China's rapid rise of the past 50 years."

A central challenge preventing Africa from realizing its potential is that local and international narratives surrounding the continent's politics, economy, and society are "dangerously distorted," noted an African Union (AU) report titled "The Business in Africa Narrative Report" in February. "Very few institutions are as powerful as the media. They have the power to shape public perceptions and inform narratives -- good and bad -- about the investment landscape and opportunities in Africa."

The report analyzed 750 million stories published between 2017 and 2021 on over 6,000 African news sites and 183,000 outside the continent. It showcased what international media focus on and disregard when reporting on Africa. It highlighted how even local news outlets don't focus enough on the economic landscape's vital parts, such as creativity, women, and youth. And it said news outlets are selective regarding extensively covering government news.

Bird's eye view

In 1990, international media outlets started to dedicate coverage to business in Africa. The most prominent newswires were AP, AFP, and Reuters, while "nearly every global television network [from the U.K., United States, China, and the GCC] had programs dedicated to covering Africa ... from their point of view," the AU report said. "Most have multiple programs."

A survey by U.S.-based Afro-pessimism and Africa Rising found that between 1994 and 2018, international news portals covered African business, economics, and trade the most out of 14 categories. Publications cited in the survey included The New York Times, Washington Post, and Wall Street Journal.

"A sizable share of African newsrooms' output" also focused on business, economics, and trade. According to a 2021 report from Africa No Filter, a think tank, nearly 13% of stories from the continent's news portals talked about business, the economy, and trade. That was the same amount of coverage given to political and territorial conflict and just shy of the 14% allocated to domestic politics. The rest was divided among other aspects of life in Africa, such as health, population, societal topics, crime, and entertainment.

Meanwhile, internet users in Africa have become increasingly business savvy and curious. According to Google's metrics, which the AU report analyzed, "Africans have the highest level of interest in business globally. In 2021, eight of the top 10 countries with the highest proportion of their online population searching for business issues ... using Google ... were African." That percentage increased to nine out of 10 for those searching for "business ideas," reaching 100% for those Googling "business plan."

Scholarly research into Africa-related business, economics, and trade topics also has increased since the start of the century. "In the field of academic research, the proportion of 'Africa' referenced in papers on Google Scholar that also mention the term' business' quadrupled from 10% in 2000 to over 40% in 2021."

That jump came despite a decline in academic papers tackling Africa-related topics in general. According to the AU report, 1 million were published in 2012, compared to just 200,000 in 2020.

Framing Africa

The AU report focused on how local and international media "frame" African business stories. It defined "framing" as a "particular angle or lens for viewing the story ... For each business story in Africa, there are underlying frames that offer a positive or negative tone, focus on problems or opportunities, take a large country or small country perspective, or emphasize certain actors."

The "power of frames is in how they define a problem, identify its cause, provide solutions, and evaluate those solutions." The AU report identified several frames that media outlets always cover.

The first is that international media stories mentioning "Africa" and "business" are more negative than articles by homegrown outlets. The AU report said that while both publish positive and negative stories, "non-African media contained far fewer keyword clusters with a positive tone than African media."

The most used term in that negative coverage was "corruption." The report said it featured in about 10% of the stories published by international and domestic media. The second was Russia, followed by regulations, South Africa, the United Kingdom, and Seychelles.

The other prominent "frame" is that about 70% of business stories about Africa published by foreign media contained China, the U.K., France, or Russia. China got "disproportionate" mentions compared to the other three countries. Domestic media outlets mentioned foreign countries in only 20% of their business articles.

The AU report found international media covers business stories about the continent more extensively than homegrown outlets. It said the top 10 global media outlets mentioning the continent had three times as many references to Africa and business in their articles during 2021 than the top 14 African publications.

In academic papers, the U.S. was mentioned in 63% of research tackling business in Africa in 2020 and 2021. China was noted in 53%. "These two figures represent five-year highs," the report said.

It is the same story with non-African brands like Google, Apple, and Nike. The AU report said international brands are "disproportionately covered" in business stories about the continent compared to homegrown "consumer-facing brands."

Between 2017 and 2021, one African brand (MTN, a telecom company) was featured on the list of the top five brands mentioned in stories about business in Africa. The others were Google, Toyota, Samsung, and Huawei. The AU report said Apple and Orange were excluded because they can refer to fruit and color.

Narrow focus

The AU report found African business stories published by local and international media focused on specific countries, sectors, and social aspects.

Continental news outlets focus on South Africa (38.8%) "and, to a lesser extent, Nigeria [20.5%], with smaller business 'stars' such as Mauritius (2.4%), Botswana (2.7%) and Seychelles (0.9%) receiving less attention." Egypt ranked fifth, mentioned in 7.4% of business stories in African publications.

In foreign media, 47.2% of business research, academic papers, and news coverage referenced South Africa. Egypt was second, appearing in 20% of business articles about Africa. Nigeria was next (12.3%), followed by Morocco (4.8%) and Tunisia (4.1%). The least covered were Seychelles and Mauritius (each 0.6%).

Local and foreign media outlets focused on promoting and covering technology while mostly neglecting creativity. "The 'Silencing creativity, amplifying technology' frame shows that narratives about Africa's rich technology opportunities are wide-ranging and positive. Coverage of entrepreneurs and creative industries is much more limited."

That coverage gap is increasing. In 2017, "technology" and "innovation" appeared in 36% of Africa-related

business stories published by homegrown and foreign media. By 2021, that percentage was 45%. By contrast, mentions of "entrepreneurial" and start-up" declined from 11% to 9%. Keywords like "creative," "music," "film," "fashion," and "art" received even less coverage at 1%.

Other topics homegrown and foreign media outlets consider "niche" are women and youth. "Stories [from foreign media] about African youth [the continent is the youngest in the world] are often negatively framed, being infused with negative stereotypes and evoking images of inactivity, violence, and crime." Homegrown media outlets have a more "positive tone."

The AU report says that may be because foreign media focus on the challenges young people and women face in the continent. "For example, [U.S.-based] Afrobarometer, which surveyed 18 [African] countries in 2019 and 2020, found that young Africans were more likely to be out of work than their counterparts elsewhere in the world."

Worse, coverage of African women and youth (positive and negative) declined from 12.5% of published business articles in 2017 to 8.1% in 2021. Meanwhile, stories touching on gender equality in business also decreased from 1.7% to 1.1%.

The AU report analyzed "85 African business-related stories ... In only two of these stories was a young person quoted." Meanwhile, women represented 29% of the protagonists in those stories yet accounted for only 12% of experts or sources used.

Academic research mentioning "gender equality" dropped from 20% in 2020 to 12% in 2021. The AU report says that may prove a hiccup. In 2010, gender equality was in 3% of published articles tackling business in Africa.

Not all government

The AU report found domestic and foreign media outlets extensively covered government policies and regulations that affect business. They featured in 55.9% of Africa-related business articles in 2021. In 2017, 57% of stories revolved around the government. "Given the relationship between government and their policies and day-to-day politics, it is hardly surprising that this frame should be so large," the report said. "It is noteworthy that in ... African and non-African media, it is a common frame in most articles."

That coverage has been almost all negative from 2017 to 2021. Government policy and regulations were, on average, mildly negative. But corruption received the most negative coverage during that period.

Not all government-related news gets equal coverage. The African Continent Free Trade Agreement (AfCFTA) is a case in point. It featured in only 0.4% of African business-related articles, putting it at risk "of being a silent revolution." The danger is that detractors (47% of those surveyed for the report) would fill the resulting void. "This lack of visibility means that consumers, entrepreneurs, and businesses are not fully aware of what AfCFTA is."

That is peculiar, as the AU report found almost all AfCFTA coverage was positive. The AU report added that this free trade deal benefits business, as it is "the world's largest free trade area."

News of foreign direct investments was marginally better than the AfCFTA. It appeared in 3% of articles from 2017 to 2021. "FDI is ... treated as a niche topic. [Therefore,] investment opportunities in Africa [are] underplayed. That is particularly strange, given that a 20-year review of academic papers in the Journal of African Business found the most cited paper was about FDI."

Accordingly, African economies need more stories to report the positives and negatives in the business landscape fairly and accurately. They must also be inclusive, covering all sectors and aspects of society equally. "How stories about business in Africa are framed [directly impacts] individuals' motivation and desire to set up new businesses, and to trade with, invest in or finance businesses," the AU report said. "In short, stories and narratives about business in Africa matter." ■

THE ‘SAFE FOOD’ IMPERATIVE

For governments, a top priority is ensuring locally produced and imported foods are suitable for human consumption. That is increasingly complicated as geopolitics, local political agendas, global supply chains, unexpected weather episodes, sustainability, and climate change all factor into strategies regarding food security laws and regulations. Coping with such changes would ensure high demand for food exports. Getting it wrong could significantly damage (if not shut out) export markets.

By **Tamer Hafez**

SAFE FOOD, MORE EXPORTS?

Experts say food safety regulations in developed nations can be either an obstacle or a lucrative export opportunity for developing countries.

Despite accounting for nearly 9.5% of Egypt's non-oil exports in fiscal year 2021/2022, Central Bank data shows food brought in more revenue than any other non-oil products. Food exports range from raw materials to semi-finished goods and finished products, including fresh, chilled and frozen vegetables, fats, greases, oils, and dairy products.

The government is supporting local private-sector producers and traders to boost exports. Karim Abu Ghali, a member of the Food Export Council, told Al Ahram English in March, "There is a clear political will to support the export sector."

However, local efforts alone may not be enough. A case in point is food safety regulations in destination countries. Experts say developed nations, in particular, use those laws to protect citizens from poor-quality food and fulfill political agendas. "The global food trade is a diverse and complex operation, and one in which most countries strive to take part," Mary Kenny of the U.N. Food and Agriculture Organization (FAO) Food Quality and Standards Service wrote on the FAO's website. "Governments recognize that a strong national food industry is … a significant contributor to food security. They also view food exports as an important source of foreign exchange."

Shifting demands

A 2009 report from the Asian Development Bank (ADB) found "a structural change in the composition of agriculture trade in developing nations over the past three decades."

That was evident in a noticeable shift in demand from unprocessed "traditional" foods to processed variants. "Developed … markets have been a major destination of processed food exports from many developing countries," noted the ADB report.

That was accompanied by rising demand for imported fresh produce in developed countries, as local supplies couldn't meet consumer demand. "The volume of global fresh fruit and vegetable trade has grown more than that of any other major category of agricultural products," according to a U.N. Conference on Trade and Development (UNCTAD) report.

Another significant change the UNCTAD report saw in developed nations was greater demand for year-round availability, greater diversity of food, and increased health considerations. "That has resulted in growing markets for off-season produce, exotic fruits and vegetables, and organic produce."

Diversification meant "many poor farmers in developing countries [could] earn … higher incomes." Accordingly, governments in developing nations shifted their agriculture strategy to focus on high-revenue export crops.

Increased demand for imported foods and produce resulted in governments establishing food safety regulations rather than leaving it to individual companies. "International trading in food formally took place with little, if any, government intervention and it was accepted that … food producers set their own standards," said the FAO report. "However, some dishonest food traders found unregulated markets gave them an excellent opportunity to exploit consumers."

While countries have different food safety standards, in 1995 the World Trade Organization announced the Agreement on the Application of Sanitary and Phytosanitary Measures (SPS), which uses Codex Alimentarius Commission regulations "as the reference point for [food safety] standards."

"SPS has become a more important issue since the demand for a more stringent SPS in developed countries tends to increase following their rising incomes and growing health consciousness," said the ADB report.

Unintended consequences

One of the biggest fallouts of having the SPS agreement is it allowed governments to use food safety regulations to satisfy political goals. "Since SPS is less transparent than tariffs or quotas … there is ample room for developed countries to tweak the standards to be stronger than necessary … to make their own products competitive with imports," said the ADB report.

In an August research paper, Mohammad Ishaq, a social sciences expert with the Pakistan Agricultural Research Council, a government body, said that some governments use SPS and other food safety regulations as a barrier to trade that could" counterbalance … tariff reductions."

Increasingly stringent food safety laws also mean that "export-oriented [foods and vegetables] are generally

more costly to [grow] per hectare than traditional crops, requiring most growers to seek credit to finance their production," UNCTAD said. That is troublesome in developing nations, where most farmers are classified as small and poor, meaning most "lack access to such credit."

"Even when comparable food safety measures are applied in developed countries ... based on genuine health reasons, they tend to impede imports only from developing countries," said the ADB report.

The UNCTAD report highlighted the increasing need to trace fresh and processed foods exported to developed nations. That means extra financial and digital infrastructure costs for small farmers and governments in developing countries.

The report also pointed to many requirements that ensure farmers in developing countries grow food using sustainable and eco-friendly methods, the report said. "In addition to government regulations, private sector standards [by associations and industry bodies] are playing an increasingly important role in the marketplace."

The upside

Ensuring Egypt-based food exporters meet standards set by the country's biggest food buyers may be challenging. However, it could prove predictable. ABD said, "Although these standards are subject to frequent changes and often difficult and costly to meet, such changes are to be expected, given advances in scientific knowledge about health hazards and improvement in food processing technology."

In addition to increasing food exports, the ADB said complying and anticipating those new standards "could improve [international] market performance by reducing transaction costs and trade friction as exporters use such standards as a guide."

It could also raise barriers in food-importing countries, meaning less competition and more significant market shares. That means higher profit margins, as rising economies of scale reduce costs per unit. The ADB paper explained it "increases the elasticity of substitution between similar goods." That means food exporters could focus on efficiency and quality rather than lowering costs to remain competitive.

The UNCTAD report also noted that ever more stringent food security requirements would help exporters improve their countries' agriculture sector. "Compliance [with foreign food security laws] can offer benefits, such as better management of agrochemicals, enhanced occupational health and better food quality at the national level," the report said. That can "transition to high-precision production methods."

"The use of international standards ... allows countries to prioritize the use of their often limited resources," said Ishaq of the Pakistan Agricultural Research Council in his 2022 paper. It "concentrates on risk analysis and scientific investigations that may be specific to their own countries."

PROTECTING LOCALS' DIETS

The Egyptian National Food Safety Authority has a new strategy to ensure food sold locally is safe amid fast-paced global developments.

Having 17 agencies regulating food safety in Egypt has made the sector a "mess," Sharkawy & Sarhan Law Firm said in a March 2017 note. That changed in January 2018 when the National Food Safety Authority (NFSA) started operating. "All 17 food-related agencies … merged under the NFSA," authority Chairman Tarek El Houby told AmCham Egypt members at a February committee meeting. "We currently have 58 branches, plus 18 at border towns across Egypt."

Its mandate is to ensure imported and locally sourced foods sold in Egypt are safe for human consumption. That is no small task, as the Global Food Security Index ranks Egypt 77th out of 113 nations and 101st in the "Quality and Safety" category.

To improve those metrics, El Houby stressed the importance of the NFSA's new three-year strategy until 2026. "We are late [in having a food safety strategy]," he said. "We must have one because we are lagging in the region."

The authority

According to its founding Law 1 for 2017, the NFSA "enjoys a public juristic [status] and is affiliated to the president … and [reports directly to] the prime minister," the law firm's note said. It has "exclusive … enforcement and arrest authority in … crimes related to food safety."

The NFSA's powers and functions include "supervising the handling of food and ensuring all specifications and requirements set out by relevant legislation are fulfilled." That covers all locallymade and imported edible products.

The authority also has the power to "prohibit the handling of food unfit for human consumption, and preventing fraud and deception in food [labeling] and advertising, and [setting] mandatory labeling criteria."

It also sets the rules and conditions for granting "validity certificates" for exporters and ensures compliance with all relevant NFSA laws and regulations. That includes companies and traders selling naturally grown, genetically modified, and processed foods. The Authority uses the Codex Commission's global criteria and standards to set local benchmarks. The NFSA could also "license, inspect and supervise" food handling and production facilities.

According to El Houby, the NFSA inspects and tests products at distribution points, factories, storage stations, and major product suppliers. "That way, we can guarantee that products on the shelves of even the most remote and inaccessible shops comply with all our safety standards."

Aiding the NFSA in realizing its mandate is the Transforming the Assessment and Inspection of Food Businesses program (TAIB). It is a five-year U.S. Department of Agriculture project ending in 2023. At AmCham Egypt's February committee meeting, Celine Melki, Chief of Party at TAIB, said: "Our objective is to enable NFSA's mandate by strengthening food regulation and consumer protection while ensuring a favorable environment for food and agriculture trade."

The program focuses on "developing technical regulations anchored in scientific assessment and benchmarked internationally," said Melki. "We aim to assist the NFSA in establishing consistent and predictable internal policies and procedures and develop personnel and inspectors to improve practices."

New world

One of the biggest challenges facing the NFSA is climate change. Severe weather episodes could force food-importing countries like Egypt to look for new suppliers if traditional ones suffer droughts, significant declines in yield, or delivery disruptions.

El Houby stressed the significant impact of changing sector and industry trends and technologies, such as the emergence of new food and inspection technologies, new cultivation techniques, and the expansion of recycling.

On the flip side, the increase in harmful gas emissions could significantly raise the risk of contamination of fresh produce and decrease yields, putting food supplies at risk.

Other problems the NFSA strategy needs to tackle are intrinsic to Egypt. The most prominent is the high trans fat component in the national diet. The World Health Organization said the country is "one of the highest trans fat consumers in the world."

In January, El Houby told The National, a U.A.E. news portal, the authority "signed a bill [in 2022 to] bring the country in line with international standards." Those new standards would apply to local food manufacturers and imports starting in January 2024.

According to a 2021 study published by Nutrients, a scientific journal, those regulations impact nearly 34% of food consumed by Egyptians. They include processed foods like fats and oil, milk and dairy products, canned and frozen food, and frozen semi-cooked products that need to be deep fried. The new requirements also should affect fast-food restaurants, in particular.

The NFSA has been doing a good job. "We commend ... Egypt for taking decisive actions to eliminate trans fat," Tom Frieden, president of Resolve to Save Lives, an NGO working with the WHO to eliminate trans fats globally, told The National News in January. "If implemented, Egypt will meet the target of becoming trans-fat free by the end of 2023."

Reaching that benchmark could prove essential to continue exporting processed and semi-cooked frozen foods to GCC countries, already major buyers of Egypt's produce.

Currently, Oman and Saudi Arabia have best-practice trans-fat elimination policies. The U.A.E., Iran and Kuwait place limits on trans-fat levels in locally sold foods. Meanwhile, Jordan has banned partially hydrogenated oil in dairy products since 2016. Tunisia, Qatar, Lebanon, and Morocco are developing standards to limit trans fat in processed foods sold in their respective markets.

2023 to 2026

El Houby stressed that those global changes mean existing approaches to food safety in Egypt need to evolve. The global context "forced the authority to create flexible and [more open] mechanisms that meet those changes and cope with arising challenges," he said. "We now need to know [what is] our target and how we would be assessed on it."

The first step for the NFSA is to ensure it has "qualified caliber" employees, El Houby said. "We need innovators to work at the authority, not employees who attend, finish their job and go home ... Young [people] with the will and the mindset for change." That is essential as the NFSA needs to align with ever-increasing and more stringent international standards and best practices, particularly digitizing food inspection and testing.

That new mindset means the authority will no longer "inspect the quality of the factory's facilities," El Houby said. "Our focus is that the products are safe." That would require the NFSA's role to change from a "policing authority" to have a "complementary" relationship with the 19,000 factories registered in its database.

Speaking to The National News in January, El Houby said ensuring that all food sold locally is safe and aligns with international standards will take time: "We can't achieve everything all at once."

NEW FOOD SAFETY MINDSETS

To export more food, Egypt has to anticipate trends affecting safety measures and procedures.

Since the conflict between Russia and Ukraine started early last year, governments, producers, and traders have scrambled to ensure uninterrupted food supplies from new sellers. World's Insights Network, a think tank, says that is because Russia and Ukraine supply 30% of the world's wheat, 60% of sunflower oil, and 20% of corn.

As a result, nations had to compromise on some import procedures and standards to avoid supply disruptions in the short term. For example, the European Parliamentary Research Service said in April 2022 that FoodDrinkEurope, a private-sector association, was calling for temporary flexibility on food labeling and official controls across the EU to deal with the "rapidly changing availability of ingredients."

If that leniency continues, it could have long-term repercussions on a country's food sector. "Emergency measures to maintain food supply and counter rising prices are putting food safety procedures at risk," said Agrilinks, part of USAID's "Feed the Future" initiative, in June 2022.

Accordingly, Egypt's top food trade partners who are coming to terms with the new food supply chain realities are strengthening their food safety systems to counter any fallout from the previous three years. Anticipating and complying with those changes quickly is vital to maintain or even increase Egypt's food exports in 2023 and beyond.

Regional unification

Accounting for 55% of Egypt's food exports, according to the Egyptian Food Export Council (FEC), the Arab World is vital for the country's food export growth. Therefore, aligning food safety standards in the region could be significantly beneficial.

As of 2018, all Arab nations are part of the Arab Food Safety Initiative for Trade Facilitations (SAFE Initiative), which the U.N. Industrial Development Organization implements. Its key objective is to "facilitate regional trade in food/agri-based products and improve integration through strengthening [food safety] regional coordination and harmonization mechanisms … following international best practices."

The SAFE Initiative aims to remove "technical trade barriers." That includes discrepancies in safety standards among Arab nations while ensuring all governments meet the U.N. sanitary and phytosanitary (SPS) measures.

To date, the initiative has developed an Arab Rapid Alert System for Food and Feed, standard inspection certificates, and common protocols for food imports and exports. "The creation of the Arab Taskforce on Food Safety [targets] establishment of a sustainable mechanism for coordination of food safety measures."

Saudi strategy

Despite being part of the SAFE Initiative, Saudi Arabia, which the FEC says is Egypt's biggest food buyer, accounting for 10% of Egypt's food exports, aligns its food safety standards more closely with those of Western countries. That is possible as the SAFE initiative allows individual Arab countries to unilaterally improve their food safety standards and inspection procedures as long as they meet baseline benchmarks.

In March, officials from the Saudi Food & Drug Authority (SFDA) met with two Irish firms, Backweston Laboratory and Devenish Group, which specialize in developing sustainable food solutions on behalf of the Irish government for local food and feed industries.

"They discussed possible cooperation opportunities in the development and regulatory fields, and the exchange of international experiences, expertise, and relevant information [to strengthen] local capabilities," noted the SFDA statement in March.

That same month, SFDA officials met with their New Zealand counterparts to discuss "harmonizing laboratory testing practices and reporting on antimicrobial resistance," the SFDA statement said. Other visits since July 2022 were with food safety authorities from Thailand, Singapore, and the German Federal Institute for Risk Assessment. They aimed to exchange knowledge and discuss cooperation opportunities to improve food safety and trade with Saudi Arabia.

The SFDA also is accelerating its digital transformation plans. In April, it announced exploring "the use of blockchain technology." A statement said the focus is on "tracking the journey of products from the farm to the point of sale and providing end-users with complete transparency regarding the parties involved in the supply chain."

The authority plans to use that technology to develop a new generation of "halal" certifications for imported and exported food products. "This solution contributes to verifying the products' halal status and enhances the values of discipline, transparency, and support for ... local companies," the statement said.

In October, the SFDA signed an exclusive agreement (outside the SAFE framework) with the Morocco Standardization Institute to unify "halal certificates" issued by both countries. It would facilitate the exchange of expertise in training, research, and lab analysis of halal products.

The agreement should promote cross-country food trade and help "market products externally ... enabling local companies to expand," the SFDA stressed.

EU, U.S. priorities

The Egyptian National Food Safety Authority also needs to monitor food safety authorities in the United States and EU, which the FEC says are the two top buyers of locally produced food products after the Arab World. Combined, the EU and U.S. accounted for nearly 25% of Egypt's food exports in 2022.

U.S.-based Kestrel Tellevate, a compliance consultancy, said the first food safety trend in 2023 focuses on inspection technology to replace employees. "One of the biggest challenges ... is related to staffing, from turnover in the quality department to being under-staffed," said a consultancy paper titled "Food Safety 2023 Trends."

The employee shortage is critical in the EU. Karim-Frank Khinouche, founder and CEO of France-based Novolyze, a consultancy, said, "Labor shortages will be mission critical in 2023," he told Food Navigator Europe in January.

Accordingly, digital transformation is imperative. "Roughly half of the food safety [authorities in Europe] utilize [artificial intelligence] in some way," Khinouche said. "Next year, I expect an even bigger digitization push."

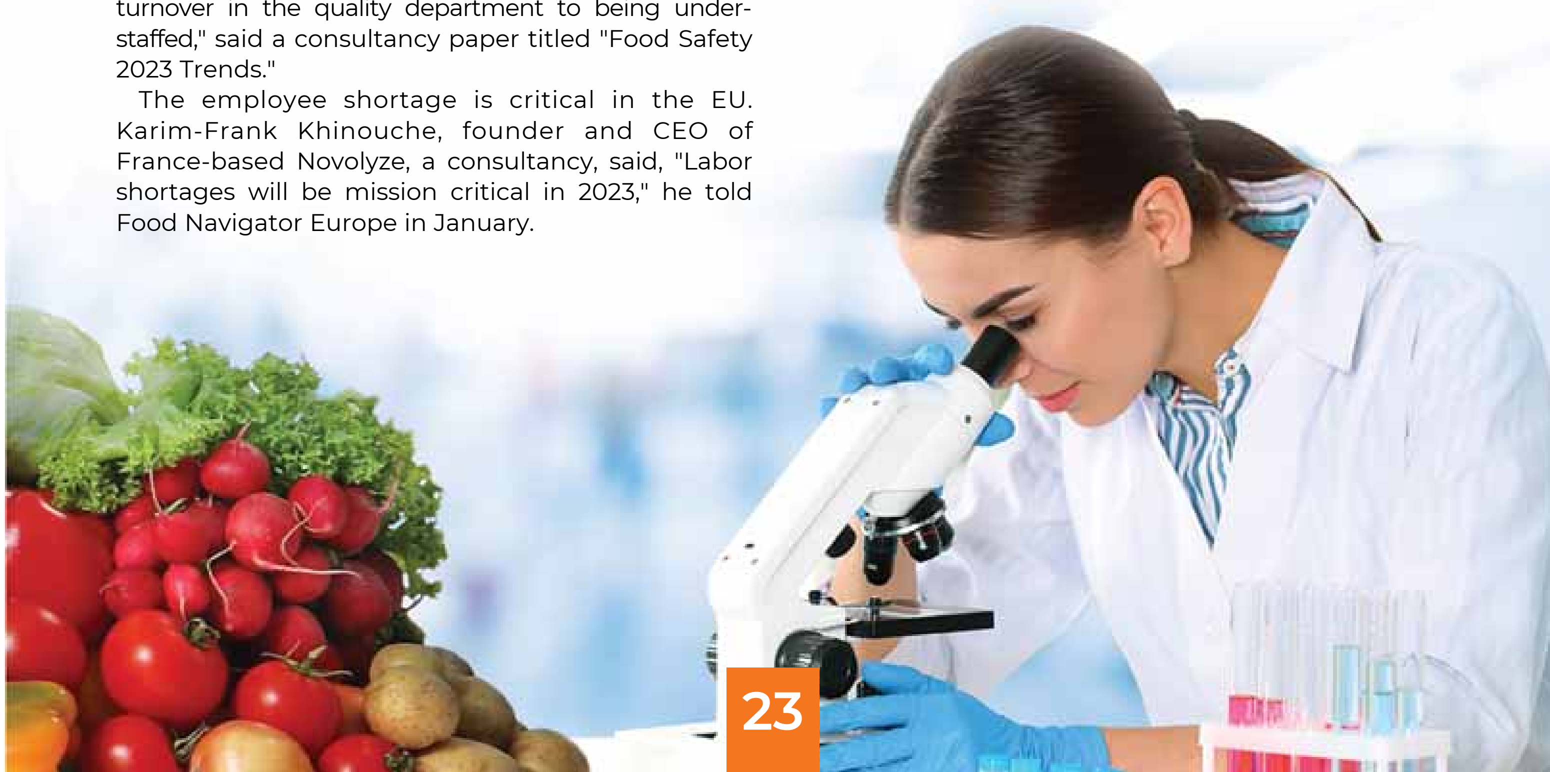
The ability to track food is a "hot topic," particularly in the U.S., the Kestrel Tellevate report said. Amendments to existing laws in November tightened traceability recordkeeping requirements for certain foods. The U.S. Food and Drug Administration also simplified the food-recall process.

Environmental and sustainability requirements also will be significant. The Kestrel Tellevate paper stressed they would differ depending on the food importer's strategy, targets, and laws.

Another trend is to spread the "food safety culture across the food industry." Helping drive the need for such a culture is consumer demand. "Today, people care about their food ... more than ever before and want to know where it's coming from ... and the effect it can have on ... the environment," Kinouche said. He expects more emphasis on traceability and sustainablysourced foods in the coming year.

Lastly, food verification programs or certificates will become increasingly essential to authenticate safety claims and credentials. "The surge in food demand and lack of supply has created an environment ripe for food fraud," cautioned Kestrel Tellevate.

A 2022 report by the FAO stressed food safety authorities need to be proactive as "challenges and opportunities continue to arise as the global context evolves. As a result, [using] foresight in food safety has never been more important."



THE ENTREPRENEUR EMPLOYEE

As the economy deals with multiple crises, ensuring teams in large organizations retain their entrepreneurial spirit is vital to success.

By **Rania Hassan**

Most business leaders concede 2023 and beyond will not be "business as usual." Disruptions include the lingering effects of COVID-19, potential new pandemics, climate change, and the increasing scale and severity of political instability in global hotspots. "Today, the world is facing a polycrisis, a combination of interconnected risks," Jon Michail, founder and CEO of Image Group International, a consultancy, wrote in a May blog on the website Entrepreneur. He cited the "immense impact on the world's economies and businesses."

"It is up to entrepreneurs to lead the way in navigating this new reality," Michail stressed, explaining that "their spirit of innovation and risk-taking are essential for businesses to survive and thrive in this polycrisis ... Their ability to identify opportunities, analyze risks and make decisions quickly."

Having employees with entrepreneurial spirit working in startups and small businesses is expected. The owner and a handful of employees have free rein to innovate solutions that are the company's "bread and butter." It is more complex in large corporations, with their interconnected processes, procedures, job descriptions and expectations.

Nevertheless, managers in big companies need to foster an entrepreneurial spirit to deal with an increasingly uncertain future. "Instilling an entrepreneurial spirit across your team doesn't happen by accident," Eric Kasper, founder and CEO of Tradefull, an e-commerce solutions provider, wrote in a May 2022 blog on Calendar, an online platform for professionals. "A business [can't] thrive ... when there's no entrepreneurial spirit."

Entrepreneur spirit

Elizabeth Perry of BetterUp, a consultancy, stressed in a January 2022 blog, "It's tempting to think of entrepreneurial spirit as some kind of qualification achievable through a professional development course or college program." Instead, it is a mindset that "will help maximize the skills you picked up in class and this will help your career, whether you end up owning a business or not."

It is not exclusive to a particular group of individuals. "Some pick it up faster than others, [but] everyone can develop this quality," Perry stressed. "An entrepreneurial spirit will help you take ownership of your job. It means looking at your tasks and responsibilities and asking, 'How could we do this better?'"

Bailey Maybray, associate marketing manager at The Hustle, a software development company, said in an April blog that employees with an entrepreneurial spirit almost always "explore alternatives to long-used systems, such as ways of handling project management or communications." They "ask their managers to try new, potentially risky projects and take on leadership roles within or outside their teams."

Such employees are pragmatic. Maybray noted they bring a "constant set of ideas to team meetings and brainstorming sessions, take advantage of free learning resources [and] bring solutions ... instead of problems."

Ultimately, employees with an entrepreneurial spirit "can create processes to work smarter or pitch new ideas that will help [their] organization," Perry explained. "Before you know it, you'll have completely reshaped your current role for the better."

The first step to building a team of employees with an entrepreneurial spirit in a large organization is to identify which ones exhibit entrepreneurial traits and who still need encouragement.

Risk and failure

According to Maybray, those with an entrepreneurial spirit are "risk positive ... or [have] a willingness to try new things knowing [they] might [fail]." That would be a good trait only if they can "embrace failure ... looking at [it] as an opportunity to learn," said Maybray. "They pick themselves up, use failure to grow and move on."

Those entrepreneur employees are almost always "lifelong learners," Maybray explained. They "consume books, podcasts, educational courses and more."

To get the best results from employees with an entrepreneurial spirit, Maybray stressed that managers must empower them to "make mistakes, encourage risk-taking [and] embrace mistakes and setbacks." That means allowing employees to "take risks through side projects or by trying new things with no consequences," he said. "Incentivize them to make mistakes by demonstrating it yourself."

However, Perry of BetterUp warned that managers and employees with an entrepreneurial spirit need to "avoid making decisions out of fear." She acknowledged the need to "proceed cautiously, carefully evaluating your next move before committing. But it's important not to give in to fear. It'll cloud your judgment and take away your view of the big picture."

Finding the correct "degree of risk" that gives employees the freedom to innovate without taking uncalculated risks is critical to building an entrepreneurial team. "You might fail, but you will have learned something," said Perry. "But you might also succeed -- and all the work will have been worth it."

Taking the lead

Another essential trait distinguishing someone with an entrepreneurial spirit is they "like to lead," said Maybray. "They might take control of a project to ensure it meets deadlines. Or they might be given a management role because of their leadership skill."

Those employees don't lead according to the status quo. They focus on new, untested solutions within the organization if they believe it will be better. Yet, they don't take the first idea they get and run with it. They" analyze and evaluate an issue carefully before forming a judgment," said Perry.

Accordingly, such employees "present problems alongside solutions, rather than hoping others figure out the issue for them," said Maybray. "They find ways to overcome the challenge."

The next step for those managers and employees is to be decisive "instead of spending a long time mulling over every detail," noted Maybray. They "turn those ideas into action." However, Perry stressed they must be "quick but thoughtful."

Employees with an entrepreneurial spirit also need to be "resourceful, [where] no amount is too little to get started," noted Perry. They must also be "motivated by challenges ... to beat the odds."

To keep entrepreneurial teams on track and moving forward, managers need to guide them. That includes ensuring members know how to set plans to implement their solutions, accommodate employees' passion, be patient with results, and persevere if the idea doesn't work.

Building the environment

Managers need to create the right environment where their team can constantly innovate within the limitations of large organizations. Kasper of Tradefull stressed that managers need to "empower employees to share new ideas. Even businesses convinced that there are no new ideas possible in their industry should still take time ... to think differently." Managers can achieve that via "brainstorming meetings, [which] can be the key to getting some really unique ideas about the ideas."

Perry stressed the need to deliberately create a dedicated "space where everyone can share their insights, lessons learned and experiences. You'll spark interesting discussions, which can lead to creative solutions ... Plus, you'll inspire each other to grow and be better."

Managers need to go one step further. "Employees will be less motivated to share new [ideas] if [top] management doesn't show they're... considering the ideas," said Kasper. Managers need to relay the team's views and suggestions across the organization. Kasper believes that approach is the "best way to get great ideas from your employees and make the entrepreneurial spirit thrive."

Maybray also noted the importance of "giving employees the ability to flex their leadership skills." One way is creating a committee of non-executive employees to advise top management.

Managers also should implement a different approach when dealing with employees who suggest actionable new ideas. "It means acknowledging the mental effort that it takes to execute that," Kasper explained. "It means checking in along the way and ensuring employees are doing well ... while putting the change into motion ... and that they are 'playing well in the sandbox.'"

Lastly, managers need to ensure their team is "always pulling in the same direction," noted Perry. "It's important to be adaptable ... to change. But it's even more important to have a general strategic direction, or else you risk being pulled off course."

Looking to the future

The other trait employees with an entrepreneurial spirit have is their positive outlook and a belief they will succeed. "The majority of entrepreneurs start businesses not because of money but because of their passion and vision," said Maybray. "Those with an

entrepreneurial spirit dream big in their professional and personal lives."

That makes them optimists in the real world, as they frequently overcome and deal with setbacks. "Part of having an entrepreneurial spirit means staying positive -- and recovering from failure quickly because of your optimism," Marbray said.

Top management also must be patient as they "often have to invest a significant amount of time and money before they see any returns," said Maybray. "The ability to delay instant gratification for longer gains encompasses having an entrepreneurial spirit."

Perry also noted that entrepreneurial employees and managers develop multiple plans. They "embrace confidence, but not at the cost of ignoring warning signs," she said. "It is great to be unafraid of risk and view challenges as motivation, but you need to recognize when you have a severe problem."

Among the "red flags" employees with an entrepreneurial spirit are aware of is working too hard for too long to complete a task they are unequipped to tackle. "True confidence means admitting what you don't know, asking for help, and changing your mind based on new information," said Perry.

Humility is also essential when dealing with the realities of implementing plans. "Adaptability is an important skill," Perry said. "You'll inevitably miss deadlines, fail launches or underestimate a direct competitor."

'Antifragile' organization

Having employees with an entrepreneurial spirit is more important than ever for tackling the unprecedented uncertainty companies face today. "As the world becomes increasingly interconnected and complex, the likelihood of polycrisis events is increasing," said Michail of Image Group International consultancy. "Organizations and individuals must develop a comprehensive ... antifragility strategy to navigate these crises."

Nassim Taleb coined the term "antifragile" organizations in his 2012 book: "Antifragile: Things That Gain from Disorder." It goes one step beyond building resilience. In a nutshell, an "antifragile" organization is one whose "systems can adapt, evolve and become more capable due to stressors, shocks, and volatility," explained Michail. "This ability to benefit from stressors and shocks is the key to antifragility."

Accordingly, creating an "antifragile" organization requires a motivated workforce that can innovate and learn from failures.

To ensure such teams are operating at their optimum, a company's management must communicate with them the various impacts of the polycrisis on the company and outside it. "To build antifragility, entrepreneurs should understand the polycrisis and its effects," said Michail. "This includes understanding the political, social, economic and environmental dynamics at play and the potential implications for their business ... This will help them to anticipate and respond to changes in the marketplace." ■

Small-cap fiesta

On a year-to-date basis, the market has been evenly split between large- and small-cap stocks. By June 15, the former (as measured by the EGX 30) was up 22.5%, while the latter (as measured by EGX 70 EWI) was up 23.7%. However, small-cap stocks played catch-up during the May 15 to June 15 period, rising 14.1% vs. only 4.4% for large-cap stocks.

A closer look at the period's movers points to the outstanding performance of Beltone Financial Holding (BTFH, up 119%, adjusted for its rights issue), which called for a capital increase of EGP 10 billion ($323.6 million), almost 11 times its current capital. Cairo Poultry (POUL, up 22%), another EGX 70 EWI component, reported outstanding financial results in the first quarter as earnings rose more than 10 times yearly. That was driven by higher selling prices and wider margins, as companies benefited from low-cost inventory accumulated during 2022.

Still, all was not rosy for the EGX 70 EWI. State-owned Egypt Aluminum (EGAL, down 7%) and Alexandria Containers Handling (ALCN, down 9%) fell as investors took some profits off the table. Since the start of the year, both were still up 50% and 23%, respectively. Meanwhile, B Investments (BINV, down 24%) fell after going ex-dividend and following a profit-taking wave. The stock was still up 23% year-to-date. Following the end of the period, BINV made an all-share offer to acquire 51%-90% of Orascom Financial Holding (OFH, up 15%)—another EGX 70 EWI component.

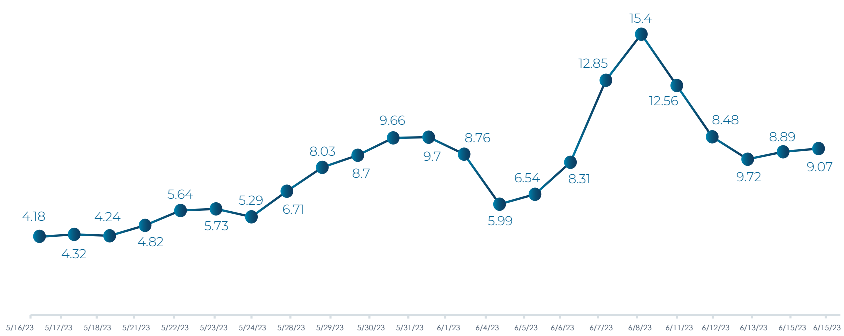
In the meantime, off-index bets paid off for investors who held on to MOPCO (MFPC, up 31%) after the stock rose the daily limit of 20% twice in a row. On the first day, June 12, the exchange had a technical issue that halted trading by 12:31 pm. MFPC was already up 20% by then, which made some investors speculate that this was behind the glitch.

Another off-index bet was Qalaa Holdings (CCAP, up 29%), which was bid higher after its 55.3%-owned subsidiary TAQA Arabia listed its shares on the Egyptian Exchange and was set to start trading immediately. However, the company decided to delay trading until after Eid Al-Adha.

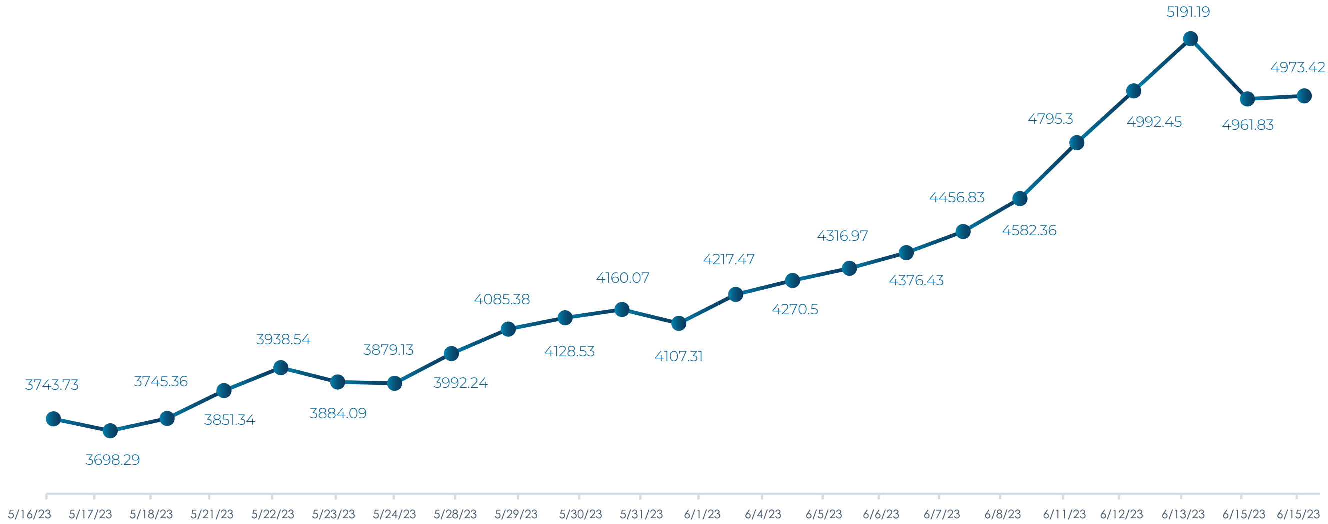
Speaking of which, investors began to cool a bit ahead of the seven-day Eid Al-Adha vacation. In the summer, investors usually go on holidays and reduce their market exposure. The stock market adage "sell in May and go away" may not necessarily hold this year, especially with the government keen on executing its ambitious company offerings program. Only then might some investors cut their vacations short.

Beltone Financial Holding (BTFH)

Now and then, some stocks deliver unexpected abnormal returns. Beltone Financial Holding (BTFH), for instance, finally called for its planned EGP 10 billion capital increase, one of the largest in the market's history. While capital increase calls usually have a negative connotation, it was totally different for BTFH as the stock and capital increase rights rose in tandem. To calculate stock performance, one must consider the 10.79 rights at their theoretical price. That means BTFH stockholders would have seen portfolio values jump 119% during the period after hitting a high of 272% on June 8.



EGX 30



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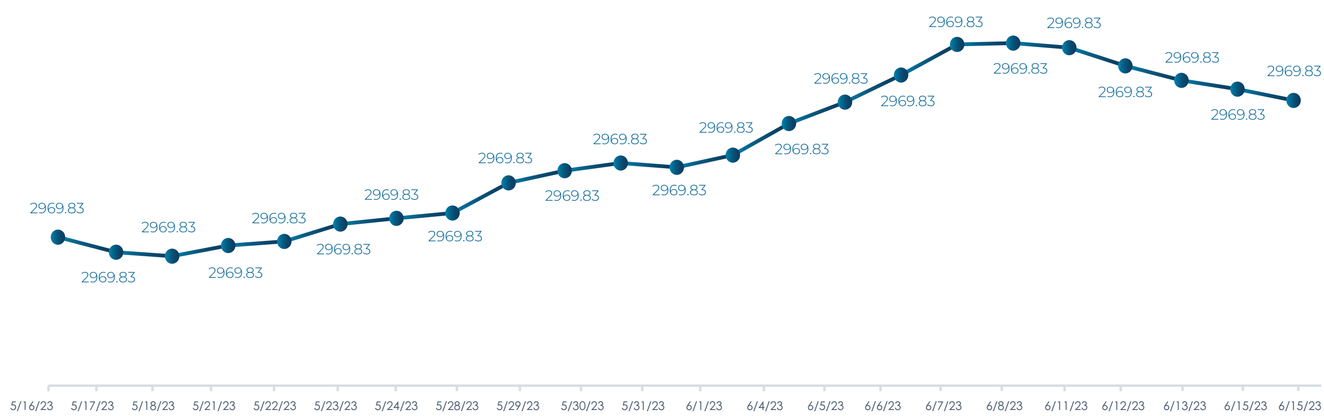
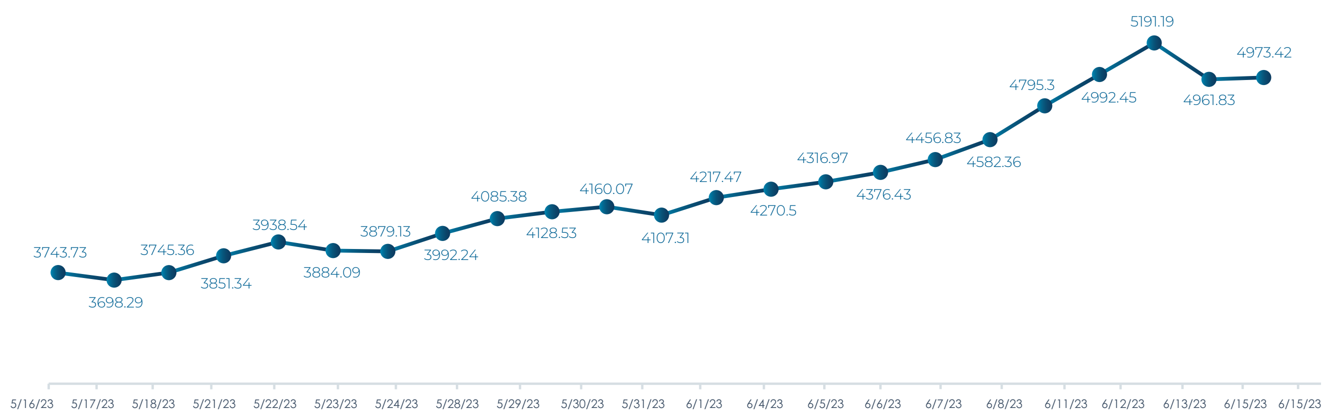


Tamayuz

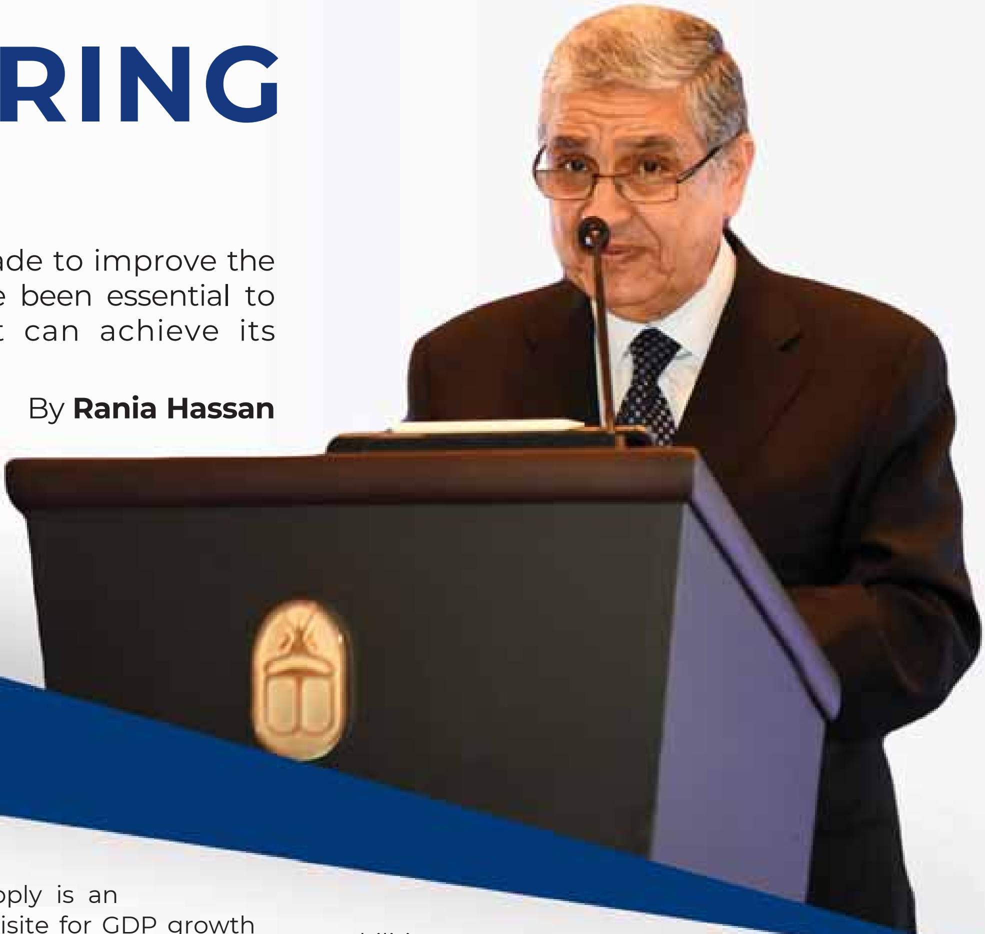


Tamayuz index is an all-new weighted index, launched on June 23rd. It comprises companies with high free cash flows from operations. EGX stresses that this is not an endorsement of those stocks.

POWERING EGYPT

Efforts over the past decade to improve the country's power grid have been essential to ensure the government can achieve its economic ambitions.

By **Rania Hassan**



Having enough electricity from a reliable and sustainable supply is an increasingly necessary prerequisite for GDP growth and meeting society's demands. The International Energy Agency (IEA) stressed in a note, "While it only accounts for a fifth of primary energy use today, [electricity] is indispensable for the 24/7 ... economy."

The importance of a reliable supply came into the spotlight in 2020. "Difficulties caused by the COVID-19 pandemic remind us of the critical importance of electricity in all aspects of our lives, such as keeping medical equipment working in hospitals and IT systems available for teleworking and video conferencing," the IEA paper said. "The impacts of an extended outage go far beyond the power system or the value of the lost energy purchase itself."

Since then, government officials worldwide have prioritized generating electricity from sustainable, eco-friendly (green) sources like solar and wind.

Emerging markets face an uphill battle. Their governments must accelerate energy generation capabilities to meet the needs of fast-growing economies and young populations. On the other hand, they need to ensure their electricity is sustainable and green to align with international narratives and protect against climate-induced disasters.

Over the past nine years, the Egyptian government has been increasing its electricity generation capabilities.

That has allowed it to go from rolling blackouts during peak consumption in 2013 to mulling exporting excess capacity of green energy. "In 2014, we had to [accelerate] many of our plans," said Mohamed Shaker, minister of electricity and renewable energy, at a July event at AmCham. "We had to upgrade and expand the entire national grid, as the president considered it a matter of national security."

Power stations

Shaker noted, "In 2013, our electricity deficit at peak consumption was 6,000 megawatts." That meant hours-long blackouts during the height of summer for households, retailers, and factories." People and businesses weren't accepting that."

He recalled that in 2014, the ministry implemented a "fast-track" plan. Step one was the addition of over 3,600 megawatts in eight and a half months to ensure that blackouts wouldn't be as severe as the previous year. The government contracted with GE, Siemens, and Ansaldo Energia to build and operate eight new power plants nationwide. Each generated between 84 and 1,000 megawatts. "That cost the government $2.7 billion."

The ministry also completed construction of five power stations producing between 250 and 1,300 megawatts at a total cost of $3.3 billion, Shaker said. "By 2016, those stations had added 4,250 megawatts, which meant we overcame 2013's power deficit."

However, the government was still catching up. Egypt's GDP has been growing by 2% to 5.5% annually since 2013.

In 2016, the government announced construction of "three mega power plants" in the New Administrative Capital, Burullus district, and Beni Suef governorate. They added 14,400 megawatts to the national grid. Siemens partnered with Orascom Construction and Elsewedy Electric "rather than the usual sub-contracts role."

Those three power stations were the second step in the government's "fast-track" plan. Shaker said they were built in two and a half years, instead of five to six, at a cost of $6 billion.

Also in 2016, the government increased the efficiency of four power stations, adding 1,840 megawatts to the national grid.

Between 2014 and 2021, the government added nearly 29.8 gigawatts of electricity to the national grid, or "14 times what the High Dam generates." Of that, the private sector added 1.9 gigawatts through clean energy. Additionally, the average fuel used per kilowatt hour declined 3.5%.

Shaker also says they are heavily involved in the national safety net project, A Decent Life, where in phase one they extended the power grid to 1,447 villages, benefiting 4 million dwellers, costing EGP 15 billion. “All these efforts ... take into consideration sustainability and reducing their carbon footprint.”

Groundwork

Another part of Shaker's plan was to upgrade infrastructure, such as transmission lines and distribution centers. "We have a noticeable problem in reaching the most remote areas. We also had to ensure the power grid could cope with increased demand."

Starting in 2014, the high-capacity transmission lines were upgraded and increased, Shaker said. "We looked at our needs through 2025 when planning our upgrade. We realized we had to focus on high-capacity cables to keep pace with the extra demand from Egypt's digital transformation."

By the end of 2021, the ministry had added 4,613 kilometers of various capacity cables. "That is roughly 150% of the length [of the power grid] in 2015." The government increased high-capacity lines by nearly 154%. Mid-tier capacity cables increased by 25.5% and low-capacity cables by 13.6%.

The next step was adding substations to ensure electricity would continue if the main stations failed. Shaker said that from 2014 to 2022, the ministry more than tripled the number of substations and quadrupled their capacities.

Shaker cited the construction of new control centers, including the Middle Egypt Regional Control Center in Minya governorate and an upgraded one in Upper Egypt in Naga Hamadi governorate. "Under construction or being upgraded are regional control centers for Suez Canal cities, Cairo, Alexandria, and the Delta."

Also under construction is Egypt's first "distributed control system" in the New Administrative Capital, costing $53 million. "It is 73% completed," Shaker said. "This center has advanced software and hardware features to make Egypt's power grid more efficient and adaptable to new technologies and energy sources. It ensures a more consistent electricity supply."

It will be able to detect if part of the national power grid is down and automatically divert electricity using alternative routes until the problem is fixed. "Everything will be detected and done automatically, without waiting for people to report a problem."

Shaker stresses, “These smart networks are a quantum leap in the future of the transmission and distribution of electrical power. It relies [on] renewable energy sources, optimizing the use of electricity and reducing production costs.”

Green electricity

According to Shaker, the government has surpassed its solar and wind energy targets. He said the country is on track for clean energy to account for 42% of Egypt's electricity generation by 2030 instead of the original 2035 target. "Last year, we reached 20% at peak load."

To reach that 42% target, solar energy must account for 21.7% of Egypt's energy generation. Wind energy would contribute 14.4%, while hydro and other clean sources would account for the rest.

Shaker said the ministry is working based on a "green scenario, which strongly supports the transition to renewable energy beyond merely being proactive in the switch to clean sources." That strategy should see Egypt generate 60% of its electricity from clean sources by 2040 and eventually peak at 72% at an unspecified date.

Shaker stressed local and foreign private sectors would lead the transition. "We availed all the information from the Solar Atlas and Wind Atlas, plus environmental impact assessment studies. The ministry also [with the help of the Sovereign Fund of Egypt] offers bankable projects [to private investors].

And with cooperation with the Ministry of Finance, customs duties on imports of materials and equipment used in clean energy projects won't exceed 5%. Lastly, the Ministry of Finance offers 'sovereign guarantees' to companies working in clean energy."

The private sector can supply the national grid with clean energy in exchange for payment from the government in multiple ways. There is the usual auction system for government-led projects. There also is the feed-in tariff scheme introduced in 2017. More than 32 projects in Upper Egypt's Benban solar park use that framework to generate 3,500 megawatts of clean electricity. The government also has the "build, own, operate" model, which can also feed the national grid.

According to Shaker, an additional advantage for foreign investors, in particular, is the cost of generating solar energy in Egypt is among the lowest in the world at 20-40 cents per kilowatt hour.

The government believes it has yet to scratch the surface of Egypt's solar and wind power potential. "We have 173,000 square meters of land in Egypt suitable for wind farms capable of generating up to 347 gigawatts," said Shaker. "As for solar power, the land available is nearly all of Egypt, with a potential to generate 650 gigawatts."

Bright future

Shaker said the ministry signed four wind energy MoUs to generate an additional 28 gigawatts. Meanwhile, two more are still negotiated, potentially adding 12 gigawatts to the national grid. According to Shaker, those MoUs alone will generate "more than current demand, which peaks at 37 gigawatts."

According to Shaker, producing hydrogen fuel using eco-friendly techniques (green hydrogen) to power heavy machinery has "vast potential" in Egypt. The government has signed 23 MoUs with green hydrogen investors. The potential production capacity is 100 gigawatts.

One of those agreements is with the European Bank for Reconstruction and Development. It will "establish a framework for assessing the potential of 'low carbon' hydrogen chains."

That study should assess and map existing and expected international supply and demand for hydrogen. It would analyze existing and potential hydrogen production and conversion in Egypt and evaluate the storage and transportation required. Lastly, it would conduct a regulatory analysis to determine the types of laws and government incentives to support green hydrogen production in Egypt.

Shaker also said the Dabaa nuclear power plant, which should produce 4,800 megawatts of electricity, is on track to come online between 2028 and 2031.

With that massive increase in capacity, which would likely surpass Egypt's needs, Shaker is looking to export excess clean energy to nearby countries. He said Egypt already has infrastructure connections with Jordan, Sudan, and Libya. The network with Saudi Arabia is still under construction. "It is 20% complete," Shaker said. "We are running behind. We should be at 35%." The minister also said negotiations are ongoing to connect Egypt's grid to Italy and Greece. Those networks would allow exchanging up to 3,000 megawatts of electricity between connected countries.

He stressed “After finishing these projects, Egypt will be an energy hub as a [focal] point between Europe, Asia and African countries.” ■

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HR (Talent Management)

4 June

HR Day: Unlocking HR potential

The current wave of uncertainty that puts more pressure on companies to attract and retain the best talent was the topic of discussion at this year's HR Conference on June 4.

The first session tackled HR challenges, with Nermine Faltas, chief people and corporate development officer at SOLID Construction, citing how difficult it is to find qualified applicants. Other topics included employees prioritizing salary and compensation over growth opportunities and leaving Egypt for positions in GCC countries.

Amr Salem, chief HR officer at Beyti, said companies must "create opportunities" to attract top talent, adding "innovation" is necessary, adding the key is "employer branding" and engagement.

Mohamed El Anwer of Transmar International Shipping Co. stressed that finding talent in Egypt is difficult, saying many young employees want to learn quickly and leave after eight or nine months to seek a new challenge.

The second session focused on creating an effective work environment. Sherif Elbehery, CEO of Misr Digital Innovation, said his biggest challenge was corporate culture, given that his employees come from the banking, telecom, and technology sectors. "Those are very different cultures," he said. "The key is to balance innovation freedom with governance."

Magued Mahmoud, vice president and general manager at the Egypt Center of Excellence at Dell Technologies, stressed pay is the main challenge in retaining top talent. "We saw in 2016, with the first devaluation, that it took between 18 and 24 months to close the gap between pay scales and the cost of living," he said. That means employees will likely seek opportunities for higher wages.

The third session focused on tools companies use to manage workflow. Reham Elkady, people experience director at Pfizer, said digital tools were "embedded in the fabric" of the company even before COVID-19 forced everyone to work from home. "The aim is to help employees focus on doing their jobs and support their well-being and work-life balance to ensure they remain motivated and productive."

Rania Selim, IBM's HR lead, said she depends on collaboration tools, work storage and management tools, and tools that automate internal services, such as answering HR-related questions.

Ahmed Salama, head of Microsoft cloud solutions in Egypt, said those tools were "aggressively tested during COVID-19. During that time, the data accumulated was massive." He added that it is time to introduce artificial intelligence to analyze internal and external data stored over the past 10 or 20 years.

The last session focused on how top executives bring employees together during crises. Walid Hassouna, founder and CEO of valU, said he "takes decisions quickly after collecting insights from frontline workers. Even if the decision is wrong, we can roll it back just as quickly."

Tod Wilcox, CEO of HSBC Egypt, focuses primarily on medium and long-term plans. "In the short term, we are very quick to respond when it happens," he said. "And there are events with a short-term impact on the business that we don't even need to react to."

Lastly, Hatem El Ezzawy, managing director at PICO Agriculture, was adamant about the need to "reemphasize values and corporate culture, particularly in challenging times. That acts as a launchpad to collect intelligence from the market to make medium and long-term plans."

Pharmaceuticals, Healthcare and Insurance

31 May

Insights from EHA chairman

On May 31, the AmCham Pharmaceuticals, Healthcare and Insurance Committee hosted a roundtable discussion with guest speaker Chairman Ahmed El Sobky of the Egyptian Healthcare Authority (EHA). The meeting highlighted the EHA's vision, updates on the Universal Healthcare Insurance (UHI) program in new cities and opportunities for the private sector.

El Sobky talked about some of the significant developments in the healthcare sector over the past five years. The flagship efforts included presidential initiatives like Haya Karima (A Decent Life) and 100 Million Healthy Lives.

The Ministry of Health also has programs to eliminate government hospital and clinic waiting lists. There also is the UHI law to improve healthcare for all Egyptians.

The ministry is reforming the local medical framework by creating multiple authorities to enhance and empower healthcare governance and monitor overall performance.

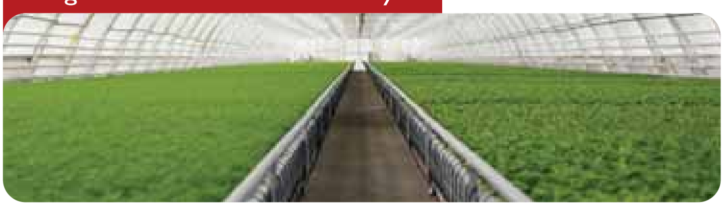
The agencies include the Egyptian Drug Authority and Egyptian Authority for Unified Procurement, the General Authority for Healthcare Accreditation and Regulation, the Egypt Healthcare Authority, the Supreme Council for Health, the Egypt Healthcare Authority, and the Universal Healthcare Insurance Authority.

Under the new framework, the Ministry of Health is responsible for issuing regulations, developing the overall strategy, and monitoring the initiatives and projects. As a result, it overhauled the country's healthcare services infrastructure, including primary, secondary, and tertiary providers.

The EHA aims to provide integrated and innovative healthcare services following the latest international standards. UHI's first phase started in Port Said, Luxor, Ismailia, and South Sinai governorates.

The new healthcare facilities have revamped infrastructure, clinical governance, electronic referral cycles, and digitized primary care records. Egypt's healthcare insurance model is inspired by international systems. "The out-of-pocket expenditure has declined from 62.8% to 47.9% during the first year of rolling out UHI in Port Said," according to the World Health Organization.

Agriculture and Food Security



1 June

EBRD's support to the agriculture sector

The Agriculture and Food Security Committee invited Tarek El Sherbini, regional head of agribusiness for the SEMED region at the European Bank for Reconstruction and Development (EBRD), to a sector-focused roundtable discussion on June 1.

El Sherbini highlighted EBRD programs and activities that supported the agriculture sector and spoke about food security.

The EBRD's work in Egypt's agricultural sector focuses on promoting sustainable agriculture, improving the efficiency of agricultural supply chains, and increasing access to finance for farmers and agribusinesses.

One of the EBRD's leading initiatives is the Green Value Chains program. It promotes sustainable and efficient agriculture by providing technical assistance and financing to farmers, processors and other actors along the agricultural value chain. The program also helps link small farmers with markets and provides training on sustainable farming practices.

The Green Economy Transition (GET) approach is the EBRD's strategy for building a low-carbon and resilient economy. Working with the private sector, municipalities, and public institutions, the GET business model entails the combination of green investments, concessional financing, policy engagement, and technical support. The EBRD also supported the development of Egypt's agribusiness sector through investments in processing and packaging facilities, as well as through financing for the modernization of irrigation systems and the adoption of new technologies.

Marketing

5 June

Market Realities amid New Consumer Behavior

On June 5, the Marketing Committee hosted a session titled "Navigating Market Realities and Adapting to New Consumer Behavior" with guest speakers Dalia Salib, MARS North Africa and Levant General Manager in Egypt; Hesham Radwan, General Manager and Managing Director of Danone Egypt and Northeast Africa, and Nihal El Koussi, Managing Director North Africa and Levant, NielsenIQ.

The session covered rising inflation in Egypt, which has caused increasing food and grocery prices to become a top concern for consumers, as these items represent almost a third of Egyptians' share wallets.

Attendees agreed that consumer spending intentions are shifting, with more people scrutinizing discretionary spending and cutting back on out-of-home activities like gym memberships and holidays.

However, consumer goods remain a priority for consumers, and companies are finding ways to adapt to the new reality by studying, anticipating, planning, managing risks, and monitoring the economic situation.

To cope with these new realities, attendees agree that FMCGs are implementing the "invite, excite, and ignite" strategy to retain and attract consumers.

This strategy involves being where the shopper is, becoming affordable through promotions and deals, and capturing tailwind categories to unlock white space.

Companies are also connecting with consumers during relevant seasons and moments, enriching shoppers' baskets with a broader choice of flavors and sizing while expanding their affordable ranges.

Special Roundtable Breakfast

8 June

Egypt-U.S. collaborate to reform finance

AmCham Egypt members and a U.S. Department of Treasury delegation met for a special roundtable breakfast to discuss Egypt's reform agenda, progress, and local private-sector funding.

Attending the event was Brent Nieman, assistant secretary for international finance, members of AmCham Egypt's board of directors, and banking committee members.

Nieman highlighted the importance of Egypt remaining committed to the IMF-recommended reforms and on track to meet the requirements by the next review, adding that the U.S. Treasury Department views Egypt's economic progress to be of vital concern, referencing growing microeconomic instability. The delegation touched upon U.S. efforts to mitigate the impact of sanctions on Russia and its allies.

AmCham members said their companies are not reevaluating their presence in Egypt as they view the country as a significant market with great potential. However, their dividends and royalty payments aren't reaching overseas branches. Also, paying for imports isn't possible due to the lack of hard currency.

Attendees agreed foreign exchange rate volatility is becoming a problem. However, various members from the banking sector said the main factor behind the exchange rate drop is a lack of confidence in the pound, which is severely undervalued.

Members emphasized the need for more clarity over economic management within the government as various institutions adopt different fiscal and monetary policies, leading to confusion and mismanagement.

In efforts to find solutions, members indicated Egypt might highlight its role in curtailing illegal migration into Europe to generate aid from the EU, in addition to the U.S. Treasury developing an agreement with Israel to utilize unused sovereign loan guarantees of $3.5 billion from the United States, clearing the way for a potential deal among the three states to help resolve some of Egypt's economic issues.

Entrepreneurship and Innovation

10 June

Entrepreneurship awards highlight disruption

Ahmed Gaballah, founder and CEO of SOKNA, established in 2019 as Egypt's first end-to-end funeral service, won the top award at this year's Egypt's Entrepreneurship Awards (EEA).

EEA honored entrepreneurs across various sectors on June 10 at Mohamed Ali Palace. The awards celebrate and support the most resilient, innovative and successful business leaders impacting Egypt's economy.

The EEA recognized leaders and founders in 14 categories. This year, new categories included Next Gen Intrapreneur of the Year, Rising Entrepreneur of the Year, Entrepreneur for Good Award, From Art to Business, and the EEA's first Regional Woman Entrepreneur of the Year award.

AmCham Egypt was proud to once again collaborate with the EEA, especially with the first Disruption of Traditional Industries Award. It celebrates entrepreneurial management that offers disruptive solutions involving technology products and services in the traditional fields of agriculture, healthcare, education, logistics, and construction.

Digital Transformation

21 June

Rethinking Cyber Security

On June 21, AmCham's Banking and Digital Transformation Committees held a joint session titled "Rethinking Cyber Security in the New Normal."

Speakers were Sabine Holl, Vice President of Technology Technical Sales and CTO at IBM; Sherif Eldeeb, National Security Officer for the Middle East at Microsoft; and Abeer Khedr, the Group Head of the National Bank of Egypt.

Sharing IBM's perspective on the new normal, Holl focused people's attention on the time aspect of cyber security and the importance of beginning the process to 'catch up' to attackers.

While Holl showed examples of how cyber security has been reducing the time to stop cyber-attacks, she emphasized the need to continue to minimize the time needed to defend against them. She concluded by stating, "There is no way around AI."

Eldeeb confirmed the threats of cyber-attacks in the digital world and that there is no simple solution to the complex cybersecurity problem. He emphasized that human ingenuity with AI could effectively defend against cyber-attacks.

Khedr shared the National Bank of Egypt's perspective on the new normal, stressing the importance of collaboration between the user, the banks, and the government in stopping cybercrime directed toward banking organizations.

Using data collected by the National Bank of Egypt Khedr showed that "the user is becoming the attacker," and the banks are building cyber security systems to combat the challenge. Through more than 300 cyber security controls and governmental regulations, the National Bank of Egypt works to build effective cyber security systems.

The development of new technologies continues to change the new normal around cyber security; however, with the collaboration of different elements, adequate cyber security can begin to catch up with cyber attackers.

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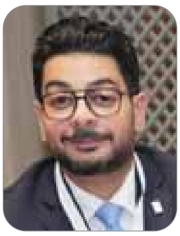

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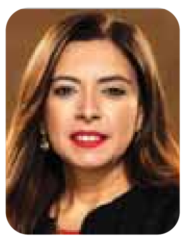

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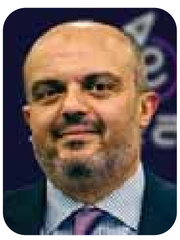

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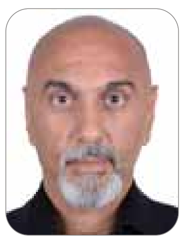

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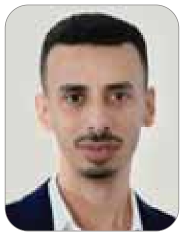

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Investment

Ahmed Ali
Managing Director, Post for Investments

Legal Services

Karim Galal
Head of Taxation, Tawfik and Partners Law Firm

Petroleum

Ahmed Komy
Managing Director for Pharaonic Petroleum Company BP Joint Venture, bp Egypt

Aya Abouhussein
Business Developer Hydrogen MENA, bp Egypt

Adel Alnajjar
Deputy CEO, Egyptian Refining Co.

Soha Elfiky
Africa & Middle East Benefits Administration Supervisor, ExxonMobil Egypt, SAE

Heba Diab
HR Manager, Chevron

Abubakr Osman
IPR Egypt GM and VP, Improved Petroleum Recovery - IPR Energy Group

Wan Khairul Nizam Wan Kassim
Deputy Chief Executive Officer, The Egyptian Operating Company for Natural Gas Liquefaction Projects, SAE (Egyptian LNG)

Mourad Maher
Finance Manager, Neptune Energy

Pharmaceuticals

Seifeldin Yashar Helmy
Chief International Affairs Officer, Safe Pharmaceutical Products SAFE PHARMA

Lobna Ismail
Head of HR, Viatris Egypt SAE

Haidy Morsy
Director Regulatory Affairs North Africa, GSK Consumer Healthcare

Real Estate

Sherif Sultan
CEO Asset Management, Al Ahly for Real Estate Development

Transportation

Mohamed Kabouh
VP of Investment & Finance, KGroup - Elkhlood for Trading & Commercial Agencies

NEW REPLACEMENTS IN MEMBER COMPANIES

Abdul Galil Besher
Chairman, Middle East Glass Manufacturing Co. SAE
Category: Associate Resident
Sector: Chemical Products

Mohamed Gamal
Managing Director, ASGC- Egypt
Category: Associate Resident
Sector: Construction Engineering Services

Nagham Kandil
Head of Retail Banking Division, Qatar National Bank Al Ahli (QNB AA)
Category: Affiliate
Sector: Financial Sector

Nouzada Hady
ICF Egypt Chapter President, International Coach Federation (ICF)
Category: Associate Non-Resident
Sector: Human Resources

Ramadan Sayed Riad
Finance Director, HitekNOFAL (High Technology Systems, Ltd.)
Category: Affiliate
Sector: Information & Communication Technology

Emad El Fakharany
CEO, Mobi Egypt
Category: Associate Resident
Sector: Information & Communication Technology

Mohamed Nasr
Managing Director & Chief Executive Officer, Telecom Egypt
Category: Affiliate
Sector: Information & Communication Technology

Basim Mageed Mahrous
Delivery Account Manager Lead, Xerox Egypt, SAE
Category: Affiliate
Sector: Information & Communication Technology

Mohamed Mahran
CEO, Misr Insurance Holding Company
Category: Associate Resident
Sector: Insurance

Cherif Barakat
Country Manager, Aton Mining Inc.
Category: Associate Resident
Sector: Mining/Minerals and Precious Metals

John Cable
Region Commercial Manager, Apache Egypt Companies
Category: Affiliate
Sector: Petroleum

Hatem Ali Dawood
Market Access Director, Janssen - Pharmaceutical Companies of Johnson & Johnson
Category: Affiliate
Sector: Pharmaceuticals

Change in Member Company

Amr Gamali
Deputy CEO Business, Arab Investment Bank
Category: Affiliate
Sector: Financial Sector

Hossam Kabbani
Executive Director, Engineering & Science Services, School of Science & Engineering, The American University in Cairo
Category: Affiliate
Sector: Education/Research and Professional Development

Moataz Darwish
Professor of Practice, The American University in Cairo
Category: Affiliate
Sector: Education/Research and Professional Development

Marwa Al Wakil
HR Director, Metro Markets, Mansour Manufacturing & Distribution Group of Companies
Category: Affiliate
Sector: Food & Beverage

Change in Membership Category

Mohamed El Sayed Nofal
Chairman, HitekNOFAL (High Technology Systems, Ltd.)
Category: General
Sector: Information & Communication Technology

Mohamed Mazen Nadim
General Manager, National Transport & Overseas Services Co. (NOSCO)
Category: Associate Resident
Sector: Transportation

Abou Ghaly Motors

Abou Ghaly Motors Group (AGM) has the pleasure to extend its exclusive benefits to AmCham members on various products as follows:

Automotive:

Test drives, priority on delivery, periodic promotions & special offers on the following brands: Jeep, Mercedes, Chrysler, Dodge & Ram, Alfa Romeo, Subaru.

Competitive price on trade-in deals.

Fast-lane "quick and priority service" on AGM Brands.

Accessories voucher worth EGP 2,000 when purchasing Subaru, Jeep, Chrysler, KTM and Alfa Romeo.

Vehicle Services:

3.5% discount on insurance; 5% discount on spare parts; 10% discount on labor work, free of charge in case of accident on towing to AGM service center; 20% discount on vehicle detailing and polishing; and 20% discount on rental during services.

Transportation:

10% discount on short-term car rentals from SIXT.

London Cab: 10% discount and 20% discount on second leg for airport shuttle.

5% discount on Limozeenak.

Discounts will be granted for AmCham members upon presenting their AmCham 2023 membership card

For more information, please contact: Hussein Elbaz
Tel: (20-2) 2477-2219 Ext. 378; Mobile: (20-12) 2908-8122;
Call Center: 19570; for London Cab reservation: 19670
Email: helbaz@agm.mercedes-benz.com.eg

Please visit AmCham Cyberlink on http://www.amcham.org.eg/cyberlink for more information on AmCham benefits

This offer is valid until December 31, 2023

Aramex International Egypt

Aramex International Egypt is pleased to offer AmCham members a special discount on Online Shopping & Shipping Membership Plans, a 50% off FLEX annual subscription.

In addition to a 30% discount on all Personal Domestic Services and a 20% discount on the international cash rates.

Discounts will be granted upon presenting the 2023 membership card

For more information, please contact:
Short No.16996
Email: SaraK@aramex.com

Please visit AmCham Cyberlink on http://www.amcham.org.eg/ for more information on AmCham benefits

This offer is valid until December 31, 2023

Hurghada Marriott Beach Resort Hotel

Marriott Hurghada is pleased to offer AmCham members a 15% discount on published rates.

This discount is valid till 23/12/2023 excluding public holidays.

Discounts will be granted for AmCham members upon presenting their AmCham 2023 membership card

For more information, please contact:
Phone: 0653404420
Mobile: 012 0178 8882
Email: reservation.hurghada@marriott.com

Please visit AmCham Cyberlink on http://www.amcham.org.eg/cyberlink for more information on AmCham benefits

This offer is valid until December 31, 2023

Travco International Holding, SAE

Travco International Holding, SAE, is pleased to offer AmCham Members a 15% discount on the published rates for the Jaz Almaza Beach Resort.

The offer is valid only when booked directly through the hotel's website, front desk or reservations department; it is not applicable for reservations made through external channels such as Expedia, Booking.com and others. This offer is limited to Egyptian and foreigners with valid Egyptian residence visas; the discount does not apply to foreign tourist bookings.

Reservations are based on hotel availability.

Discounts will be granted for AmCham members upon presenting their AmCham 2023 membership card

For more information, please contact:
Reservation Department
Phone Number: (20-2) 3854-2055
Emails: centralreservation@jazhotels.com

Please visit AmCham Cyberlink on http://www.amcham.org.eg/cyberlink for more information on AmCham benefits

This offer is valid until December 31, 2023

A Glance At The Press

I need a career shift ... I cannot continue living in a country where I pickpocket five people only to find out that none of them have any money.

Al Masry Al Youm, June 14

Media Lite collates a selection of some the most entertaining offbeat and lighthearted news items published in the local press. All opinions and allegations belong solely to the original source publications and no attempt has been made to ascertain their veracity.

Voice of America archiving Egyptian history

The U.S. Embassy in Cairo has announced it is working with the American University in Cairo to launch an online archive that contains all of the surviving Voice of America Egypt branch's Arabic audio tapes.

Those tapes include interviews with renowned historical figures, musical programs, and news items highlighting U.S. programs in the country from the late 1970s to the 2010s.

"Until now, these reel-to-reel tapes were not accessible to the public, as the equipment was not available at AUC, and even if it were, playback would serve only one user at a time," said Charge d'Affaires John Desrocher at the launch event. "This U.S. Embassy grant has unlocked this rich resource to make it accessible online, serving not only Egyptian listeners but a global audience interested in Egyptian arts and culture."

Acting U.S. Embassy spokesman Khaled Wulfsberg told Egypt Today, "The work began on this project two years ago ... The archive is [now] accessible for all."

Egypt Forward, June 13

Delegation retrieves murals smuggled in 2001

An Egyptian delegation headed by Prosecutor General Hamada El Sawy retrieved two 6th Dynasty murals dating between 2,345 and 2,181 B.C. At the press conference celebrating their return, he said the artifacts were recovered in Paris after being stolen from an excavation site in Cairo in 2001.

A French archaeological mission led by Egyptologist Vassil Dobrev unearthed the tomb of a 6th Dynasty priest in an area where they found several other priest tombs. The mission ended its work in 2001 and went on holiday. When it returned in 2002, the two murals they left inside the tomb were expertly removed and smuggled out.

Ten years later, Dobrev was visiting a museum in Budapest where he saw the murals on exhibit. He later saw more of the tomb's contents on sale at a Paris auction house, which prompted him to notify Egyptian authorities.

The National News, June 12

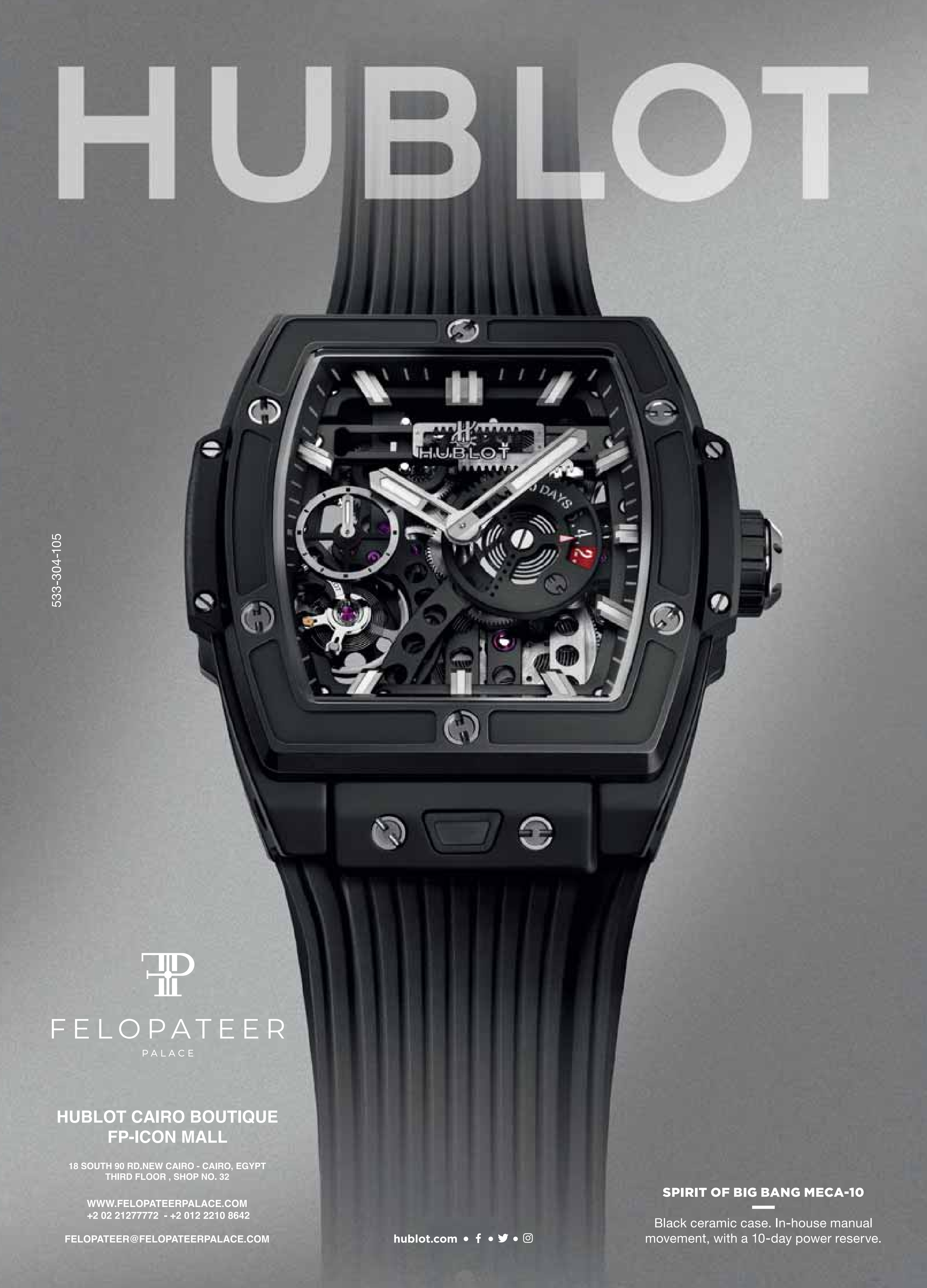
Violinist becomes youngest member of Suisse Romande Orchestra

Salma Sorour, a 20-year-old Egyptian, became the first local violinist in the Suisse Romande Orchestra in Geneva. She also is the youngest-ever member of the renowned orchestra.

Celebrating the occasion, Sorour wrote on her social media accounts: "It is my pleasure to announce my acceptance in one of the greatest orchestras in Europe, Orchestre de la Suisse Romande, for a tutti first violin position. This is one of the greatest things I have achieved in my life."

Earlier in her career, Sorour participated in the Pharaohs' Golden Parade, playing a solo piece composed by Hesham Nazih, accompanied by the Egyptian United Philharmonic Orchestra conducted by renowned maestro Nader Abbassi.

Ahram Online, June 15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