Business monthly

THE JOURNAL OF THE AMERICAN CHAMBER OF COMMERCE IN EGYPT

March 2025

NOT FOR SALE

Egypt
A TIMELESS LEGACY OF FASHION DESIGN

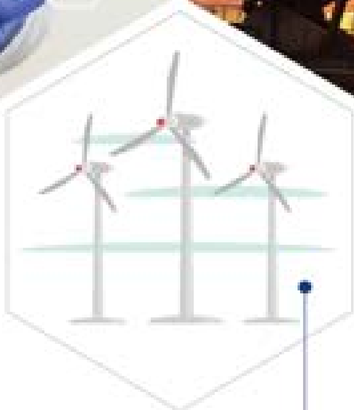

50 Years
A Legacy for The Future
For 50 years, CIB has led the Egyptian banking industry with a solid strategy and a commitment to excellence. From driving economic growth to championing customer-centric innovation, CIB empowers communities and helps forge lasting partnerships. Committed to sustainability and creating impact, we continue to pave the way for a brighter, more inclusive financial future.
CIB

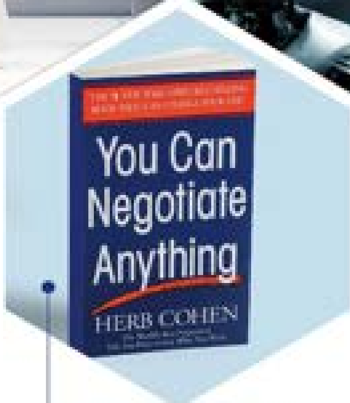

23
XCOOL
CARRIER
XCOOL
INVERTER
FREEZING IT
19111
www.miraco.com.eg
WARRANTY BY MIRACO
Carrier
NO. 1 AIR CONDITIONER

Business monthly

March 2025
VOLUME 42 | ISSUE 3

Cover Design:
Nessim Nawar





RAMADAN!

Many happy returns to all our readers, and may God bless you, your family and your loved ones throughout this holy month.

A hallmark of the arrival of the Holy month of Ramadan is the appearance of decorations and garments adorned with designs harking back to Egypt's past. It feels like traveling in a time pod to glimpse what family life was like decades ago.

Sadly, once the month ends, that attire disappears, replaced by distinctly Western styles that lack any hint of what has made Egypt's garments stand out throughout history.

This month's cover story reveals how and why local fashion designers no longer care about Egypt's history in their garment designs and how some local organizations are attempting to change that.

We also examine the latest trends influencing fashion consumers worldwide, how fashion supply chains are changing, and how local garment producers—and even farmers—can capitalize.

Elsewhere in this issue, we show how artificial intelligence is changing healthcare in the region and where there are investment opportunities. We also look at the latest cybersecurity and cyber threats in 2025 and beyond.

Additionally, we investigate how U.S. President Donald Trump's oil policies and vision might impact the MENA region.

Finally, we have our first-ever book summary, which we hope will become a staple feature in upcoming issues. This month, we summarized "You Can Negotiate Anything" by Herb Cohen.

We hope you find it both entertaining and informative.

Tamer Hafez
Managing Editor

Business monthly

Director of Publications & Research
Khaled F. Sewelam

Managing Editor
Tamer Hafez

Contributing Editor
Kate Durham

Consulting Editor
Bertil G. Peterson

Writers
Fatma Fouad
Rania Hassan

Digital Editor
Ola Noureldin

Creative Manager
Nessim N. Hanna

Graphic Designer Team Leader
Marina Emad

Senior Graphic Designer
Monica Mokhles

Graphic Designers
Nourhan El Bakry
Naglaa Qady

Photographer
Said Abdelmessih

Production Supervisor
Hany Elias

Market Watch Analyst
Amr Hussein Elalfy

Chamber News Contacts
Dina El Mofty, Susanne Winkler, Azza Sherif

Director of Business Development
Amany Kassem

Business Development Coordinators
Sara Amer
Malaka Mashhour
Omar Zain
Aly Zayed

U.S. address: 2101 L Street, NW Suite 800 • Washington, D.C. 20037
Please forward your comments or suggestions to the Egypt editorial office:
Business Monthly
American Chamber of Commerce in Egypt
33 Soliman Abaza Street, Dokki 12311 • Cairo • Egypt
Tel: [illegible] • Fax: [illegible]
E-mail: publications@amcham.org.eg
www.amcham.org.eg/bmonthly

NAVIGATING THE UNKNOWN

The world is witnessing unprecedented uncertainty as the Trump administration pursues a new world order. The administration's efforts to rearrange international relations—without a clear roadmap—is creating significant market turbulence across the globe. This reset of U.S. policy raises critical questions about existing trade agreements, security alliances, and multilateral frameworks that have traditionally supported global health initiatives, poverty reduction, and equitable economic policies. We are seeing a shift toward transactional diplomacy, guided solely by the goal of market dominance.

I recall a debate between two philosophies of diplomacy. In the analogy of 'lifeboat diplomacy,' a lifeboat holds more people than its capacity, so the weakest passengers must be thrown overboard to save the boat. In short, if you don't add value, you are abandoned. The other philosophy believes that promoting prosperity and poverty alleviation across the world benefits all stakeholders by sharing technologies and funding to better utilize resources and safeguard the well-being of the planet. Each scenario represents very different worldviews, and the truth likely lies somewhere in between.

With the Trump administration, lifeboat diplomacy is gaining traction. His policies will no doubt disrupt the world before the moment of truth comes: lifeboat diplomacy will not work. The world is way too interconnected to dismantle, and isolationism is a recipe poisonous to all parties. But will that moment of truth come too late to stem the damage? And how long will it take to rebuild trust and cooperation among the stakeholders?

With all that in mind, where does Egypt stand, intertwined as we are with the East and West, the global North and South? Geopolitical considerations are now a significant factor in our near-term planning, and I don't envy the position of our leadership, who are tasked with navigating these uncharted waters.

At the same time, the current circumstances have made Egypt's strategic influence in the region more evident. The question is how to better leverage that influence in our regional relationships.

At the beginning of March, the European Union's newly appointed Commissioner for the Middle East, North Africa and the Gulf visited Cairo, emphasizing Egypt's role as a strategic partner of the EU in the region. It is a compelling call to strengthen ties with our biggest trading partners: the EU and the Gulf countries. The EU's economy is as big as the USA's, and the Europeans have the market, technology, and skills to share. The Gulf has the capital. Egypt has the workforce. All it takes is a coherent plan to tie everything together.

Are we realizing this opportunity, or are we moving transactionally without a strategic vision? I am afraid the transactional mindset still prevails, despite the efforts of individual ministers trying to lay out a strategic path for our economy.

Without an industrial strategy, coupled with an industrial policy safeguarding its implementation, the one-on-one deals will not yield the needed reforms for our economy. Industrial policy is about mobilizing resources toward an export-driven manufacturing economy that is sustainable and less prone to geopolitical shocks. Yet this strategic approach is still not evident.

What worries me is that the daily news of new investments—be they Turkish, Chinese or others—give the impression that things are moving along. This fosters a state of complacency that spells trouble for the future, given our economic vulnerabilities. Amid all this geopolitical unpredictability, I hope we have finally learned the lesson: What worked yesterday will not work today.

TAREK TAWFIK
President, AmCham Egypt

AmCham is proud to support the upcoming Narrative PR Summit 2025 as an Official Partner.

Taking place at Somabay, Red Sea, **from April 7th to 9th, 2025**, this year's edition will focus on **"Egypt Reset"**—a bold vision to position Egypt as a dynamic, progressive nation ready to attract investment, tourism, and global collaboration.

The summit will bring together **over 200 influential leaders** from business, government, media, and culture, fostering high-level discussions on financial accessibility, tourism & hospitality, and the sports ecosystem.

On April 8th, guests will engage with world-class speakers, including H.E Rania Al Mashat, H.E Hassan El Khateeb, H.E Ashraf Sobhy, Sir Mohamed Mansour, Dr. Ahmed Ghoneim, Rawya Mansour, Dr Ahmed Moharram, Sherif El Khoky, Dr. Mounir Neamatalla, Mounir Nakhla, Ahmed Tarek, Dr. Sherif Hakky, Dina Ghabbour, Azza Fahmy, Youssra along with a lineup of internaitonal speakers sharing insights to shape Egypt's future.

THE NEWSROOM

SAUDI COMPANY TO FUND MAJOR WIND ENERGY PROJECT

Leading Saudi energy company ACWA Power has inked a power purchase agreement (PPA) with state-run Egyptian Electricity Transmission Co. (EETC) for a major wind energy project in southern Hurghada. The project will cost 8.6 billion Saudi riyals ($2.3 billion).

Saudi Minister of Energy Prince Abdulaziz bin Salman announced the agreement on the sidelines of the Egypt Energy Show 2025. ACWA Power will invest in a 2-gigawatt wind farm, the largest in Egypt.

According to a statement on the Saudi Trade Exchange, the deal allows the company to "develop, finance, construct, own and operate" the wind farm for 25 years.

Three other Saudi companies — Alfanar, FAS, and MOWAH — have launched five renewable energy projects in Egypt. Together, the projects will contribute 1.7 gigawatts of renewable capacity, with investments totaling nearly $1.6 billion.

In the statement, the Prince shed light on progress made involving the $1.8 billion Saudi-Egypt Electricity Interconnection Project signed last year. "This initiative, set to be the largest of its kind in the region, will enable the exchange of 3,000 megawatts between Saudi Arabia and Egypt once completed in two phases," he said.

EDUCATION INVESTOR GROUP TAPS FOREIGN EXPERTISE

Egyptian investors have announced a strategic $100 million investment in the education sector in collaboration with experts from the UAE, United States, and Canada.

The initiative aims to establish five "St. Anthony International Schools," strategically located in Cairo and coastal regions over the next five years.

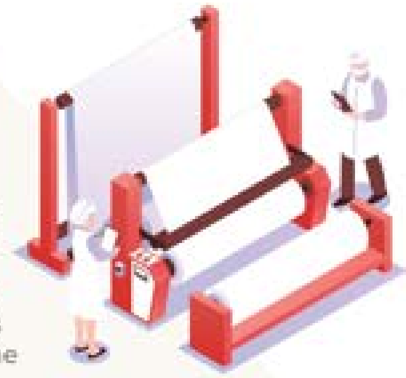
The schools will implement an advanced educational approach incorporating the latest global technologies, such as artificial intelligence, robotics, and programming. They will emphasize core ethical values like tolerance, integrity, and rejection of violence and discrimination.

Marco Sobhy Shenouda, managing director of St. Anthony International Schools, said, "The schools will be equipped with smart classroom technologies, including interactive whiteboards and smart screens, to enhance interaction between students and teachers."

Shenouda identified the primary objective as equipping a generation of students to tackle future technological challenges, especially programming, robotics, and entrepreneurship programs.

"We believe education is not merely the transfer of knowledge, but the building of individuals," he said. "These schools will serve as a model for inclusive education that combines academic excellence with instilling human values."

TWO TEXTILE PROJECTS PLANNED FOR SOKHNA INDUSTRIAL ZONE



The General Authority for the Suez Canal Economic Zone (SCZONE) signed two new textile manufacturing projects with investment exceeding $3 million for the ready-made factories area of the Sokhna Industrial Zone.

Developed by Main Development Co. (MDC), the projects will be located on 3,450 square meters (35,000 square feet) of land and create 80 job opportunities.

The Velvet project will be on a 2,300 square meters area and will be outfitted with $2 million worth of machinery. It will focus on producing prayer rugs, velvet fabrics, and woven textiles. The project aims to achieve an export volume of $6 million in 2025.

The Legend project will be on 1,150 square meters with an investment of $1 million. The factory will have 20 circular knitting machines, a printing machine, and a packaging machine for textile production. The project aims to achieve an export volume of $4 million.

"MDC serves as the developmental arm of SCZONE, with the economic zone holding more than a 75% stake in the company," said Waleid Gamal El-Dien, chairman of the General Authority of the Suez Canal Economic Zone.

TAX PENALTIES REDUCED BY 90%

The Finance Ministry plans to reduce penalties for late tax payments by up to 90% as part of a broader tax relief package. This initiative aims to resolve numerous disputes arising from delayed tax return submissions or filing returns without paying the due tax.

Additionally, several tax facilities related to small and medium-sized enterprises, simplifying tax procedures, and settling disputes will take effect on March 1, following President Abdel Fattah El Sisi's ratification of three new laws earlier this month.

These facilities will expand tax exemptions for small and medium-sized enterprises, simplify tax procedures, and help settle disputes. The Egyptian Tax Authority has already opened its online platforms to start receiving applications and forms related to the new tax relief measures.

The law amendments also introduce a 12.5% compensation rate for uncollected or withheld amounts, in addition to the principal tax amount and late payment fees. This is a significant reduction from the previous penalty, which required a payment worth 100% of the due taxes, leading many taxpayers to risk prosecution rather than pay the settlement.

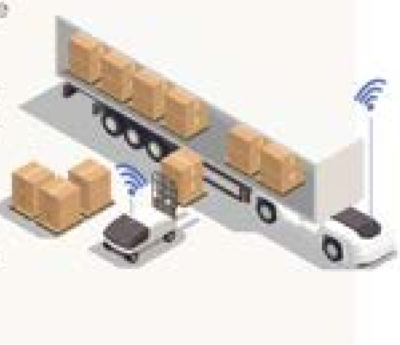
PARTNERSHIP TARGETS SMART TRUCK YARD AT PORT SAID

The General Authority for the Suez Canal Economic Zone (SCZONE) has signed a strategic 25-year partnership agreement with Egytrans and Nafith International to develop and operate a smart truck yard in West Port Said Port.

With an investment of EGP 250 million ($4.9 million), the project is scheduled to begin trial operations in six months to be fully operational within a year. The facility aims to reduce congestion, enhance operational efficiency, and facilitate truck movements to and from the port using digital technology.

The new truck yard is strategically located on a 114,000-square-meter site two kilometers from the port. According to the State Information Service, the new truck yard will have automated entry gates and smart container identification using RFID technology. It will also feature a centralized command and control center to automate truck entry, exit, and clearance procedures.

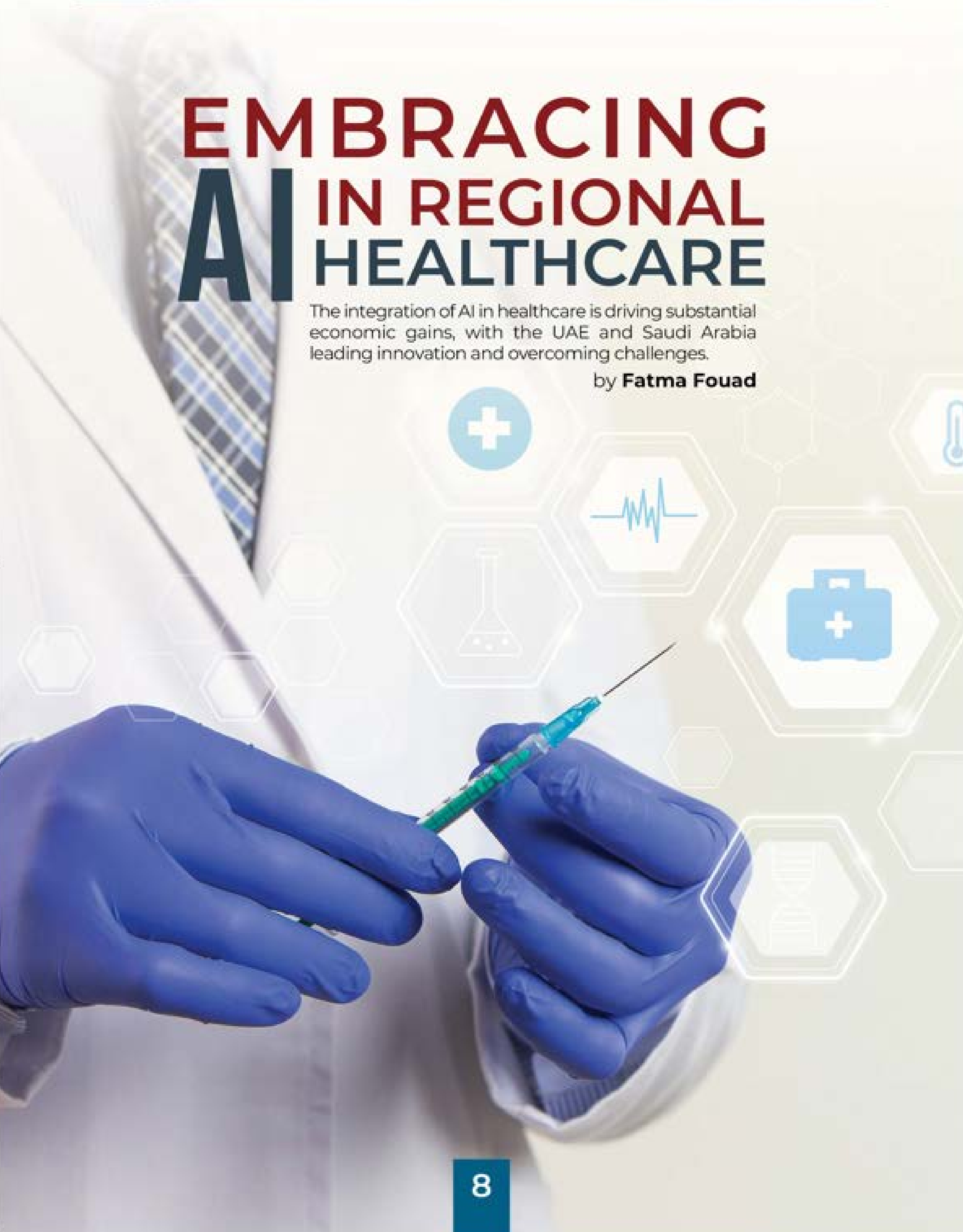
Additionally, the facility will include a centralized digital registry for vehicles, drivers, and stakeholder records.



EMBRACING AI IN REGIONAL HEALTHCARE

The integration of AI in healthcare is driving substantial economic gains, with the UAE and Saudi Arabia leading innovation and overcoming challenges.

by **Fatma Fouad**



Digital innovations through advanced technologies like artificial intelligence (AI) and robotics are significantly enhancing patient care and optimizing efficiency. As Mark Adams, CEO of Clemenceau Medical Center in Dubai, noted in February: "AI is becoming an integral part of operational transformations that will drastically redesign the healthcare landscape."

He said AI can be utilized in patient management, X-ray analysis, and diagnosis, adding, "There's almost no area of healthcare that's not being disrupted by AI."

According to McKinsey research, generative AI (GenAI) has the power to "unlock a piece of the unrealized $1 trillion of improvement potential present in the [healthcare] industry." That could be achieved by automating repetitive and error-prone tasks, providing instant access to clinical data, and modernizing health systems' infrastructure.

The Middle East is spearheading technological innovations and AI to revolutionize its healthcare systems. According to a 2024 report by Deloitte, MENA "governments and healthcare institutions are heavily investing in cutting-edge innovations and a range of initiatives, including digital health services, to improve efficiency, accessibility, and transparency."

The UAE and Saudi Arabia are competing to develop AI capabilities across all sectors, including healthcare. Annual growth in the contribution of AI is expected to range between 20% and 34% per year across the region, with the fastest growth in the UAE, followed by Saudi Arabia.

According to a November report by the Middle East Institute, "The United Arab Emirates and Saudi Arabia, especially, are pursuing the development of indigenous AI ecosystems, each seeking to attain the regional upper hand, throwing their capital behind their stated national AI aims."

Middle East's health

The integration of AI in Middle Eastern healthcare systems is poised to streamline processes, improve patient outcomes, and enhance operational efficiency. According to a PwC analysis, AI has the potential to inject $320 billion into the region's economy by 2030.

Notably, the AI and robotics integration in the Middle East's medical sector market has grown from $78 billion in 2021 to an expected $320 billion by 2030, noted Deloitte's report.

The report added that the integration of robotics has also been paramount. The robotics sector was projected to generate $626 million in 2024 and grow to $811 million by 2028 in the region, with an average annual growth rate estimated at 6.7% for the period.

The deployment of AI in healthcare by the Gulf Cooperation Council (GCC) countries is outpacing that of other Middle Eastern nations. "Buoyed by a growing interest in preventative care strategies and an openness to deploying emerging technologies, healthcare expenditure in the Gulf Cooperation Council is predicted to reach $135.5 billion by 2027," according to the World Economic Forum in October.

A July report by PWC highlighted the GenAI market opportunity across the GCC, estimating a potential overall economic impact of $23.5 billion annually by 2030.

With healthcare being one of the key industries affected, the research found that GenAI-driven advancements would have the most significant impact on Saudi Arabia and the UAE. Notable benefits are expected in Qatar, Kuwait, Oman, and Bahrain.

UAE health boom

AI has been an integral part of the UAE development strategy. This was signaled by the fact the UAE was the first country to appoint an AI minister, according to Deloitte.

The integration of AI into healthcare, finance, manufacturing, logistics, and tourism industries has the potential to significantly enhance the UAE's GDP. According to the Economic Impact of Artificial Intelligence in the UAE report, "AI could contribute $96 billion to the U.A.E.'s GDP by 2030." That would account for approximately 13.6% of the country's total GDP.

The UAE is poised to build a resilient system utilizing the power of technology to improve health outcomes and generate revenue. The Medical Technology market in the United Arab Emirates is expected to generate a revenue of $3.29 billion by 2025, according to Statista.

To advance its healthcare initiatives, the UAE signed an agreement with U.S. software company Care AI in 2023. According to the Emirates Health Services website, the agreement targeted utilizing generative AI technology for patient room monitoring systems.

These systems, powered by smart and virtual care nursing platforms, were designed to be implemented in emergency departments, operating rooms, intensive care units, neonatal units, and other areas to improve patient care.

Through digitization, the UAE aims to streamline access to medical services for foreigners, positioning itself as a top medical tourism destination. In 2024, HealthStay.io, an AI-driven sales and booking solution, launched its world-first AI-powered sales and booking management solution in the UAE.

In partnership with Dubai Health Experience, the platform will serve as a bridge between medical tourists and healthcare providers in Dubai, automating the entire process.

The UAE is also leveraging robotics. According to Fast Company Middle East, a business media platform, the medical robotics market in the UAE is expected to reach $182 million by 2025, growing at a CAGR of 14.2% from 2020 to 2025.

Healthcare in Saudi Arabia

Through its Vision 2030, Saudi Arabia is focused on transforming its healthcare sector. The country established its Health Sector Transformation Program in 2021 to provide "inclusive health services" to 88% of the population and implement a unified digital medical records system for 100% of locals by 2025, as noted in the Deloitte report.

A 2024 report by Grand View Research, a business consulting firm, projects the Saudi Arabian digital health market will reach $6.8 billion by 2030. The growth is expected to be driven by the introduction of virtual hospitals and e-healthcare services and platforms.

In March 2022, Saudi Arabia launched Seha Virtual Hospital, the country's first and largest e-health platform, offering more than 30 specialized services and support to 130 hospitals nationwide. This initiative is anticipated to further boost market growth.

Saudi Arabia's healthcare system is witnessing an unprecedented development in AI adoption. A McKinsey & Co. analysis forecasts that by 2030, AI could unlock $15 to $27 billion in economic value for the medical sector.

The country has significantly increased its expenditure in the sector. According to the World Economic Forum, in 2023, Saudi Arabia invested $50 billion in digital health services to improve efficiency, accessibility, and transparency. This includes the world's largest health information exchange, which integrates data from 5,000 government and private health institutions.

AI is integrated into several medical practices in Saudi Arabia. For example, King Faisal Specialist Hospital in Riyadh uses AI for cancer diagnosis and treatment planning, Deloitte noted.

In addition, the country increasingly utilizes robotic systems in surgery. In September, the cardiac team at King Faisal Specialist Hospital and Research Center in Riyadh successfully performed the world's first fully robotic heart transplant on a 16-year-old boy suffering from end-stage heart failure.

Combined with AI, the robot worked on providing real-time analytics during surgery, "continuously processing data, offering clinical insights and allowing for instant adjustments," Arab News reported.

Data collected during surgery was analyzed to refine future techniques. Feras Khaliel, head of cardiac surgery and director of the robotics and minimally invasive surgery program at the hospital and research center, told Arab News in October that alongside human surgeons' expertise, "AI will play a growing role in surgery, becoming a real-time partner in the operating room,

offering predictive insights and optimizing surgical pathways."

The precision achieved during the operation, he said, "would have been impossible using conventional techniques."

Implementation challenges

Despite the rapidly developing technologies, healthcare is still "below average" in its adoption of AI compared to other industries, according to the World Economic Forum's latest whitepaper in January.

That is because the roll-out of AI services raises several concerns. The whitepaper highlighted that "the inherently sensitive nature of health, where the protection of individuals is paramount, leads to a highly risk-averse environment."

Additionally, skepticism toward AI, as highlighted by consumer sentiment surveys, presents a significant obstacle, the whitepaper added.

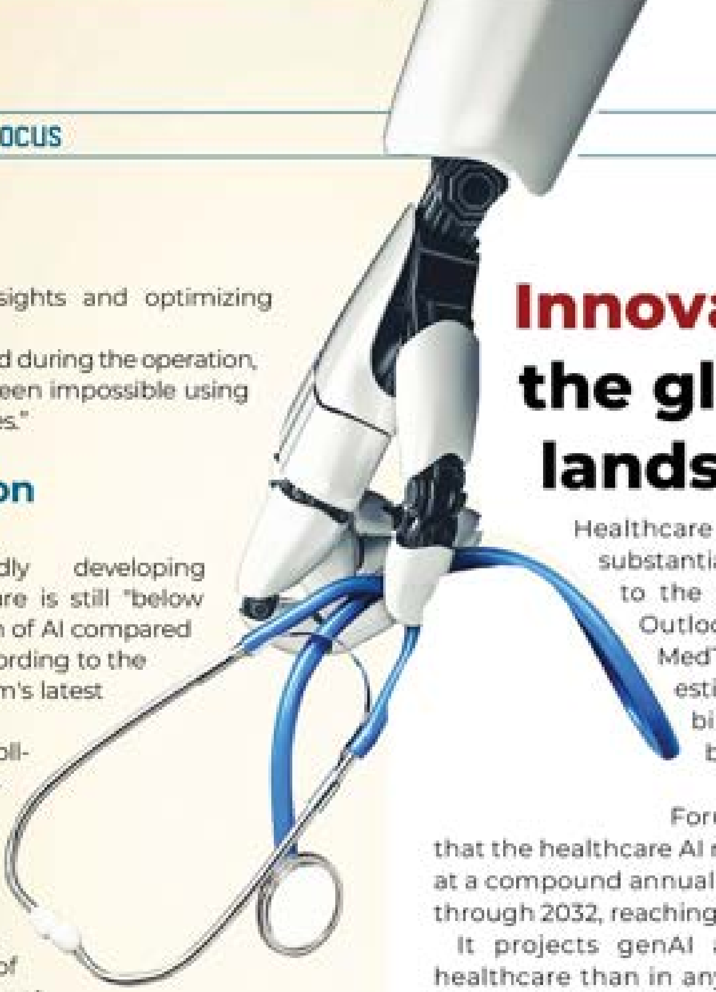
The high cost of AI implementation remains a challenge among Middle Eastern countries. "While larger, wealthier nations in the region have made significant investments in AI and robotics, smaller countries may face financial constraints," said the Deloitte report.

It added that making these technologies accessible to all populations, regardless of income level, "is a challenge that will need to be addressed."

A skill shortage in the region presents another obstacle. According to the report, "The Middle East still faces a shortage of professionals trained in AI, robotics, and data science."

Filling this gap will require additional investment in training and education for healthcare technology specialists. According to Caroline Green from the Institute for Ethics in AI at the University of Oxford in an interview with the BBC, "It is important that people using these tools are properly trained in doing so, meaning they understand and know how to mitigate risks from technological limitations ... such as the possibility for wrong information being given."

According to Deloitte's report, the Middle East must continue to invest in robust data infrastructure to support its healthcare systems. Ensuring that healthcare providers have access to accurate, high-quality data will be crucial for the success of AI initiatives.



Innovation in the global landscape

Healthcare innovation is poised for substantial global growth. According to the Global MedTech Industry Outlook 2025, "The global MedTech industry market size is estimated to grow from $668.2 billion in 2024 to $694.7 billion by 2025."

The World Economic Forum's whitepaper showed that the healthcare AI market is expected to grow at a compound annual growth rate (CAGR) of 43% through 2032, reaching a total value of $491 billion.

It projects genAI alone to grow faster in healthcare than in any other industry. "With an estimated CAGR of 85%, the market value is expected to reach $22 billion by 2027."

Robot-assisted surgery is one of the dominating segments of AI in healthcare globally. The global surgical robots market was valued at $7.9 billion in 2022 and is projected to advance at a CAGR of 11% from 2023 to 2031, reaching a valuation of over $20.8 billion by the end of 2031, according to Global Surgical Robots Market Outlook 2031.

This exponential growth is attributed mainly to increasing demand for minimally invasive surgeries, which offer faster recovery times, reduced hospital stays, and fewer complications compared to traditional surgeries, the outlook showed.

AI in healthcare is mainly dominant in North America. In 2024, funding for U.S. healthcare companies reached $23 billion, revealed a report by Silicon Valley Bank. North America dominated the healthcare service robot market and had a revenue share of 39%, with the robotic market size calculated at $1.81 billion last year.

The second-largest AI healthcare market is Europe. According to a report by Market Data Forecast, in 2024, AI in the healthcare market in Europe was valued at $7.9 billion. It is expected to grow significantly, reaching $10.9 billion in 2025 and $143 billion by 2033.

Within the region, Germany, the United Kingdom, France, Spain, Ireland, Switzerland, and Belgium are key players in life sciences.

MAKING AN ENTRANCE

Egypt and the fashion industry share a long and storied history. From the time of the pharaohs to the present day, it is relatively easy to identify which era various motifs, designs, patterns and colors belong to within the country's nearly 5,200-year history.

Nonetheless, many contemporary fashion designers overlook this heritage in their creations, while international fashion houses seek inspiration from Egypt's past to make their garments stand out.

For local designers to succeed on the global stage, they will need to do more than simply select distinctive motifs and designs from Egypt's history. A McKinsey report predicts consumer demands and habits in fashion will change significantly this year.

Additionally, local garment producers have an opportunity to thrive as more high-end brands look to diversify supply chains in light of U.S. President Donald Trump's ongoing tariff threats and issues with legacy suppliers.

Finally, local high-quality cotton producers can supply exclusive fashion design houses if they adopt sustainable farming techniques, particularly regenerative practices.

By **Tamer Hafez**

FASHIONABLY LATE?

Textile FDI is rapidly increasing in Egypt given geopolitical uncertainties and low costs, putting pressure on the local fashion industry to become more competitive.

Cultivating one of the best fabrics in the world, staple Egyptian cotton, and blessed with a rich heritage from the pharaohs, Greeks, Romans, Islamic eras, and Western influences, Egypt has all the makings of a fashion destination.

However, local fashion design and high-end garment manufacturing are still budding sectors. "Most designers rush to start their own businesses," said Susan Thabet, founder of the Egyptian Fashion & Design Council (EFDC), an organization helping local fashion startups, in an interview with Forbes in June 2024. "Most of them are one-man shows, which makes building a sustainable business and expansion very difficult."

Meanwhile, rising interest from multinational fashion players in China and Turkey about opening factories in Egypt pressures the local industry to be more price competitive, scalable, and identifiable while also appealing to mass taste.

Muse central

Since the early 2000s, several high-profile designers and design houses have used Egypt's unique motifs and designs in their collections. It started with Christian Dior's 2004 Couture show. "John Galliano [Dior's art director at the time] brought ancient Egypt back from the tombs for his spring haute couture show ... and the result never looked so glitzy or modern," reported the Associated Press in 2004. "Galliano turned out a mind-boggling collection that would have stunned even Queen Nefertiti."

Chanel also drew inspiration from Egypt's history in its 2018/2019 collection, held in the New York Metropolitan Museum, where a reconstructed pharaonic temple was built for the show.

In 2020, renowned Lebanese designer Zuhair Murad used cues from Egypt's history in his spring collection. "I decided to go back in history, especially in this place and time because pharaohs were so mysterious," Murad told Vogue in a 2020 interview.

In 2023, the Dior and Stefano Ricci fashion houses held live runway shows in Egypt. "My interest in ancient Egypt is about the stars and the sky," Kim Jones, Dior men's creative director, told international media. "It's that fascination with the ancient world and the parallels with what we look at today; what we inherited from them and what we are still learning from the past."

Next-gen locals

To create a pipeline of local fashion designers and high-end garment producers, several Egypt-based universities offer bachelor's degrees in fashion design.

According to EduRank, a specialized think tank, 34 institutions have undergraduate studies in fashion design. The top-ranked are Cairo University (6th in Africa and 582nd worldwide), Ain Shams University (10th and 737th), Mansoura (13th and 868th), Alexandria (14th and 886th) and Helwan (17th in Africa and 1,088th globally).

In 2017, Sabet established the EFDC to "oversee and overhaul one of the world's oldest fashion industries," she told Forbes.

It offers "mentoring programs to support rising entrepreneurs and small businesses [by] providing information [about] the fashion and design industry." The council also helps them "leverage new technologies [to] increase efficiency at every stage of the industry [including] research, design, branding, production, sales and retail."

The EFDC also offers "further education, scholarship, and vocational training [to teach] much-needed skills" and help businesses "identify talents [and] establish early stage investment vehicles for startups [and] linking entrepreneurs."

In 2022, the U.S. Embassy in Egypt held the second iteration of its ATX-EGY program, inviting fashion designers from Texas to network with local counterparts. The program also gave local designers a 16-week business course by the Austin Community College Fashion Incubator and showcased their designs at a "pop-up store sponsored by American fashion retailer Macy's," the embassy press release said.

In 2023, the EFDC organized Egypt's first "Fashion Week," comprising a "curated mix of runway shows, exhibitions, workshops, and panel talks in the fields of education, design, craftsmanship, sustainability, production, retail, and finance," said Thabet.

Those efforts contributed to steady growth of the local fashion scene. In 2024, data aggregator Statista said Egypt's "fashion market" generated $1.29 billion in revenue, up from $280 million in 2017. It forecasts the local market will top $1.62 billion in 2025 and that between 2025 and 2029, its annual average growth rate will be 10.67%, reaching $2.34 billion.

That would help Egypt improve its global status as a fashion destination. CEO World ranked Egypt 100 out of 199 nations in its World's Most Fashionable Countries 2024 list, published in April.

Caveat to growth

Despite those optimistic forecasts, Thabet noted challenges. "Investment … hasn't proven easy, as investors usually look for big returns," stressing that "it's not impossible, either."

One reason investments have been low is up-and-coming fashion designers usually rely on complicated craftsmanship and designs to "create a unique brand DNA," said Thabet. "However, it may not be easy to turn [those designs] into a [mass-produced] product that generates massive revenue."

Accessing the highly lucrative international market is challenging for unproven local designers as "most international retailers are … making up for big losses … so their buying becomes more selective," Thabet told Forbes. "They tend to bet on brands that have performed well in past seasons … have a dynamic social media following, and are less likely to experiment."

Accordingly, small-scale local designers have one strategy option: "First fulfill local demand," relying on Egypt's "huge and growing" young population, Thabet stressed.

Ready-Made Garments and Textiles Chamber head Mohamed Abdel Salam touted to local media in December the importance of localizing high-end garment production and ongoing efforts to attract investments by developing suitable infrastructure and establishing specialized labs and research centers. "They would not only give money but also technology transfer and upskill the local workforce," he said.

FDI vs. locals

Due to geopolitical fallout and the need for more efficient supply chains, multinational garment producers have been looking at Egypt. In January, China's textile producer Kingdom Holding announced a $60 million plant in Sadat City to open in 2026. In February, the General Authority for Investment and Free Zones said it plans to develop a 1 million-square-meter textile freezone to house $1.5 billion worth of Chinese investments.

"China, known for its vast production and industrial capacities, wants to invest in Egypt so it can have access to European markets at zero customs rates," Mohamed Al-Rashidi, head of the Textile Industries Chamber at the Federation of Egyptian Industries, told Al-Ahram Weekly in February. Egypt also has the Qualified Industrial Zones framework, allowing tariff-free access to the United States.

State-owned Al-Ahram Weekly also reported three Turkish garment producers plan to relocate to Egypt this year, investing a combined $760 million for the same reasons as their Chinese counterparts, Al-Rashidi said.

That influx threatens the local fashion sector. "Competition [becomes] not just with fellow independents, but also with established fashion houses and fast fashion behemoths that have the advantage of scale, visibility and, often, a more extensive marketing budget," said research from Stateless, a business consultancy.

They also "quickly capitalize on trends, deliver products at lower prices, and saturate the market with extensive advertising campaigns, making it harder for smaller designers to get noticed," noted Stateless.

For Hany Behairy, an Egyptian fashion designer since 2000, the key to success for locals is making attire accessible in price and style. They also "need to pay attention to the finishing and use advanced machinery," he told local media in January.

That would mean significant upfront investments that financiers shouldn't shy away from. "Clothing and design are a resilient industry," Behairy said. "People will never stop eating and will not stop wearing clothes."

KEEPING UP WITH FASHION CONSUMERS

A report from McKinsey titled "State of Fashion 2025: Challenges at Every Turn" highlights the changing global consumption landscape.

The fashion industry has always been fickle and unpredictable. "Though hard to predict even in the best of times, the fashion industry is in for a particularly tumultuous and uncertain future," said the "State of Fashion 2025: Challenges at Every Turn," a McKinsey report published in November.

That unfavorable outlook was not surprising. "The negative environment predicted by many in the fashion industry this time a year ago has now manifested," said the report. This is "a long-feared cyclical slowdown.

Consumers [are] scared by the recent period of high inflation" and therefore are "increasingly price sensitive," McKinsey explained.

Nevertheless, the report said "there is still growth to be found." However, "shifting customer behavior and preferences mean seizing it will require navigating a maze of compounding challenges at every turn."

New dynamic?

This year sees several fashion consumption trends continue from 2024. "Judged purely by the topline ... the State of Fashion 2025 outlook appears to be a continuation of the sluggishness seen in 2024: revenue growth is expected to stabilize in the low single digits," the report said.

Another ongoing trend is that "non-luxury" garments and attire will "drive the entirety of the increase in economic profit." Meanwhile, high levels of pessimism among surveyed fashion leaders also persist. This year's report shows "just 20% expected improvement in consumer sentiment in 2025, where 39% see industry conditions worsening."

New in 2025 is the expectation "the industry will benefit from falling inflation and increased tourism in Europe, the resilience of high-net-worth individuals in the United States and new growth engines in Asia."

McKinsey noted those improvements should "counteract uncertainty around consumer spending in China, which is still ... buffeted by macroeconomic headwinds." Accordingly, while the second-largest economy will "remain the region's center of gravity, brands will pivot their focus to other Asian markets, most notably Japan, Korea, and India."

This year should see more price stability than in 2024. The survey shows 37% of executives expect garment prices won't increase, versus 18% in last year's report. "Brands that do not wish to play in these categories must demonstrate [more than ever] to customers why their products are worth the premium price," said McKinsey.

Instead, the fashion industry will turn to "volume, rather than price, [to] fuel growth" in 2025. Nearly 66% of surveyed executives are betting that volume growth will drive revenue, even if it is "mostly in the low single digits," the report noted.

Redefining search

A key finding in the 2025 report is "fashion shoppers are overwhelmed with choice, which negatively impacts their engagement and conversion rates with brands." The survey shows "74% of customers report walking away from online purchases due to the volume of choices."

Meanwhile, prevailing search methods aren't helping fashion consumers find what they want. Around 80% of those surveyed say "dissatisfaction with online search [results] is a barrier to purchase." Their biggest issue is "irrelevant results," which 41% of respondents said was the "main barrier to shopping" online.

That is a significant problem for retailers as "69% of customers [say] they go directly to the retailer's search bar."

To solve that problem, vendors and fashion consumers are turning to artificial intelligence (AI) to curate content and search results. "50% of [surveyed] fashion executives see consumer product discovery as the key use case for generative AI in 2025." Meanwhile, "82% of customers want AI to assist in reducing the time they spend researching."

Social media "will continue to change the way shoppers discover and purchase fashion," the report said. In 2025, brand discovery through social media will be as common as conventional search engines like Google, as 38% of surveyed customers prefer the former, while 37% use the latter.

McKinsey noted that while Asian consumers widely use social media to "discover" fashion brands and products, this trend is still gaining momentum across Europe and North America. The report singled out the United States and UK fashion markets. The former's "social commerce market" should grow 38% between 2023 and 2025 and 24% from 2025 until 2027. The UK will witness 31% growth between 2023 and 2025 and 58% between 2025 and 2027.

Silver buyers

Mckinsey noted a significant transformation in the demographics of fashion buyers. "Fashion brands have typically focused on youth, but in 2025, they may struggle to grow sales from younger shoppers alone," the report said. "The 'silver generation' aged over 50 represents a growing population with a high share of global spending."

The report's survey shows those over 50 will account for 48% of global fashion spending growth this year. That is mainly because in some wealthy Western economies they account for a significant portion of the population's wealth. In the United States, residents over 50 hold 72% of domestic personal wealth, McKinsey said.

That shift amplifies the importance of brand loyalty. Half of surveyed Gen-Z consumers prefer to explore and shop new brands, "often in search of the latest trends [versus] 33% for those aged [over] 50." The report found that, on average, "29% of [Gen-Z's] wardrobe is from the same brand, compared to 52% for those aged 50 and above."

Targeting older consumers also makes the fashion industry "more resilient during times of economic uncertainty," the report said. Additionally, they will likely spend more on fashion brands thanks to the wealth they accumulated over the years, noted McKinsey. Bolstering that spending further is that those over 50 are "more style-conscious than when they were in their 20s," the report said.

However, older consumers "lack … sentiment towards sustainability in fashion," the report said. They also are "less likely to engage with non-traditional fashion channels."

Meanwhile, younger buyers are increasingly moving away from high-end fashion brands, with "73% of Gen-Z consumers reporting changing their spending habits because of increased prices," the report said. "More than half of [them] are worried about their financial situation in the year ahead."

That outlook isn't helped by the fact "Gen-Z uses credit [cards] more than [previous] generations" and is, therefore, likely more indebted than older buyers.

Accordingly, fashion brands need to rethink their approach to traditional marketing segmentation. They also have to assess the universal appeal of the product range, invest in technologies or materials that improve functionality or more versatile product designs, and appeal to different generations. Lastly, those brands should emphasize quality over other product attributes.

All about value

According to McKinsey, value for money will be critical in 2025 regardless of who is buying and how they find what they want. Accordingly, fashion industry players need to "localize their go-to-market models, broaden their price ranges and focus on brand position to capture the attention of shoppers."

That is not because fashion consumers can't afford more expensive garments. On the contrary, "70% of [surveyed] consumers plan to continue shopping from outlets or off-price retailers in the next 12 months, even if they have more money to spend."

Another value-driven trend that could upend the high-end fashion market is more buyers don't mind wearing rip-offs of expensive brands. "Nearly one in three adults say they intentionally bought a [duplicate] of a premium or luxury product," the report said. "Half say they bought it for cost savings … 17% would continue to purchase [them] even if they could afford the original item," the report said.

Such precarious forecasts mean fashion leaders "who move quickly to identify the bright spots, whether they are geographic, demographic or technological, will be primed for success, but only if they're able to evolve," the report said. "The old playbook is now obsolete; the industry will need a new formula for differentiation and growth."

THREADING THE SUPPLY CHAIN NEEDLE

Global fashion supply chains are witnessing massive changes that will likely come to a head this year. Egypt should benefit if it could avoid the pitfalls of major fashion suppliers.

For makers of internationally sold goods, global supply chains are essential to ensure a solid bottom line, timely delivery, and meeting price targets across markets. None more so than fashion brands, which "make their money by seeing how little they can pay," Dana Thomas, author of Deluxe: How Luxury Lost its Lustre, told Vogue Business in July.

This year, international fashion houses will face new challenges from tariff threats by U.S. President Donald Trump. Meanwhile, legacy obstacles persist, as suppliers of exclusive brands are causing their clients legal problems.

The situation is pressuring design houses to seek new suppliers that are reliable and meet mandated quality standards and costs. "Sourcing from emerging markets has recently gained traction," said Kendall Atkinson, sustainability and corporate communications associate at BPCM, a U.S.-based consultancy. "These markets, often characterized by rapid economic growth and development, present lucrative opportunities for fashion retailers."

This year, Egypt started attracting international garment producers, including several from China and Turkey, that agreed to build local factories for export to open in 2026. However, to become part of the supply chains of brands like Dior, Armani, and the like, local producers need to comply with stringent quality, technology, disclosure, and cost requirements.

Old challenges

According to Kristy McGregor, the executive European editor at Vogue Business, "2024 was a year of reckoning for the fashion and luxury goods supply chain."

Last year, consumer confidence in luxury fashion brands waned. In March, Italian Loro Piana, one of French LVMH Group's 19 fashion brands, was in legal trouble in the United States after Congressman Robert Garcia investigated the brand's production facilities in Peru. "This seems to me as clear exploitation, and it is a huge multinational corporation that is owned by some of the wealthiest people in the world," Garcia, a Democrat from California, told Bloomberg. "Seeing no benefit coming down to the immense labor ... happening [in Peru], I think, is really concerning."

In June, the Italian Competition Authority investigated the French Christian Dior and Italian Giorgio Armani fashion houses regarding how their overseas suppliers manage workers after several media reports found they don't comply with Italian or international labor laws.

An Italian court deemed that while they were not legally at fault, it stressed the brand's managers and executives were negligent by not taking "appropriate measures to check actual working conditions or technical capabilities of contracting companies," the court's decision read.

In July 2024, Chief Financial Officer Jean-Jacques Guiony of LVMH Group, which owns Christian Dior, told Italian lawmakers the company would conduct an internal audit of its suppliers. In January, LVMH Group announced its findings, blaming contracted third-party supplier auditors for not identifying violations "despite passing ... environmental and social inspections," Apparel Resources, a specialized portal, reported.

That situation arose due to "cost-reduction strategies within the luxury fashion industry," said Apparel Resources. "By outsourcing production to a vast network of external contractors, brands prioritize cost-effectiveness, potentially incentivizing suppliers to cut corners and exploit workers."

Marijn Visser, global vertical head of lifestyle at shipping and logistics company Maersk, told Vogue Business ultra-high-end fashion brands will be increasingly looking to "manage and control their end-to-end supply chain internally, as well as be able to create transparency for their customers."

AON, a consultancy, stressed, "Building supply chain resilience, embedded in a strong governance framework and the use of data, is so important when it comes to navigating [fashion] business volatility and responding in a timely way — especially in an environment of increasing uncertainty through climate change and political unrest. It not only ensures 'business as usual,' but also offers another route for a brand to build trust both with its suppliers and consumers."

Tariffs and fashion

Sheng Lu, a professor and director of graduate studies at the University of Delaware's Department of Fashion and Apparel Studies, told Supply Chain Dive, a specialized portal, in February that the current U.S. administration's decisions "present risks to fashion supply chains, with tariffs a leading concern."

So far, Trump has been openly willing to apply tariffs on everyone. He started by threatening universal duties on all imported products. Trump then targeted Canada, Mexico, China, and the EU, which are among the top five U.S. trading partners. Later, he focused on overseas manufacturers of metals, semiconductors, pharmaceuticals, and automobiles.

Trump also threatened to impose tariffs on U.S. imports from Russia, if it doesn't end the war in Ukraine, and India if it doesn't buy more U.S. oil, gas, and military aircraft and agree to "potential concessions," reported Reuters in January.

He also threatened BRICS, a 10-nation intergovernmental organization that includes India, China, Russia, and Egypt, with tariffs if they created an alternative currency to the dollar. Trump also threatened Colombia with 25% tariffs if it didn't accept deported migrants from the United States. Lastly, he waved the duties stick against South Africa, a BRICS nation, after they passed a law allowing the state to seize land without compensation to owners.

Trump is currently threatening reciprocal excise taxes on nations that impose tariffs or non-tariff barriers on American goods. "One tricky situation is that most leading apparel suppliers to the U.S. market, including China, Vietnam and India, set ... higher tariff rates ... than the United States," said Lu. Meanwhile, non-tariff barriers are evident in the EU's Carbon Border Adjustment Mechanism, which taxes imports not complying with emissions regulations.

Such threats have put fashion brands on alert. "While there are no new tariffs for the moment, ... Trump's request for a review of trade puts the world on notice that more [duties] could well be coming and that more countries will be targeted," Neil Saunders, an analyst at GlobalData, a think tank, told Just Style, a specialized portal, in February.

"We hope they don't arrive," Italian National Fashion Chamber President Carlo Capasa told the media in February.

Yet, some fashion houses are taking preemptive action, relocating to countries not on Trump's radar. "It feels like every day is a moving jigsaw piece," Emma McGrory, a senior associate at Lewis Silkin, a U.K. law firm that advises brands on trade law, told Glossy, a fashion news platform, in February. "Brands are wondering: Do we suffer the increase in tariffs, or do we relocate manufacturing to a third country?"

Fashion ready?

Egypt has a real shot at becoming part of the supply chain for high-end fashion brands that sell in the United States. In 2023, Egypt exported nearly $1 billion in garments and apparel to the world's largest economy, which is over half of its U.S. exports, according to government data.

Almost all those garment and textile exports entered "duty-free" and with no quota limit under the Qualified Industrial Zone (QIZ) protocol, according to AmCham Egypt research. Signed in 2004, QIZ requires eligible companies to comply with U.S. regulations. In 2023, AmCham Egypt's study found that 80% of eligible QIZ companies were apparel and accessory producers, accounting for nearly 90% of QIZ exports to the United States.

However, local garment producers will face tough competition from other African countries when targeting top fashion houses. According to Atkinson of BPCM, "Africa's emerging markets, such as Ethiopia and Kenya, are gaining recognition for their growing textile and apparel industries. Success requires careful planning, due diligence, and a commitment to ethical and sustainable sourcing practices."

REGENERATING FASHION

Regenerative textile agriculture is essential to making fashion sustainable. As a major grower of top-quality cotton, Egypt could benefit significantly from this new farming approach.

For the past decade or so, "sustainability" has dominated narratives across every industry. "Few industries tout their sustainability credentials more forcefully than the fashion industry," said Kenneth Pucker, adjunct professor at the Tuck School of Business at Dartmouth. "Products ranging from swimsuits to wedding dresses are marketed as carbon positive, organic, or vegan ... dot retail shelves."

To reflect these narratives in real-world products, fashion brands need to use sustainable natural fibers. None more so than cotton, which "is the most extensively used natural fiber," according to Study34, a U.K.-based boutique garment producer and retailer. Growing cotton requires a lot of water, pesticides and soil nutrients.

Adopting sustainable cotton cultivation practices should further solidify Egypt's status as a major cotton supplier to top-tier fashion houses. According to Globy, a business-to-business marketplace, "When it comes to premium cotton, Egypt is often at the top of the list."

Embracing those practices should attract FDI in eco-friendly textile agriculture. "For the fashion industry, which relies heavily on cotton crops for ... t-shirts and jeans ... switching to suppliers who use regenerative practices is one way the sector can start to have a positive impact on the planet," according to a white paper from VML, an agriculture R&D center.

Cottonland

During the last harvest season, Egypt was the second biggest grower of high-quality long-staple cotton after the United States, according to the World Long Staple Market report published by the Cotton Egypt Association.

The World Bank said Egypt is one of the "dozen countries" that can grow the top-quality extra-long staple cotton, "an important textile raw material used in spinning high-quality cotton yarns."

In August, the government said local growers would introduce two high-quality long-strand cotton varieties in the 2025 cultivation season, following a successful trial crop harvest in 2024.

However, Egypt faces difficulties increasing harvest volumes as local farmers use conventional cultivation and harvesting techniques. "Cotton R&D in Egypt focused on the development of strains of cotton but did not bother to develop the cotton harvest mechanization," noted local think tank Yomken. "Cotton is still harvested manually."

These methods also make cotton cultivation increasingly unfeasible. "Conventional cotton farming leads to soil degradation due to intensive use of pesticides and contributes to climate irregularities," noted Mariana Gatti, a sustainability strategist at FarFarm, a supply chain consultancy, during the Regenerative Agriculture Summit Europe in September. "With the environmental damage comes water contamination, land [deterioration], income loss, and a rural exodus."

Regenerative agriculture

Fashion Revolution, a global activism nonprofit organization, said regenerative agriculture is "all about working in harmony with nature using indigenous ecological knowledge." Some of its techniques include crop rotation, where farmers plant various crops throughout the calendar year to reduce depletion of soil nutrients. Regenerative farming also includes growing soil-protecting and nourishing crops between or alongside nutrient-depleting ones, such as cotton.

Regenerative farming also requires farmers to avoid using agricultural machinery to overturn arable land in preparation for crop cultivation. Lastly, farm owners should use natural composites over chemical alternatives.

In his book "Climate: a New Story," Charles Eisenstein stressed, "Regenerative agriculture represents more than a shift of practices. It is also a shift in paradigm and our basic relationship with nature."

In a research note, the World Economic Forum said adopting correct regenerative farming practices "puts farmers at the center ... increasing crop yields and turning farmland and pastures into carbon sinks ... optimizing the use of nitrogen-based fertilizers and rethinking global and local supply chains to be more sustainable [and] reduce waste."

Proof of regeneration

Elizabeth Joy, founder of Conscious Life and Style, a fashion platform, stressed, "As with any green or green-adjacent term in the sustainable fashion space, there is inevitably going to be greenwashing," where a producer falsely claims to be using eco-friendly techniques or exaggerates emission reductions.

To prove garments aren't greenwashed, "some brands ... use regenerative fashion to provide greater traceability with a 'farm-to-closet' concept, in the same way the good industry has done," noted Fashion Revolution, "the idea being that customers can trace their garments back to the farm that grew the material."

However, traceability may not be enough. Joy stressed that fashion houses and farmers need to obtain international certification to prove their regeneration credentials. "The leader in regenerative fashion and fibers is Fibershed, a nonprofit" in the United States, she said.

In addition to providing certifications, Fibershed has a "large network of farmers, ranchers, land managers, ecologists, mill operators" and others in the fashion supply chain "to advance regenerative and regional fiber systems."

Farmers seeking certification from Fibershed can enroll in its Climate Beneficial program. According to the website, it offers "a holistic approach to farming that aims to support whole farm health in order to rebalance the carbon cycle, improve soil health, protect watersheds, support local biodiversity and contribute to resilient producer livelihoods."

Another certificate is the Regenerative Organic Certified (ROC) accreditation, regulated by the Regenerative Organic Alliance, a nonprofit. It verifies farms, ranches, brands and products. ROC's framework pillars are soil health [and] land management, animal welfare, and farmer [and] worker fairness."

Joy noted those seeking ROC certification "must already hold a [U.S. Department of Agriculture] organic certificate or equivalent international organic certification."

This certification differs from the rest, as "just because a brand is a Land to Market member does not mean that all products meet the [required] standards," Joy said. "Some of the larger companies may only have the verification on a tiny portion of their products."

Achieving results

According to COSH!, an online promoter of sustainable fashion brands, scaling regenerative agriculture is seldom due to a "lack of knowledge or pioneers, but rather a lack of profitability."

That is despite the value of regeneration evident in lower farming expenditures and exposure to ecological disasters. "The positive impact of regenerative practices needs to be much better articulated and priced because it exists," Milena Leszkowicz-Weizman, Communication Strategy and Narratives for Better Business, a consultancy, told COSH!

Farmers can't easily adopt regenerative farming practices without external support. "Scaling regenerative agriculture will require the right incentives [from government and fashion brands] for farmers since many of them [already] rely on subsidies," said VML's paper. "Pioneering companies like Kering-owned Gucci are looking to make a more meaningful impact on climate change by injecting financial investment into the [regeneration] industry."

Another way to secure funding is via the Regenerative Fund for Nature, created in 2021 "to convert a million hectares of land that produce materials for the fashion industry from regular farmlands to regenerative agriculture within five years," VML said.

Ultimately, governance and transparency are indispensable for regenerative farming to yield results. "The focus should not only be on minimizing negative impacts, but on contributing positively to the regeneration of ecosystems and the well-being of communities involved in production," COSH! said. "Only this way can the trend toward regenerative agriculture become more than just a marketing tool ... and contribute to real change." ■

OIL WARS

President Donald Trump's vision is to use fossil fuels to restore the United States' industrial might. Such a strategy will have global consequences.

By **Tamer Hafez**

With his sights set on reviving the United States as an "industrial superpower," President Donald Trump sees fossil fuels as the dominant energy source. "We will drill, baby, drill," he told the media. "We will be a manufacturing nation again, and we will have something that no other manufacturing nation will ever have, the largest amount of oil and gas that any country on earth has, and we are going to use it."

He plans to realize this vision by "drastically cutting regulations, exploiting natural resources, cutting taxes, [and] scrapping efforts to tackle climate change," Courthouse News reported.

Such a future likely would result in increasingly cheaper oil as supply increases, a boon for Trump on two fronts. First, it could lower the cost of manufacturing in the United States. Second, it could reduce gasoline prices at the pump, fulfilling the president's promise to "lower the cost of energy."

Those policy announcements will have wildly varying effects on global oil importers, exporters, investors and green energy development. It could also elicit unexpected reactions from other nations affected by Trump's pursuit of "energy dominance."

'Drill, baby, drill'

During his first week in office, Trump declared a "national energy emergency." AP said the announcement was "a symbolic measure reflecting Trump's promise of energy expansion. [It also] allows the government to commandeer private land and resources to produce goods deemed ... of national necessity."

According to Morgan Lewis, an international law firm based in Philadelphia, that declaration "facilitates the identification, leasing, siting, production, transportation, refining and generation of domestic energy resources, including, but not limited to, on federal lands."

It also will "expedite the completion of all infrastructure, energy, environmental and natural resources projects that fall under [the U.S. government's] purview and ... facilitate the supply, refining and transportation of energy in and through the West Coast, Northeast, and Alaska," said Morgan Lewis.

Trump also plans to streamline new domestic fossil fuel extraction operations. The "U.S. policy is to efficiently and effectively maximize the development and production of the natural resources located on federal and state lands ... expedite permitting and leasing of energy and natural resources projects and prioritize the development of ... liquified natural gas potential," the note from Morgan Lewis said. "To accomplish this, [relevant] federal agencies [would] rescind regulations, policies and agency actions ... that are inconsistent with this policy, as well as reinstate ... land-use decisions that were issued during the Trump administration's first term," but annulled by former President Joe Biden to protect the environment.

Additionally, Trump promised to "restore any suspended fossil fuel leases" and deny pending requests from the U.S. Fish and Wildlife Service to create "indigenous sacred sites within the Arctic National Wildlife Refuge," according to Morgan Lewis. He also removed limitations on fossil fuel extraction on federal land.

He signed an executive order that allows "all agencies ... to submit to the White House Office of Management and Budget their plans to eliminate regulations and rules [by the Army Corps of Engineers and Endangered Species Act] deemed 'burdensome' to domestic energy production," AP reported. The order gave "particular attention to oil, natural gas, coal, hydropower, biofuels, critical minerals and nuclear energy."

Oil influencer?

One of Trump's biggest grievances is high global oil prices. Three days after his inauguration, he told the media he would talk to members of OPEC, a cartel of 12 of the largest oil producers that held over 79% of total proven oil reserves in 2024, to "bring down the cost of oil."

Trump aims to "bring prices [at the pumps] down, fill our strategic reserves up again, right to the top, and export American energy all over the world," he said during his inauguration. "We will be a rich nation again, and it is that liquid gold under our feet that will help to do it."

He also stated that Russia is benefiting from high oil prices, using proceeds from exports to pursue the war in Ukraine, as it was the third-biggest producer and second-biggest exporter of oil in 2024. "If the price came down, the Russia-Ukraine war would end immediately," Trump told Davos 2025 attendees. That would achieve one of his campaign promises to quickly end wars around the world.

In 2024, the United States was the world's biggest oil producer, averaging over 13.4 million barrels a day. That is 19.4% more than second-place Saudi Arabia, which accounted for over 16.1% of global oil production that year. America also has one of the world's most dynamic fossil fuel markets, ranked as the second biggest importer and fourth largest exporter of oil and gas in 2022, according to the CIA World Factbook.

Nonetheless, the United States has little influence over global oil prices, as it is not part of OPEC, which produced an average of 29 million barrels a day in 2024 and aligns production strategies to regulate prices. It also is not a member of OPEC+, which includes Russia, Mexico and Kazakhstan, bringing oil production in 2024 to 43.4 million barrels daily, over half the global supply. They, too, align their production to regulate prices in their collective favor.

Nevertheless, Trump issued a stern statement for both after his inauguration, saying, "I'm surprised they didn't [drop oil prices] before the election. That didn't show a lot of love by them not doing it. I was a little surprised by that."

That statement came as global crude oil prices dropped from $78.70 a barrel on Jan. 15 (five days before Trump's inauguration) to $73 on Feb. 25.

Problems for the GCC

For the oil-exporting GCC, which holds over 67% of OPEC's proven reserves, Trump's policy could prove problematic. Significantly increasing U.S. oil production would reduce OPEC and OPEC+'s global market share, compromising their ability to control prices.

The resulting lower prices would noticeably hurt the GCC's economies and government finances. "Assuming Trump's policy will depress oil prices to $65-$75, some OPEC members would suffer from higher deficits," said Said Al Shaikh, former chief economist at Saudi National Bank. During his first stint as president, Trump cheered when oil dropped to $50 a barrel.

According to the IMF's Regional Economic Outlook, break-even for all OPEC nations (except Oman and the UAE) is above $70 per barrel, with the de facto leader (Saudi Arabia) achieving break-even at $91.

One option would be for Saudi Arabia to instruct OPEC and OPEC+ members to increase production "to offset any short-term loss in their income," betting on economies of scale to reduce their break-even threshold. That strategy would help both cartels retain their global market share, ensuring they can regain control of oil prices in the long term.

Alternatively, both cartels "may resort to further painful production cuts. [However,] this could damage solidarity among OPEC and non-OPEC producers and adversely affect their consensus regarding output policies," Al Shaikh said. "Cutting output faces big challenges, [seeing how] Russia hesitated in agreeing on cuts a few years ago."

Regardless, Trump's aggressive stance on oil production and price invariably means "OPEC and its allies will face a tough task in stabilizing prices," Al Shaikh added.

Good for the rest

Moses Ekunu, manager at the Petroleum Authority of Uganda, a net oil importer aspiring to exploit its oil reserves, said Trump's oil policy is favorable.

For one, a "drill, baby, drill" strategy would likely increase U.S. funding for such projects worldwide. "The shift in the U.S. government policy in favor of oil and gas now means that financial institutions are likely going to support these projects publicly," Ekunu said.

That strategy also should lower gasoline prices for consumers and fossil fuel-dependent industries. That would be a boon for low and middle income net oil importers with manufacturing-led economies. "Oil prices will drop further if OPEC deploys its previous tactics of equally increasing production so as not to lose its market share," Ekunu said.

Dan Eberhart, CEO of Canary LLC, an oilfield services company, believes the big question facing investors and governments in the coming four years will be: How low does Trump want oil prices to go? "It's become a crucial question for global oil markets and ... the oil industry," he wrote in Forbes.

Clean energy

To further amplify the effects of his "drill, baby, drill" policy, Trump is introducing roadblocks for existing and new climate-friendly projects.

One of his executive actions removed climate-related provisions in existing "orders and memoranda," such as those in the Inflation Reduction Act announced in 2022 and a bipartisan infrastructure law passed a year earlier. "All agencies shall immediately pause the disbursement of funds [to eco-friendly projects] appropriated through the acts," the executive order said.

Trump also froze the Department of Energy's funding for eco-friendly energy projects, halting $50 billion worth of loans and $280 billion under review, according to the Department of Energy's published loan portfolio.

Meanwhile, Trump's executive order also "repelled a Biden order requiring planning for the effects of climate change on world migration patterns."

Trump also shut out wind energy leases for the Outer Continental Shelf. "We're not going to do the wind thing," he told the media repeatedly. "Big, ugly windmills. They ruin your neighborhood."

Eco-friendly products are under fire as Trump announced he would remove "unfair subsidies" for electric vehicles. "The executive orders indicate that the federal funding for EV and battery manufacturing will be harder to access," Shay Natarajan, a partner at Mobility Impact Partners, a U.S. investment firm, told the Financial Times. "[That] increases the risk of stranded capital for manufacturing projects already underway."

In addition, Trump has also shown unwillingness to support other nations' green agendas, pulling out of the U.N. Paris Climate Agreement, which, among other things, commits wealthy nations to pay for (via the U.N.'s Green Climate Fund) eco-friendly projects in climate-vulnerable countries. "The order blocks transfer of U.S. funds previously obligated," the Associated Press said.

In February, Mafalda Durate, executive director of the Green Climate Fund, said that Trump's administration was supposed to commit $4 billion to green projects this year, up from the previous administration's $3 billion.

Sustainable strategy?

Trump's pivot to fossil fuels could prove viable despite growing calls for green and renewable energy. "The energy transition may drive a massive increase in renewable-power capacity in the electric market," the U.S. Energy Information Administration (EIA) said in a research note in 2021. "But ... liquid fuel consumption could also be much higher in 2050."

The EIA's forecasts range from a 20% increase in oil demand by 2050 to a 50% rise in a "fast-growth scenario." Most of that demand will come from non-OECD countries, such as India and the United States if future administrations continue Trump's energy policies.

Part of that demand will go to backing up solar and wind power stations, the EIA said. "These are often the least-cost resource to meet reliability needs and provide energy when solar and wind are not available."

Nevertheless, Durate believes oil-dependent economies will gradually lose global political influence. "Countries that lead in climate finance will lead the future economy," she wrote. "Countries that invest in climate abroad — and, in turn, at home — have serious influencing power to shape the global agenda and set a course for multilateral institutions. When nations step back, others step in." ■

THE COMING CYBER-STORMS

A January report from the World Economic Forum on cybersecurity showcases the challenges organizations will face in protecting their operations from cybercriminals in 2025.

by **Rania Hassan**

No one can deny the potential of Egypt's ICT sector. In the fiscal year (FY) 2023/2024, it grew 14.4%, making it the country's fastest-growing industry for six consecutive years. That year, it accounted for 5.8% of GDP, up from 5% in FY 2022/2023. By 2030, it is expected to reach 8% of GDP, according to the Information Technology Industry Development Authority.

Fast-paced digital transformation requires continually evolving protections from cybercriminals. "Organizations are testing or adopting ... technologies to drive efficiencies and gain a competitive advantage, [yet] they do not always design strategies and processes for secure implementation," said the Global Cybersecurity Outlook 2025 report published by the World Economic Forum (WEF) in January.

Designing and implementing such defense systems can be increasingly difficult. "The fallout [from] geopolitical conflict, ... growing prowess of cybercriminals, rapid advances in emerging technologies and widening cyber capabilities have led to a cyberspace that is more complex than ever," Jeremy Jurgens, WEF's managing director, said in the report. "The time to act is now [to] safeguard the benefits of digitalization for all."

Digital crime

According to the WEF report, ransomware that cybercriminals use to block system access until owners pay to regain their data is the biggest risk. The survey accompanying the report found 45% of respondents ranked it as a top concern.

That is more than for the following three cyber risks combined: cyber-enabled fraud, such as phishing and business email (20%), supply chain disruption (17%) and malicious insiders (7%). Disinformation and crashing servers and websites ranked at the bottom (6% for each).

Chief information security officers (CISOs) are significantly more concerned about ransomware attacks than CEOs (57% versus 30%). Conversely, CEOs are considerably more worried than CISOs about "cyber-enabled fraud" (28% versus 7%) and disinformation (11% versus 2%).

Both are comparably worried about malicious insiders (8% for CEOs versus 7% for CISOs) and "supply chain disruptions" (22% for CISOs versus 20% for CEOs).

The report noted that cybercriminal priorities last year were identity theft and compromising personal data. In 2023 and 2024, the percentage of CEOs and CISOs worried about cyber attacks targeting "identity theft" grew from 11% to 35%, while fears about compromised personal data increased from 9% to 20%.

In return, CEOs and CISOs were less concerned about loss of access to utilities (35% to 24% from 2023 to 2024) and cyber extortion (46% to 20%).

Looking ahead, CEOs and CISOs' worries should increase with the rise of cybercrime-as-a-service (CaaS), where cybercriminals offer their skills to others for a fee. In 2025, it will be a "dominant and rapidly evolving business model in the criminal landscape," WEF said. "These platforms present a challenge as they remove the barriers for entry into cybercriminal activities."

Increased CaaS activity facilitates "convergence of cybercrime and organized crime groups" as opportunities for malicious activity increase from the rapid digitization of companies and government operations. The "interaction of organized cybercrime with organized violent crime groups is changing the nature of cybercrime and greatly increasing its social impact." WEF noted, "Scammers have siphoned away more than $1 trillion globally in [2023], costing certain countries losses of more than 3% of their GDPs."

Growing complexity

One factor complicating the global cybersecurity landscape is the widening "cyber skills gap" between companies. From 2022 to 2025, the percentage of surveyed small companies that said they were "struggling to ensure cyber resilience" grew from 8% to 35%.

Moreover, "71% of cyber leaders ... believe small organizations have already reached a critical tipping point where they can no longer adequately secure themselves against the growing complexity of cyber risks."

Conversely, the percentage of surveyed large and medium companies saying they were not resilient enough against cybercriminals dropped from 13% in 2022 to 7% in 2025. The report noted the public sector was disproportionately unprepared for cybercrime, with 38% of respondents reporting insufficient resilience compared to just 10% of medium-to-large private sector organizations.

The disparity in cyber skills is evident across regions. The WEF survey found that experts perceive the Middle East as the best-prepared region in the world for cyberattacks. Over 74% of respondents said they are "very confident" or "confident" the countries in which their organizations are based are "well prepared to respond to major cyber incidents targeting critical infrastructure."

North America follows with 65%. Next are Oceania (which includes Australia and 13 island nations to its north and east) and Europe, each with 50% of respondents indicating they are "confident" or "very confident." Oceania fares slightly better, with the other 50% of respondents saying they are "neutral," compared to 15% of surveyed businesses in Europe stating they are "not confident."

Africa lags significantly, with 38% of surveyed respondents saying they are "not confident" in their respective country's cyber resilience, compared to 36% who are either "confident" or "very confident."

External drivers

The WEF report says cross-border supply chains are a significant reason why cyberattacks are increasing in number and severity. "Of large corporations, 54% identified supply chain challenges as the biggest barrier to achieving cyber resilience."

"The increasing complexity of supply chains, coupled with a lack of visibility and oversight ... of suppliers has emerged as the leading cybersecurity risk." Top concerns involve "software vulnerabilities introduced by third parties and propagation of cyberattacks throughout the ecosystem."

Another emerging external factor fueling cybercrime is "geopolitical tension," the report said, with nearly 60% of organizations saying it affected their cybersecurity strategies.

CEOs and CISOs worry political conflict could fuel state-sponsored cyberattacks on "enemy" countries' utilities and infrastructure (32% and 45%, respectively). Their second biggest concern is cyber espionage and loss of sensitive information" or intellectual property, with 33% and 27%, respectively.

Conversely, less than 10% of CEOs and CISOs are worried geopolitical instability could "increase costs for cybersecurity measures and incident response [and] disinformation campaigns."

New entrants

Artificial intelligence (AI) and Generative AI (GenAI), commercialized in 2022 with the introduction of the free ChatGPT chatbot, are "reshaping the cybercrime landscape by enabling criminals to refine their methods and automate and personalize their techniques," the WEF report said.

"Cybercriminals are using GenAI to convincingly replicate the communication styles of an organization's senior leadership." The technology is equally effective across languages, "helping threat actors target a greater number of people in more countries at a lower cost."

GenAI also could create fake videos of company executives (deepfakes) to "defraud organizations or help attackers gain access to ... IT systems," the report said. "Research has noted a 223% rise in the trade of deepfake-related tools on dark web forums between Q1 2023 and Q1 2024." The WEF noted "deepfakes pose a moderate-to-significant cyber threat to [an] organization."

The report said 47% of surveyed companies were most worried about cybercriminals using AI in "phishing, malware development [and] deepfakes." The second biggest concern is "data leaks, [including] exposure of personal data through GenAI."

The other big concerns are "software supply chain risks, AI system security, [and] legal concerns [over illegal usage of] intellectual property" (17%) and the increased complexity of developing security governance (14%).

The proverbial "elephant in the room" is that GenAI "lowers the barriers to entry into the cybercrime arena in terms of cost and required expertise," the WEF report warned. "[It] is expected to streamline the process from the exploitation of vulnerabilities to the deployment of malware, scaling up operations that were previously reliant solely on human capabilities."

The report also warned about what might come after GenAI. "Quantum computing advances ... accelerate the emergency of security risks, particularly the potential to break public-key encryption, which is vital for securing digital systems such as online banking and government communications," the WEF said. "While the timeline for quantum computing's full potential remains uncertain, the associated quantum security risks are already at play."

Government protection

The WEF report warned government regulation has pros and cons for cybersecurity. "Regulation serves as an important driver of cyber resilience, with 78% of CISOs and 87% of CEOs surveyed [saying] implementing new cyber-related regulations ... improves their organization's security posture and mitigates cyber risks."

Surveyed CISOs noted that regulations can be most effective when dealing "with systemic ecosystem risk." They "impose minimum requirements on the cybersecurity of organizations." That ultimately reflects positively on " increased customer trust."

However, the downside of regulations is they complicate the business environment for corporations. "Two-thirds of respondents ... indicated that proliferation of cyber regulations worldwide adds significant complexity." Meanwhile, "69% of ... respondents find regulations too complex or too numerous, or have difficulty verifying whether third-party suppliers are compliant."

Having "regulated and unregulated sectors further complicates resilience as industries with weaker oversight become conduits for attacks on more fortified entities," the report noted.

Multinationals face additional "challenges, such as managing overlapping requirements, achieving compliance in multiple jurisdictions and addressing varied enforcement timelines," the report said. "Businesses have to navigate an increasingly fragmented landscape of regional and global compliance requirements."

In coming years, divergence and the number of regulations will only increase, raising cyber protection complexity for companies. "As regulatory pressure increases, there are concerns the overwhelming number of updated or newly introduced regulations will lead to regulatory fatigue among companies."

Ultimately, managing a "regulatory jigsaw puzzle" means companies would be more focused on compliance than "developing customized, risk-based strategies" to improve their defenses, the report explained.

It stressed the way forward is for "public-private cooperation to enable global regulatory harmonization and alignment and ensure the applicability of cybersecurity throughout diverse regions." That should "promote consistency while allowing for flexibility to adapt to emerging threats and technologies."

Building protection

The WEF report stressed the inevitability of continually spending more on beefing up cybersecurity.

"Cyber insurance ... is one important tool among the portfolio of risk-management strategies ... organizations can employ." The WEF expects it to grow from $14 billion globally in 2023 to $29 billion in 2027. "Cyber insurance appears to benefit larger organizations more than small [firms], likely because they are better able to afford it," the report stressed.

Companies also must spend more "incentives [for employees] to encourage the reporting of cybersecurity threats and incidents," the WEF said.

It noted the best ways to cultivate a "cyberthreat aware" corporate culture are through training, dedicated or support teams for reporting breaches, establishment of "anonymous reporting channels" and a "non-punitive policy" for those who report such attacks.

Less effective approaches are "recognition and reward programs" for those who report threats and "including security incident reports as a positive metric in employee performance evaluations."

Ultimately, top executives' mindsets are "the critical barrier to adequate investment in cybersecurity." Changing them could be challenging, as it is still hard to "effectively quantify cyber risk due to the constantly evolving threat landscape as well as the complexity of estimating the potential impact of cyber incidents," the report said. "Articulating cyber risk in financial terms is essential for organizations to allocate resources effectively and build resilience." ■

Back in the black

After starting the year off on the wrong foot, both main market indices staged a comeback from Jan. 15 to Feb. 15. The EGX 30 rose 2.1%, while the EGX 70 EWI rose 3.5%. Such a performance brought the two indices back in the black year-to-date, up 0.9% and 3.2%, respectively. Still, declines outnumbered advances, albeit by a small margin.

During the period, shares of a company named Go Green for Agricultural Investment & Development (GGRN) began to trade after undertaking a direct listing on the Egyptian Exchange. The stock opened on Feb. 9 at EGP 1.77 a share, the fair value set by an independent financial adviser. On its first day of trading, the stock jumped to an intraday high of EGP 2.12 before touching a low of EGP1.25, a 41% drop.

The top performers' list was led by small caps, like Egyptian for Developing Building Materials (EDBM, up 90%), Cairo Oils & Soap (COSG, up 64%) and Mena Touristic & Real Estate Investment (MENA, up 37%).

EDBM now leads the 2025 top performers' list with a year-to-date return of 168%. The company signed a deal with Remco Touristic Villages Construction (RTVC, down 7%) to buy all units in its Stella Di Mare Sokhna 2 with the remaining transaction value of EGP 4.4 billion to be paid off in three annual installments totaling EGP 1.4 billion and the remaining EGP 3 billion to be recorded as due to RTVC to potentially be swapped into EDBM shares through a capital increase.

Meanwhile, COSG continued to bear the fruits of its restructuring after reporting strong results during 2024. Net earnings jumped 300% to EGP 134 million on 14.5% higher revenues of EGP 1.06 billion. On the other hand, MENA, which reported a wider net loss in 2024, accepted an offer from Concrete Plus to develop 10 feddans in the Mena Garden City project against a 36% profit share.

Also, South Valley Cement (SVCE, up 33%) said it was unaware of any offer to acquire a stake in one of its investments to settle an outstanding debt to the National Bank of Egypt.

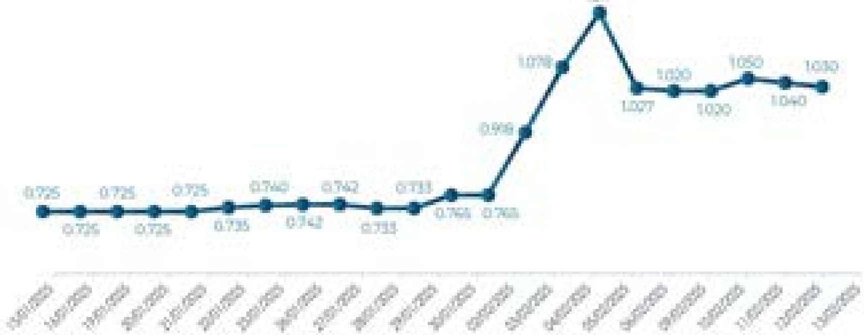
Some large caps delivered a strong performance, led by Juhayna Food Industries (JUFO, up 20%) and EFG Holding (HRHO, up 16%), before reporting their full-year 2024 results.

The underperformers' list was led by Premium Healthcare Group (PHGC, down 42%), Misr Kuwait Investment (MKIT, down 33.5%) and Rakta Paper Manufacturing (RAKT, down 24%).

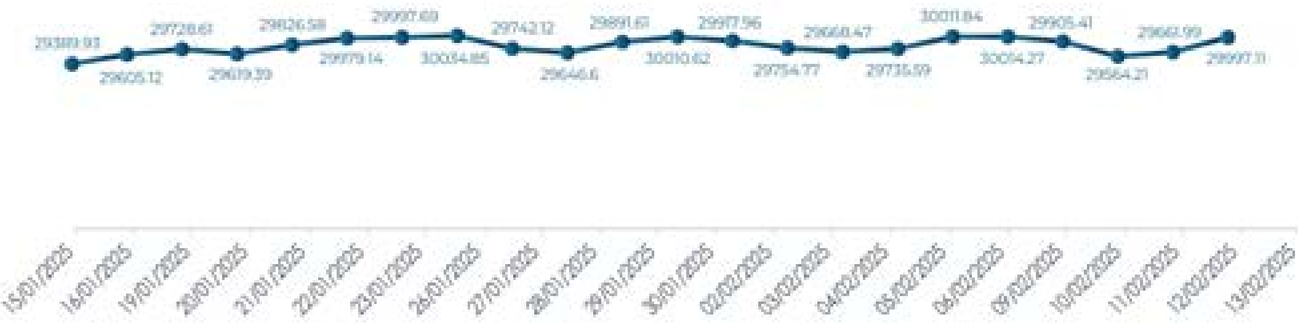
As for the macro picture, the Central Bank of Egypt (CBE) is delaying its easing cycle to the second quarter of 2024 despite falling inflation.

Osool ESB Securities Brokerage Co. (EBSC)

In early February, Osool ESB Securities Brokerage Co. (EBSC) received a binding offer from U.A.E.-based Amass Investments to take part in the former's EGP 100 million capital increase to be fully allocated to the latter at a price per share to be set at fair value. During this period, the stock jumped 42% to EGP 1.03 after about 133 million shares changed hands worth some EGP 140 million. The stock later jumped to EGP 1.54, valuing EBSC at EGP 616 million.

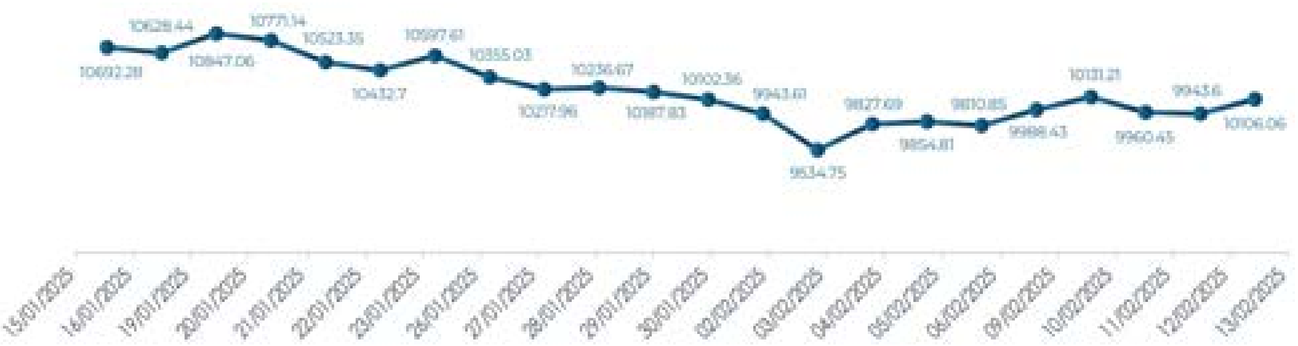


EGX 30



EGX 70

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.

NEGOTIATING EVERYTHING, ANYWHERE?

Corporate and government negotiator and strategy consultant Herb Cohen demonstrates how to negotiate with a win-win mentality in his book "You Can Negotiate Anything."

Summarized by **Tamer Hafez**

SCAN THE CODE TO PURCHASE

Negotiating with friends, family, co-workers, competitors and even strangers happens every day. "Your real world is a giant negotiation table, and like it or not, you're a participant," said Herb Cohen, a corporate and government negotiator and strategy consultant, in his book "You Can Negotiate Anything."

"How you handle these encounters can determine not only whether you prosper, but whether you can enjoy a full, pleasurable, satisfying life."

"Winning" conflicts has little to do with personal competencies. "Traditionally, rewards presumably go to those possessing the greatest talent, dedication and education," the book said. In reality, "life has illusioned those who hold [these] virtues, and that hard work will triumph in the end ... The 'winners' seem to be the people who not only are competent, but also have the ability to 'negotiate' ... to get what they want."

Negotiating table

Cohen sees two individuals who stand out as "the greatest negotiators in history ... Jesus Christ and Socrates." He noted that neither was part of the "establishment" or had formal authority, but they had objectives and standards and were willing to take risks.

They "won" because they "were win-win ethical negotiators, and they were power people ... Both of them used many of the collaborative approaches" preached today.

Cohen explained winning negotiations consistently "isn't [about swindling someone], and it isn't intimidation of an unsuspecting market, [instead] it's analyzing information, time and power (the 'three crucial elements') to affect behavior [of others]." As such, "almost everything is negotiable."

Holding power

"Power" can be easily abused to create win-lose scenarios and outcomes, even if deliberations target win-win results.

"Knowledgeable people complain about power [when] they don't like the way it's being used [to] manipulate, coerce or domineer [the other side]," Cohen said. The other reason is they "don't approve of the power's goal [if it is] corrupt and exploitive." In such cases, "even the most appropriate means won't make that end acceptable."

He also warned "power should never be a goal unto itself," adding that negotiators need to "use it to sensibly implement objectives that are important to [them]."

The book classified "power" into several "types." The first is the "power of competition," where one party has something others need, for example, money. "The more people who want your money, the further [it] will go."

The second "type" is the "power of legitimacy," which the book defines as "derived from perceived or imagined authority." For example, having rules printed on a public sign or given to participants. "Printed words, documents and signs carry authority," Cohen wrote. "Most people tend not to question them."

The book noted the "power of risk-taking," but stressed that "involves mixing courage with common sense. If you don't take calculated chances, the other side [will] manipulate you."

"Power of commitment" requires the "commitment of a large number of people [in a negotiation]." That enables the negotiator to spread risk among the whole group, lowering stress levels and giving their side a better chance of winning.

The "power of expertise" also provides leverage in negotiations. "When others perceive — or believe — that you have more technical knowledge, specialized skills or expertise, they treat you with a consideration that ranges from respect to awe."

Another type of power is "knowledge of needs." It comprises "the specific issues and demands, which are [discussed] openly" in the negotiation and "the real needs of the other side, which are rarely verbalized."

The book also noted the "power of investment," where the negotiator increases the other side's vested interest in concluding the discussions by offering bigger concessions. Achieving that usually comes down to "the power of identification," where "you will maximize your negotiation ability if you get others to identify with you."

The powers of knowledge of needs, investment and identification could magnify the "power of morality," where the other side makes exceptions or even overlooks the law because it is the moral thing to do.

The "power of precedent" cuts both ways. The negotiator can use similar past cases to argue against the virtues of their outcomes. Conversely, a precedent could be an excuse to keep the situation unchanged if it favors the negotiator.

The "power of persistence" is usually not evident as "most people aren't persistent enough when negotiating," the book said.

The power of "persuasive capacity" comes from making arguments relevant to the other side, ensuring evidence is "overwhelming" and indisputable, and making the other side feel their needs were recognized. Cohen stressed its importance as "most often logic doesn't work."

He also noted "the power of attitude," evident when negotiating on behalf of someone else. The book argued that when negotiating for yourself, "you care too much ... That puts you under [more] pressure and stress."

Lastly, the book noted "the power of rewarding and punishing," whether real or perceived. This "power" is almost always evident in adversarial (win-lose) negotiations.

Trial by time

The book noted that "time" is the most complex "crucial element" in negotiations, as "we cannot control the clock," so "we must examine how the passage of time affects the negotiation process."

The first challenge in maximizing time in negotiations is that "most people speak of negotiation as though it were an event — something that has a definite beginning and ending." In reality, negotiations start when one side begins investigating the "other side."

Negotiations also have no definite end as outcomes are made as close to the pre-negotiation deadline as possible, and usually stretch after it has passed. "Your best strategy is not to reveal your real deadline," the book said. "Always keep in mind that ... deadlines ... are more flexible than most people realize."

The 'knowledge' factor

Cohen stressed that information "can unlock the door to the vault called success. It affects our appraisal of reality and the decisions that we make."

Gathering "information" for negotiations must start as early as possible to ensure the odds are in your favor, Cohen stressed. Delaying the process "until the occurrence of a crisis or a 'focal event' ... creates a cascade of dysfunctional consequences."

The book also stresses the importance of how to collect information. "Some assume that the [more] intimidating or flawless we appear to others, the more likely they will tell us [the information we need]." That almost always backfires. Instead, "the more confused and defenseless you seem, the more readily they will help you with information and advice."

Cohen stressed that while it's in the best interest of one party to conceal information, they may have no choice but to share it to receive new information in reciprocity. Accordingly, negotiators need to "carefully word and control information, [presenting it] slowly in bite-size fragments" to avoid giving too much to the other side.

While all sources of proven information from experts and cohorts are vital, Cohen stressed the importance of collecting information from "your adversary's competitors," as that gives a "tremendous bargaining advantage."

Vital information is also present during the "formal" negotiation event from the other side's unintentional, verbal, and behavioral cues. However, Cohen warned that seasoned negotiators often give false cues to confuse and misdirect their opponents.

Win-lose negotiator

In the book, Cohen highlights the traits of win-lose, manipulator and win-at-all-costs negotiators, stressing that spotting them early is essential to changing negotiation tactics or walking out.

The first telltale sign is that "win-lose" negotiators start with an "extreme initial position," making "tough demands or [presenting] ridiculous offers."

Secondly, they often have limited or no authority to make concessions or compromises. They also likely view concessions as "weakness." That means the other side will be effectively "negotiating against themselves," offering better deals with almost no reciprocity.

"Win-lose" negotiators also have short tempers, act angrily, raise their voices and play the victim if they feel backed into a corner. Sometimes, they may even "walk out of a meeting in a huff." They also "ignore deadlines, ... acting as if time is of no significance" to the point of frustrating seasoned "win-win" negotiators.

Cohen believes "win-lose" negotiators tend to represent someone who would harm them if they "lose" and sometimes if they "let the other side make gains."

The way to win against such negotiators is to give them no option but to bring those with decision-making powers to the negotiation table by crafting lose-lose scenarios.

That is usually easier said than done, as win-lose negotiators "always start out knowing more about your real needs, priorities, and deadlines than we know about theirs." The other reason is that they almost always have "more time," using it to "wear [the other side] down through endless delays ... and making meager concessions separated by long intervals."

Ultimately, win-lose negotiators thrive if they are sure they will not negotiate with the other side again, have no remorse and the other side is not aware of their unfair tactics.

Getting to win-win

Cohen stressed win-win negotiators must ensure they are not "abrasive, avoid using absolutes in responses... and lean to preface ... replies with 'What I think I have heard you say ...'"

Another characteristic of a win-win negotiator is they "state [their] case moderately [and] address the other side with tact and concern for their dignity, even if they have a reputation for being [otherwise]."

Lastly, win-win negotiators focus on getting "everyone looking at [the] end result." That ensures both sides will "spend their energy and creativity searching for different alternatives ... that might accommodate the needs of all concerned." Starting by stressing the differences will get everyone "bogged down in disagreement." The book added, "From this point, demands and counter-demands follow, [leaving] the group ... polarized into winners and losers." ■

Chamber News

BOARD OF GOVERNORS

PRESIDENT
Tarek Tawfik, Cairo Poultry Group

EXECUTIVE VICE PRESIDENT (AMERICAN)
Greg McDaniel, Apache Egypt Companies

EXECUTIVE VICE PRESIDENT (EGYPTIAN)
Tarek Mohanna, MHR & Partners in Association with White & Case

VICE PRESIDENT, MEMBERSHIP
Riad Armanious, EVA Pharma

VICE PRESIDENT, PROGRAMS
Kamel Saleh, Saleh, Barsoum & Abdel Aziz - Grant Thornton

VICE PRESIDENT, LEGAL AFFAIRS
Gamal Abou Ali, Hassouna & Abou Ali Law Offices

TREASURER
Hatem El Ezzawy, PICO Group

MEMBERS OF THE BOARD
Akef El-Maghraby, Suez Canal Bank
Hoda Mansour, IFS
Sarah El-Battouty, ECOnsult
Khaled Hashem, Honeywell Egypt
Omar El Sahy, Amazon.eg

PAST PRESIDENT
Sherif Kamel,
The American University in Cairo

ADVISOR TO THE BOARD
Hisham A. Fahmy

CHIEF EXECUTIVE OFFICER
Sylvia Menassa

COMMITTEE LEADERS

2024 – 2025

AGRICULTURE AND FOOD SECURITY
Chairman: Mr. Abdel Hamid Demerdash - Chairman, Agriculture Export Council
Co-Chairs: Mr. Osama Soliman, Group Managing Director, Soyeen
Mr. Hesham El Naggar, CEO, Dolma Corporation
Mr. Seif El Sadek, CEO, Agroway for Agriculture Investment

BANKING
Co-Chairs: Mr. Mohamed Abdel Kader, Citi Country Officer, Citibank
Mr. Ahmed Ismail Hassan, Country Manager, Arab Bank
Mr. Sherif Riad, CEO Corporate Banking, National Bank of Egypt
Mr. Omar El Husseiny, Head of Treasury Group, CIB
Mr. Todd Wilcox, Deputy Chairman and CEO, HSBC

CORPORATE IMPACT & SUSTAINABILITY
Co-Chairs: Mr. Ghimar Deeb, Deputy Resident Representative, UNDP
Ms. Ghada Hammouda, Group Chief Sustainability & Marketing Officer, Qalaa Holdings
Ms. Mireille Nessim, CEO, Takaful
Ms. Soha Abou Zikry, Head of Global Customer Relations, CIB

CUSTOMS & TAXATION
Chair: Mr. Hassan Hegazi, Chairman and Managing Director, Master Trading
Co-Chairs: Mr. Hossam Nasr, Managing Partner - Audit Partner, Allied for Accounting and Auditing - Ernst & Young
Ms. Nouran Ibrahim, Partner, Grant Thornton

DIGITAL TRANSFORMATION
Co-Chairs: Mr. Khaled Abdel Kader, CEO, KlayyTech
Ms. Mirna Arif, General Manager, Microsoft
Ms. Marwa Abbas, General Manager, IBM
Mr. Hossam Seifeldin, CEO, CapGemini

EDUCATION
Chairman: Mr. Hesham El Demerdawy, Chairman, Team 4 Security
Co-Chairs: Mr. Ahmed Wahby, CEO, Egypt Education Platform
Mr. George Sedky, Chief Human Resources Officer, G.B. Corp.
Ms. Sarah El Kalla, Deputy CEO, Cairo for Investment and Real Estate Development (CIRA)

ENTREPRENEURSHIP & INNOVATION
Co-Chairs: Dr. Ayman Ismail, Abdel Latif Jameel Endowed Chair of Entrepreneurship & AUC Venture Lab Director, AUC
Mr. Moataz Kotb, Managing Director, Cultork
Mr. Amr El Abd, Managing Director, Endeavor

HEALTHCARE
Chairman: Dr. Ahmed Ezzeldin, CEO, Cleopatra Hospital
Co-Chairs: Dr. Hend El Sherbini, CEO, IDH
Mr. Tamer Said, Deputy CEO, Rayhab Group
Mr. Mohamed Haroun, Country Manager, GE Healthcare

HR (TALENT MANAGEMENT)
Chairman: Mr. Emad Nasr, Human Resources Director, Lecico
Co-Chairs: Ms. Marwa Mohamed El Abassiry, Chief HR Officer, Cleopatra Hospital Group
Ms. Nemine Fahmy, HR Senior Director, PepsiCo
Mr. Mohamed Fai[illegible], Country Manager, Marsh Financial Services

INDUSTRY & TRADE
Co-Chairs: Mr. Alaa Hashim, Board Member, Giza Seeds And Herbs
Mr. Ashraf Bakry, Board Member, Oriental Weavers
Mr. Kareem Yassin, Vice President and General Manager, P&G

INSURANCE
Chairman: Mr. Alaa El Zoheiry, Managing Director, gig-Egypt
Co-Chairs: Mr. Haitham Tobar, Managing Director, MetLife Egypt
Mr. Sherif El Ghamrawi, CEO, Medmark
Mr. Omar Shelbaya, CEO, AXA

INTERNATIONAL COOPERATION
Co-Chairs: Mr. Denys Denya, Executive Vice President, African Export-Import Bank
Mr. Guido Clary, Head of EIB Regional Hub for North Africa and the Near East, European Investment Bank
Mr. Saad Sabrah, Country Manager, IFC

INVESTMENT AND CAPITAL MARKET
Chairman: Dr. Sherif El Kholy, Partner and Head of Mena, ACTIS
Co-Chairs: Mr. Hesham Gohar, Group CEO, CI Capital Holding
Ms. Noha Khalil, Chief Investment Officer, The Sovereign Fund of Egypt
Ms. Nadia Shousha, Vice Chairman, Egyptian American Enterprise Fund
Mr. Omar El Labban, Head of Investor Relations, BPE Partners

Leadership & Diversity
Chairperson: Dr. Manal Hussein, Executive Chairperson, New City Housing and Development
Co-Chairs: Ms. Passant Fouad, Director of External Communications, Juhayna Food Industries Co.
Ms. Laila Elmoshneb, Gender and Social Inclusion Advisor, Development Alternatives Inc - DAI
Ms. Karima El Hakim, Plug & Play
Mr. Omar Shawki, Managing Partner, Forvis Mazars Mostafa Shawki

LEGAL AFFAIRS
Chairman: Mr. Ahmed Abou Ali, Partner, Hassouna & Abou Ali Law Offices
Co-Chairs: Mr. Girguis Abdel Shahid, Managing Partner, Shahid Law Firm
Mr. Mohamed Serry, Managing Partner, Serry Law Office
Mr. Ziad Gadallah, Partner, White & Case
Ms. Ebtehal Bosiouny, Government Affairs Lead, Microsoft

MARKETING
Chairperson:Ms. Dalia Wahba, Chairperson, CID Consulting
Co-Chairs: Ms. Soha Sabry, Chief Marketing Officer, Midor
Ms. Mira Kamel, Insights Director for Beverages and Snacks, Pepsico
Ms. Lina Fattom, Managing Director, Momentum Egypt

MINING AND MINERAL RESOURCES
Co-Chairs: Mr. Ahmed Wafik, Managing Director, Saint Gobain Glass Egypt Case
Mr. Mostafa Sherif El Gabaly, Managing Director, Abu Zaabal Fertilizers & Chemicals Co Case
Mr. Cherif Barakat, General Manager, Aton Mining Inc.
Mr. Mohammed Refaat Zaher, CEO, Reed Mining Services Case

NON-BANKING FINANCIAL INSTITUTIONS
Co-Chairs: Mr. Ashraf Sabry, CEO, Fawry for Banking and Payment Solutions
Mr. Amr Aboul Azm, Chairman, Erada Microfinance
Mr. Walid Hassouna, Chief Executive Officer, Valu

OIL & GAS
Chairman: Mr. Amr Abou Eita, Chairman and Managing Director, ExxonMobil Egypt
Co-Chairs: Mr. Karim El Dessouky, Vice President & General Manager, Bechtel
Mr. Kristian Swendsen, Country Manager- Egypt (Upstream), Chevron
Mr. Wael Shaheen, Vice President, bp Egypt

PHARMACEUTICALS
Chairman: Dr. Yousri Nawar, Board Member, Andalous
Co-Chairs: Dr. Hatem Wardany, Country President, AstraZeneca
Mr. Maguid Sayed, Africa Head of Market Access, Gov Affairs and Pricing, Sanofi
Mr. Mohamed Swailam, Head of NA & Egypt Cluster, Viatris
Mr. Samy Khalil, Country Manager, Takeda Pharmaceuticals Egypt

POWER & RENEWABLES
Co-Chairs: Mr. Ahmed Ramadan, Chief Executive Officer, Power Generation Engineering and Services Company (PGESCo)
Mr. Wael Hamdy, Senior Vice President, Elsewedy Electric
Mr. Samy AbdelKader, Managing Director, TAQA Power
Ms. Mai Abdelhalim, President, GE Vernova
Mr. Tarek Hosny, Head of Investments and Projects, Fortiglobe

REAL ESTATE
Co-Chairs: Mr. Mohamed Abdalla, Chairman, Coldwell Banker
Mr. Ahmed Shalaby, President & CEO, Tatweer Misr
Mr. Tarek El Gamal, Chairman, Redcon
Mr. Ayman Amer, General Manager, Sodic
Mr. Ibrahim El Missiri, Group CEO, Abu Soma Development Company - Somabay

TRANSPORT & LOGISTICS
Chair: Mr. Marwan El Sammak, Board Member, Warms Alexandria Cargo Services
Co-Chairs:Mr. Abir Leheta, Chairman & CEO, Egyptian Transport & Commercial Services Co., SAE
Mr. Amr Tantawy, Country Manager, DHL Express
Mr. Karim Helzy, Chief Operating Officer, Hassan Allam Utilities (HAU)

TRAVEL & TOURISM
Co-Chairs: Mr. Haitham Nassar, General Manager- Hilton Pyramids Golf Resort, Hilton
Mr. Karim El Minabawy, President, Emeco Travel
Mr. Moataz Sedky, General Manager Travcoholidays, Travco Holding
Ms. Nelly El Kateb, VIP Account Manager, Astra Travel
Ms. Sherifa Issa, Senior Director of Marketing, Four Seasons Hotels and Resorts

EIC

22 January

Spotlight on startup collaborations

On Jan. 22, the AmCham Entrepreneurship and Innovation Committee, in collaboration with MIT's Legatum Center for Development and Entrepreneurship, hosted a session titled "Bridging the Gap: Fostering Collaboration Between Corporates and Startups." The session took place on the margins of the MIT Foundry Fellows' visit to Egypt. The discussion highlighted successful partnerships between corporations and startups, emphasizing their benefits and impact.

Leila Helmy, Head of Digital, IT and Innovation in AstraZeneca shared how her company partnered with the Egyptian startup Rology to enhance early lung cancer detection. AstraZeneca leveraged Rology's AI-powered teleradiology platform to connect hospitals and enable widespread screening.

Amr Abodraiaa, CEO of Rology, elaborated on how the partnership with AstraZeneca accelerated Rology's expansion and credibility, enabling early lung cancer detection for over 100,000 patients in Egypt.

Essam Daly, Head of Merchant Sales and Acquiring - North Africa, Levant and Pakistan at Visa Egypt Services, discussed Visa's collaboration with Paymob to promote financial inclusion in Africa, emphasizing the importance of local expertise in developing effective digital payment solutions.

Hesham Radwan, Danone's General Manager, explained how the company partnered with Shift EV to electrify its distribution fleet, reducing operating costs by 70% and cutting its carbon footprint. This initiative aligned with Danone's sustainability goals and commitment to supporting local entrepreneurs.

Aly Eltayeb, CEO of Shift EV, highlighted the challenges and opportunities in scaling EV conversion technology. Danone's commitment to electrifying half its fleet in Egypt helped Shift EV gain credibility, leading to further partnerships. He emphasized the importance of securing anchor clients to build market trust.

Ayman Shehata, Senior Risk Consultant at PwC Middle East, discussed the difficulties in connecting entrepreneurs with large companies, noting that securing corporate contracts significantly impacts a startup's valuation and investment appeal. Despite obstacles, he pointed out growing opportunities in fintech, sustainability, renewable energy and other sectors.

Customs and Taxation

5 February

New tax reforms to support business growth

On Feb. 5, the AmCham Customs and Taxation Committee hosted a session with Rasha Abdel Aal, head of the Egyptian Tax Authority, to discuss the latest tax facilitation measures introduced by the government.

Abdel Aal emphasized the authority's commitment to strengthening ties with the business community. She highlighted efforts by the Ministry of Finance to enhance transparency, streamline tax procedures, and address taxpayer challenges.

She reaffirmed the government's dedication to fostering a cooperative relationship with businesses and ensuring fair and effective policy implementation.

Abdel Aal highlighted key tax incentives and regulatory updates to ease the tax burden and encourage compliance. Significant reforms include increasing the threshold for small enterprises from EGP 15 million to EGP 20 million. Small businesses benefit from a five-year grace period before their first audit, reinforcing trust between the authority and taxpayers.

To enhance transparency and efficiency, the authority has introduced measures such as an extended timeframe for submitting amended tax returns — now up to five years. Late payment penalties have been capped at 100% of the original tax amount, relieving financially constrained businesses.

Abdel Aal highlighted the launch of specialized units for investor support, advanced tax rulings, and taxpayer complaints, aiming to simplify processes and resolve disputes more effectively. A comprehensive tax guide for investors has been introduced to clarify compliance requirements.

She underscored the importance of replacing arbitrary tax assessments with standardized auditing procedures and predetermined documentation requirements to create a fairer system. The goal is to ensure a balanced and predictable tax environment that supports economic growth.

Mining

6 February

Egypt's gold mining opportunities

On Feb. 6, AmCham Egypt hosted a roundtable with Alberto Calderon, CEO of AngloGold Ashanti, discussing the company's $2.5 billion investment in Egypt's gold sector. He said Egypt has a stable operational environment with strong government support, reversing initial concerns. Calderon emphasized the need for regulatory efficiency and commercial flexibility as his company awaits final approval of a mineral exploitation agreement that should enable further exploration and investment.

The discussion highlighted the mining sector as a potential catalyst for economic growth, capable of attracting multinational investment, creating jobs, and contributing to local development. However, bureaucratic hurdles and slow governmental processes pose challenges.

Calderon said key reforms are still needed, including tax law modifications, border clearance enhancements, and licensing and customs reforms.

He mentioned the Sukari mine stands as a benchmark for successful operations, emphasizing the importance of showcasing its contribution to bolstering investor confidence.

The roundtable concluded with a call for enhanced visibility and advocacy efforts. Despite challenges, the discussion reaffirmed Egypt's mining sector's vast potential. By implementing key reforms, improving regulatory efficiency, and leveraging strategic partnerships, Egypt can position itself as a leading mining investment destination.

Banking

9 February

Trump 2.0's economic policy implications

AmCham Egypt's Banking Committee on Feb. 9 hosted a roundtable with Candida Wolff, Citi's global head of government affairs, to discuss the economic and policy landscape under the second Donald Trump administration and its implications.

Wolff highlighted the administration's swift action on campaign promises, focusing on immigration, government restructuring, and economic policies.

Trade and tariffs are a core focus, with Trump viewing them as long-term economic tools. The administration is considering a reciprocal tariff policy, imposing equivalent tariffs on countries that tax American imports.

This shift raises concerns about supply chain disruptions and inflationary risks. Trump's strategy leans toward protectionism, aiming to restore manufacturing and reduce import dependency.

On the foreign policy front, Wolf said the administration favors bilateral agreements over multilateral cooperation. The broader goal is likely economic decoupling from the rest of the world.

The White House is testing the legal limits of executive power, especially in budget control and foreign aid, raising concerns about U.S. global influence and alliance stability. Many countries are exploring alternative economic partnerships.

She noted the economic outlook remains uncertain amid policy shifts. Inflation is a concern with rising tariffs, and the push to lower corporate tax rates to 15% lacks funding clarity. Mixed signals — pro-business tax cuts and protectionist tariffs — create an environment where some sectors benefit while others face increased costs. Wolf said the financial, energy, and manufacturing industries are closely watching regulatory changes.

Panel Discussion

10 February

Navigating political, economic challenges

On Feb. 10, AmCham Egypt hosted a monthly luncheon and panel discussion featuring Alex Segura-Ubiergo, IMF senior resident representative to Egypt; Stephane Guimbert, country director for Egypt, Yemen and Djibouti at the World Bank Group; Marwan El Sammak, board member at Worms Alexandria Cargo Group; Ayman Soliman, managing partner at Morpho Investments; and Abla Abdel Latif, executive director and director of research at the Egyptian Center for Economic Studies.

Segura-Ubiergo said the situation in Egypt is challenging on multiple levels. However, there has been significant progress toward macroeconomic stabilization. "We noticed that inflation has come down to 24%, still a high level, but it is much lower than ... a year and a half ago when inflation was 48%, with some [categories] reaching 70%."

Guimbert said global economic growth over the next two years should stabilize compared to last year, which was an excellent year for many emerging economies that were growing faster than more developed nations. He noted that in recent years, developed countries have seen a slowdown in trade, more fragmented value chains, tighter financial conditions, and rising climate change costs, leading to slower global growth.

Guimbert stressed Egypt's need for structural reforms that focus on creating jobs and unleashing the private sector's potential. He noted that Egypt's private investment to GDP ratio has declined to "less than 5%, compared to an average of 20% for middle-income countries and 30% for the fastest-growing countries."

Abdel Latif said Egypt must "escape the vicious circle of poor decision-making," adding that institutional reform means not only having good ministers "but having a whole cabinet that works together instead of working in silos."

Soliman sees a shifting global economic power play due to China's aging population and focusing on efficiency and productivity. That shift should favor Africa and India, whose populations are young and populous.

He said Egypt has opportunities to step in and establish itself as a partner to Europe within the global economic landscape.

He added that Egypt, with its robust economy and logistics capabilities, has the potential to become a key destination for nearshoring and supply chain integration.

El Sammak said that in 2024, the shipping industry had to deploy "10% to 15% more ships and containers to deliver the same amount of cargo due to [traffic disruptions] in the Suez Canal and the Red Sea [due to] geopolitical tensions in the region."

He said Egypt has made significant investments in ports and terminals, including new terminals in Alexandria, Dekhila, and Damietta, as well as expansions in East Port Said terminals, Sokhna and Safaga. These investments are crucial for maintaining global trade routes through the Suez Canal.

Legal Affairs

12 February

AI in the legal sector

On Feb. 12, AmCham Egypt's Legal Affairs committee organized a session on "AI for Legal Professionals," featuring Jochen Engelhardt, Microsoft's chief legal officer for Central and Eastern Europe, the Middle East, and Africa.

Engelhardt described AI as a transformative technology for all industries, including the legal sector. He emphasized AI's role as a Copilot that enhances efficiency and supports legal processes rather than merely automating tasks. He stressed the importance of using AI responsibly by considering its legal, ethical, and regulatory implications.

The session discussed the key issue of using copyrighted materials in training AI. While the EU's Article 4 of the Directive 2019/790 permits data mining for AI, U.S. law relies on the "fair use" doctrine. Privacy and data protection were also discussed, with Microsoft emphasizing robust security measures and adherence to global standards like the EU data protection regulations. He said that Microsoft's AI governance ensures strict data privacy, allowing enterprise users to maintain control over their data.

Engelhardt highlighted the need for responsible AI development to mitigate risks such as misinformation, manipulation, and harmful content. He urged lawyers to develop AI literacy to avoid errors and ethical issues that could lead to legal liability. AI tools like Microsoft Copilot are revolutionizing legal work by streamlining contract drafting, legal research, and compliance monitoring tasks.

The session also covered the EU AI Act, Canada's AI and Data Act, and initiatives by international organizations like the G7 and UNESCO. Engelhardt noted that AI regulations are evolving, and balancing innovation with responsible use is crucial.

A live demonstration showed how AI can improve legal workflows, increase productivity, and assist with contract comparison, non-disclosure agreement drafting, and document summarization.

EIC and Marketing

13 February

Branding and marketing for Gen Z

The Marketing and Entrepreneurship & Innovation (EIC) committees hosted a session titled "Gen Z in the Driver's Seat: Navigating Branding and Marketing for the Next Generation," featuring Hussein Shahabender, founder of Sight, Drop, and Rue; Ahmed Shawkat, co-founder of Shababco; and Salma Abdelhamid Attia, head of marketing at Valu.

Shawkat discussed how Shababco transformed from a small-scale event initiative into a major youth-driven platform through influencer collaborations, peer-to-peer marketing, and data-driven audience engagement. Understanding consumer behavior allowed young creatives and entrepreneurs to showcase their talents while building a strong community. He emphasized balancing creativity with financial sustainability for long-term growth.

The session highlighted Gen Z's shift in branding strategies, prioritizing authenticity, relatability, and direct engagement over traditional advertising. Shahabander emphasized flexible and adaptable brand identities that evolve with market trends. His methods focus on creating interactive experiences and using social media for personal engagement. He also discussed the importance of user-generated content in enhancing credibility and driving engagement.

Attia highlighted Valu's marketing approach, focusing on community engagement and supporting young entrepreneurs through financial accessibility. Valu partners with emerging businesses to provide installment-based payment solutions, making it easier for Gen Z founders to scale their ventures. She emphasized the importance of a relatable and transparent brand voice in maintaining trust and loyalty among young consumers.

The session concluded with a discussion of the challenges Gen Z entrepreneurs face, including scalability, financial management, and adaptability in a fast-paced digital environment. The speakers agreed that the future of branding and marketing lies in community building, data-driven decisions, and purpose-driven messaging.

CIS and International Cooperation

18 February

Strengthening private sector engagement

On Feb. 18, the AmCham Corporate Impact and Sustainability Committee and International Cooperation Committee hosted a session on "Strengthening Partnerships: United Nations Private Sector Engagement." Guest speakers included Elena Panova, resident coordinator at the United Nations, and Sahba Sobhani, director of the UNDP International Center for Private Sector Development.

Egypt hosts 27 UN agencies, with three additional agencies managing projects remotely. Cairo has 17 regional UN offices. It operates under a five-year cooperation framework with the Egyptian government, focusing on five pillars --- inclusive economic development, environmental sustainability, governance and rule of law, social development, and women's empowerment.

UN representatives highlighted the private sector's crucial role in sustainable development, promoting responsible business practices, innovation, and financing initiatives related to the UN Sustainable Development Goals (SDG). The session outlined two primary collaboration models: broad industry-wide partnerships and direct engagement with individual companies investing in UN-backed projects.

Sobhani said while global foreign direct investment declined by 8% last year, Africa saw an 84% increase, primarily thanks to the Ras El Hikma project. However, investment in SDG-related sectors like water and agriculture remains below 2015 levels. The UNDP has introduced tools like the Egypt SDG investor app and emphasized the role of green bonds and blended finance in mobilizing private capital for sustainable projects.

Other agencies presented key initiatives: UN Women discussed integrating women-owned businesses into supply chains and enhancing gender-inclusive workplaces. UNICEF emphasized education and youth employment, highlighting the need to equip young people with future-ready skills. UNIDO focused on improving industrial competitiveness, promoting circular economy practices, and facilitating SME access to finance.

The session also introduced the Bedaya Initiative, a government-led effort to enhance workforce health and youth empowerment. The UN encouraged businesses to engage through targeted partnerships and corporate social responsibility initiatives.

Insurance

20 February

Exploring the role of parametric insurance

On Feb.20, the AmCham Insurance committee hosted a session on parametric insurance with Rocio Pereira Fernandez, managing director at Marsh and head of alternative risk solutions for EMEA. The session explored how parametric insurance differs from traditional models by offering predefined payouts based on measurable external triggers rather than physical damage assessments. This approach ensures faster claim settlements and enhanced financial resilience for businesses.

Fernandez said parametric insurance relies on environmental metrics verified by third parties, including wind speed, rainfall levels, and earthquake magnitude. When a predefined threshold is met, the policy triggers an automatic payout, eliminating lengthy claims adjustments. This model is valuable for manufacturers exposed to climate risks, natural disasters, and supply chain disruptions, ensuring financial liquidity during adverse events.

The discussion covered practical applications across multiple sectors. In the energy industry, wind farms and solar power plants use this approach to hedge against fluctuations in wind speed and solar radiation.

Hospitality businesses can protect peak revenue periods from extreme weather events, while agriculture and infrastructure projects can mitigate risks related to droughts, floods, and seismic activities. A notable case study focused on the Suez Canal, where wind-related incidents, such as the Ever Given blockage in 2021, highlighted the need for structured risk transfer solutions.

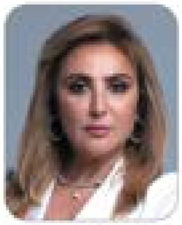
Fernandez also elaborated on how parametric insurance complements traditional policies by filling coverage gaps, addressing high deductibles, and providing immediate liquidity in crises.

The session touched on regulatory considerations, noting the importance of market acceptance and compliance in various jurisdictions. He said advances in AI and data analytics are improving risk modeling, making parametric insurance more accessible and reliable.

Membership Type:
Associate Resident

CONSTRUCTION ENGINEERING SERVICES

PICO Engineering Group
Tawfik Diab,
Chairman
Address: 6 Al Fawakeh Street, Mohandessin, Giza
Tel: :(20-2) 3336-9520/1/2
www.picoenggroup.com



Membership Type:
Associate Resident

RETAIL

Carina Wear
Halla AlKasm,
Chairman and CEO
Address: Mohammed Naguib Axis, Fifth Settlement,New Cairo
Tel: (20-2) 2616-1413
www.carinawear.com

Membership Type:
Associate Resident

FOOD & BEVERAGE

United Grocers SAE
Omar Seoudi,
CEO
Address: Land Mark Mall, Sheikh Zayed, Sixth of October City, Giza
Tel: (20-3) 8517-030
www.seoudisupermarket.com

Membership Type:
Associate Resident

REAL ESTATE

MINT Real Estate Asset Management
Alia Elnagdi,
CEO
Address: The NOX, 341-345 Street 90 North, Fifth Settlement, New Cairo
www.min-egypt.com

Membership Type:
Associate Resident

PETROLEUM

United Energy Egypt
Kamel Al Sawi,
President
Address: Plot 185, Second District, City Center, Fifth Settlement, New Cairo
Tel: (20-2) 2614-8000
www.ueel.co

Membership Type:
General

TEXTILES

TechnoTex Clothing Co.
Ehab El-Zorba,
CEO
Address: Nile Tower Building, Floor 9, 21/23 Charles de Gaulle Street, Giza
Tel: (20-2) 3776-7345

Membership Type:
Associate Resident

POWER AND RENEWABLE ENERGY SERVICES

Giza Cable Industries GC3
Ahmad Mohsen,
Managing Director
Address: 6 Ibn Malik Street, from Nahda Square, Dokki, Giza
Tel: (20-2) 3761-0353/ 37610354
www.gc-3.com

Membership Type:
Associate Resident

TRANSPORTATION

IceLinx
Ayman Yacoub,
Finance Director
Address: The Polygon SODIC Business Park, Building 6, Floor 6, SODIC West, Sixth of October City, Giza

For any change to contact information, please contact the Membership Services Department at the Chamber's office
Tel: (20-2) 3333-6900, ext. 0016 | **Fax:** (20-2) 3336-1050 | **E-mail:** membership@amcham.org.eg

NEW AFFILIATE MEMBERS

Accounting
Yasmine Hammad
Group CFO, Evergrow for Speciality Fertilizers

Construction Engineering Services
Mahmoud Mohamed
Vice Chairman, Al Bahaa Construction

Rasha Balbaa
Managing Partner, ECG Engineering Consultants Group, SA

Marwan Hamza
Deputy to Chairman, Redcon Construction

Financial Sector
Hazem Moussa
Chairman, Contact Financial Holding

Yasmine Wahid
Head of HR ,Egyptian Gulf Bank

Food & Beverage
Diana Wadid
Group Treasury Senior Director, Edita Food Industries

Samar Sobeih
Corporate and Government Affairs Manager, Mondelez Egypt Foods, Information & Communication Technology

Yasmin Abdelaty
PR & External Communications Manager, Vodafone Egypt Telecommunications, SAE

Legal Services
Tewfik Shehata
Senior Partner, Zaki Hashem

Yasmine Abouali
Consultant, Hassouna & Abou Ali Law Offices

Fatma Abouali
Communication Consultant, Hassouna & Abou Ali Law Offices

Mahmoud Ezz
Partner, MHR & Partners in Association with White & Case

Petroleum
Yasmin Ali
Senior Corporate Affairs Manager, United Energy Egypt

Pharmaceuticals
Walid ElHady
Public Affairs & Corporate Communications Head, Amoun Pharmaceutical Co., SAE

Power and Renewable Energy Services
Bryan Cory
General Counsel Mediterranean Energy Partners

Retail
Moussa Asfour
Deputy CEO, Carina Wear

Samiha Asfour
Supply Chain Partner, Carina Wear

Service Providers
Tarek Aboalhassan
CHRI, ContrackFM

REPLACEMENTS IN MEMBER COMPANIES

Hisham El Minawi
Board Member, Fawkia Hospital

Category: Associate Resident
Sector: Healthcare

Sameh Mahboub
Cairo Site Lead, Dell EMC

Category: General
Sector: Information & Communication Technology

Bahia Ahmed Ismail
CEO, Misr Insurance Holding Company

Category: Associate Resident
Sector: Insurance

Ziyad El Ahwal
Market Access, Policy, and Government Affairs Lead , F. Hoffmann - La Roche Ltd. Roche Egypt LLC

Category: Multinational
Sector: Pharmaceuticals

Abdulrahman Assal
Vice President, Globaltronics SAE

Category: General
Sector: Power and Renewable Energy Services

Change in Member Company

Hazem Helal
Chief Executive Officer - Owest, Makadi Heights & Byoum, Orascom Development

Category: Affiliate
Sector: Real Estate

SIXT Egypt

Ramadan Kareem from SIXT Egypt and Abou Ghaly Motors! As an AmCham Member, enjoy an exclusive 20% OFF your next inbound rental this Holy Month. Drive with ease and celebrate in style.

Planning to travel abroad? Rent your car through SIXT Egypt, pay in EGP, and enjoy an exclusive discount. No hassle, no currency exchange—just a smooth journey wherever you go.

Terms & Conditions:
-Booking period: 20.02.2025 – 20.03.2025
-Rental must begin on or after: 20.02.2025
-Drop off must be on or before 23.03.2025

*Discount is applied only to bookings made through the landing page.

This offer is valid until March 20, 2025

Contact:
Omar Al Amerecany
Emailto.alamerecany
@sixt.com.eg

ALDAU Development

ALDAU Development is pleased to offer AmCham Members a 15% discount on the hotels listed below.
-Hyatt Regency Cairo West based on accommodation and F&B.
- Steigenberger Pure Lifestyle Hotel (adults only / 16+) based on Hard All Inclusive
- Steigenberger ALDAU Beach Hotel based on Hard All Inclusive
- Steigenberger Aqua Magic Hotel based on Hard All Inclusive

This offer is valid until December 31, 2025

Contact:
-reservation@steigenbergerpurelifestyle.com
-reservation@steigenbergeraldau.com;
reservation@steigenbergeraquamagic.com; reservation@steigenbergerpurelifestyle.com

Hilton Worldwide

Hilton Alexandria King's Ranch is pleased to offer an exclusive discount to AmCham Members:
- 20% Discount on Accommodations
- 20% Discount on Food & Beverage
- 20% Discount on Spa

This offer is valid until December 31, 2025

Contact:
Phone: (20-3) 453-0180
Email: alykr_res@hilton.com

United Sons Moving Services

United Sons is pleased to offer AmCham members the following exclusive benefits:
- 15% Discount on any local move within Cairo city limits (up to a 50 km radius)
- 10% Discount on any local move within Egypt
- 5% Discount on any international move
- Priority booking for member companies' requests
- No overtime charge for services provided after working hours
- Free storage at our warehouse for all international move

This offer is valid until December 31, 2025

Contact:
Samer Elhamy
Tel: (20-2) 2754-4974/94
or (20-10) 6210-1998
Email:info@unitedsons.org

AmCham members can claim these discounts by presenting their AmCham 2025 membership card.

For more offers, please visit AmCham Cyberlink on www.amcham.org.eg

A Glance At The Press

Come on in ~~tomorrow~~ after Ramadan

Al Masry Al Youm, Feb 23

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.

Film wins best teaser award for MENA region

The Egyptian film "Seeking Haven for Mr. Rambo" clinched the best teaser award for the Middle East and North Africa (MENA) region at the fourth Global Entertainment Awards (GEA).

The film follows Hassan, a man in his 30s who must face his past fears. His path to self-discovery involves a mission to rescue his dog and best friend, Rambo, from an uncertain fate.

The cast includes Essam Omar, Rakin Saad, Sama Ibrahim, and Ahmed Bahaa, co-founder of the Sharmoofers band.

It marks the second GEA win for film editor Markos Erian, who previously won for his teaser of the Saudi-Egyptian film "Hajjan" (directed by Abu Bakr Shawky).

"Seeking Haven for Mr. Rambo" had its world premiere at the 81st Venice International Film Festival last year, where it was part of the official selection. It also was screened at the Cinemamed Festival in Belgium, where it won both the Grand Prize and Jury Award.

The GEA awards were announced on Feb. 16 and the ceremony will take place on March 1 in the Algarve, Portugal.

Ahram Online, Feb. 19

Tomb of King Thutmose II unveiled in Luxor

A joint Egyptian-British archaeological mission has discovered the long-lost tomb of King Thutmose II, a pharaoh of the renowned 18th Dynasty, unveiling profound insights into a period of grandeur and intrigue.

"This is the first royal tomb to be discovered since the ground-breaking find of King Tutankhamun's burial chamber in 1922," said Minister of Tourism and Antiquities Sherif Fathy.

The tomb of King Thutmose II is located in Wadi C at Theban Mountain, Cemetery No. C4, west of the Valley of the Kings.

When the archaeological team first uncovered the tomb's entrance and main corridor in 2022, they initially thought it belonged to one of the royal wives. This assumption was based on its proximity to Queen Hatshepsut's tomb and the tombs of King Thutmose III's wives, explained Mohammad Ismail Khaled, secretary-general of the Supreme Council of Antiquities, in a statement by the Ministry of Tourism and Antiquities.

The ancient mystery was resolved with the discovery of alabaster pots inscribed with his name and titles, along with references to his queen and half-sister, Hatshepsut.

Egyptian Gazette, Feb. 18

Bibliotheca Alexandrina gets Mexican heritage books

In a meeting with Ahmed Abdullah Zayed, director of the Bibliotheca Alexandrina, Leonora Mexican Ambassador Rueda Gutiérrez presented a distinguished collection of Mexican heritage books to the library.

Gutiérrez presented 32 publications that delve into Mexican history, culture, and heritage richness. She described the initiative as "a testament to Mexico's belief in the power of cultural diplomacy."

She said culture has the power to cross borders, bridge divides, and foster meaningful relationships between nations, adding that cultural exchange is fundamental to mutual understanding and cooperation worldwide.

Zayed emphasized the pivotal role of the Bibliotheca Alexandrina as a hub of knowledge and intercultural dialogue. He praised the initiative, saying it underscores the importance of collaborations that deepen ties and spark scholarly exploration between the two countries.

Ahram Online, Feb. 21


LEVEL UP
CAIRO BUSINESS PARK
LEVEL UP - CAIRO BUSNIESS PARK
10,000
DAILY EMPLOYEE CAPACITY
THE 4TH FLOOR OFFICES
LAUNCHING NOW
DELIVERY IN 2027
MISR ITALIA
PROPERTIES
CAIRO
BUSINESS
PARK