



Statement of Dr. Hala Hilmi Al-Saeed
Minister of Planning, Monitoring and Administrative Reform,
IsDB Governor for the Arab Republic of Egypt
at the opening of
The 44th Annual Meeting of the IsDB Group

Marrakech, Kingdom of Morocco, 5-6 April 2019

Excellency Mr. Mohamed Bouchaoub,

Minister of economy and finance of the brotherly Kingdom of Morocco and Chairman of the IsDB Board of Governors during this 44th session,

Excellency Dr Bandar Mohammad Hamzah Hajjar, Chairman of the IsDB Group,

Excellencies, ministers, governors and alternate governors,

Ladies and gentlemen, distinguished audience,

In the outset I would like to express my thanks and gratitude to the leadership, government and people of the brotherly Kingdom of Morocco for hosting our meeting today, and for the warm welcome and hospitality extended to us. Indeed, the people of Morocco is always hospitable. Moroccan people, history and civilisation have a special place in our hearts. We wish our Moroccan brothers more development and prosperity. I also thank his Excellency, Dr. Bandar Hajjar, Chairman of the IsDB Group, the IsDB management and those responsible for the good preparation and organisation of the Board of Governors' meetings.

Ladies and Gentlemen,

As we meet today, the world is witnessing fast and highly critical political and economic changes which cast a shadow on the development needs and challenges in various countries around the world, especially the IsDB member countries. In light of these challenges, many of the member countries are making efforts to achieve comprehensive and sustainable economic, social and environmental development in accordance with national agendas in line with the United Nations goals of the 2030 sustainable

development agenda. The national efforts and plans have a pressing need to adapt to the fast development changes, especially the technological transformation and the advent of a new industrial revolution: The Fourth Industrial Revolution, and all the opportunities and challenges that come with it; namely the constant changes of production methods, the proportional importance of its elements, and the increasing probability of the disappearance and appearance of new forms of jobs. This requires our countries, which have young societies with a high percentage of youth and people aged between 15 and 30, to work on understanding these transformations and correctly deal with them. Our countries need to create more appropriate job opportunities to the 100 million people who will have joined the job market by 2030, with an average of 10 million per year.

Development financing is one of the key factors that determine whether countries can move forward with implementing sustainable development programmes and projects. I believe that we agree that development programmes and plans, within a United Nations framework through the 2030 sustainable development agenda or within a national framework, need financing and mobilising the necessary resources. This requires efficient partnerships between governments, the private sector and civil society to meet the increasing financing needs. The estimates may vary but there is consensus that the need rose from billions to trillions of dollars to finance development programmes. It is estimated that the financing needs for all the countries in the world to achieve the sustainable development goals range between 5 and 7 trillion dollars per year until 2030. The financing gap to achieve the sustainable development goals in the brotherly member countries of the Organisation of Islamic Cooperation is estimated at 1 trillion dollars.

In this regard, we laud the comprehensive development model adopted by the IsDB in implementing the IsDB ten-year strategy, which includes all the partners: the government, the private sector, civil society institutions, research centres, and universities. We also

stress the importance of the Bank’s role in forming value chains and encouraging sectors where our member countries have comparative advantages. We believe that this participatory method is the most appropriate nationally, regionally and globally to achieve comprehensive and sustainable development. This is supported by the United Nations 2030 sustainable development agenda, specifically Goal 17 “Strengthening the means of implementation and revitalize the global partnership for sustainable development”

Therefore we call for the IsDB and its entities to keep working with the same method on implementing the IsDB ten-year strategy and keep the efficient development partnership with the member financial institutions of the Arab Coordination Group, and the partnerships with the other regional and international financing institutions to provide co-financing to the massive financing needs for development projects, especially infrastructure projects, which are necessary for achieving regional connectivity, intra-trade management, joint investments of member countries and achieving sustainable growth.

Ladies and Gentlemen,

Egypt keeps making efforts to achieve comprehensive and sustainable development through an ambitious national strategy: “Egypt’s Vision 2030” which enjoys the full support of the political leadership. This vision is in line with the three UN development dimensions: the economic dimension, the social dimension and the environmental dimension. This vision also represents the overall framework for the periodic action plans and programmes for the forthcoming years. Egypt made sure that the preparation, formulation and implementation of this vision are achieved through an inclusive social partnership that includes the government, the private sector, civil society and all development partners.

Within this framework, the national programme for economic and social reform, launched in November 2016, was implemented. In addition to stabilisation policies, it included the liberation of the exchange rate and structural reform procedures for certain sectors, namely the energy sector. The programme also included a number legislative and institutional reforms through the adoption of laws and legislation including: The industrial authorisations code, and the new investment code which aim at simplifying the procedures for projects implementation and encouraging the private sector to participate in the implementation of the main infrastructure projects. The Egyptian government also works on stimulating the private sector and achieving sustainable growth by intensifying public Investments in infrastructure projects and improving their quality by implementing several great national projects such as: The national road network project, energy projects including new and renewable energy generation projects, the Suez canal axis development project which is a strategic project for Egypt and the world, the creation of industrial zones, new cities like the new administrative capital in addition to other national projects with a significant socio-economic impact.

Simultaneously the Egyptian planning system is under improvement to increase public spending effectiveness and efficiency, and amplify the benefit of the available financial resources by expanding the implementation of the programmes and performance budget as one of the main objectives of the state's financial and economic policy, in addition to the implementation of a comprehensive governance and administrative reform plan for Egypt, shifting into a digital society, encouraging the use of electronic payment means, achieving financial inclusion in order to increase the effectiveness of monetary and financial policies and facilitate financial settlements, fostering sustainable economic growth, preparing the environment and climate that support competition investment, the creation of jobs and achieving comprehensive and sustainable development.

These reforms and efforts have achieved tangible successes lauded by international institutions. In light of the positive results and indicators of these reforms, the Egyptian economy achieved increasing growth rates that reached 5.5% in the first half of the current year, which is the highest growth rate achieved by Egypt in ten years, higher than growth rates in developing countries and emerging economies. The unemployment rate also dropped to 9.9% compared to 13.2% in 2013/2014.

Ladies and Gentlemen,

We are aware that the positive results and indicators that we achieved are merely the beginning of a long journey of hard work, however we are determined to carry on this journey. We are also aware that it would not have happened without an efficient partnership between all the parties: the government, the private sector, civil society in addition to national, regional and international financing institutions namely the IsDB. Egypt is a proud founding member of the IsDB and also takes pride in the exceptional development partnership with the IsDB over four and a half decades, which resulted, till now, in the financing of 258 projects with a value of US\$11.64 billion. 190 projects were completed and 60 are under implementation with a value of US\$2.75 billion covering various development areas, especially the sectors of energy, infrastructure, industry, agriculture, health and education...

Both parties are working on maintaining this fruitful cooperation and efficient partnership through the implementation of the strategic cooperation agreement between the Arab Republic of Egypt and the Islamic Development Bank signed in Cairo last October, which involves providing a US\$3 billion financing for several projects in development areas that are considered priorities by the Egyptian

government especially in energy and infrastructure. Egypt and the IsDB also signed last October an agreement to create an IsDB Group regional hub in Cairo. Implementation measures have already been taken to activate this agreement. This will boost the Bank's activity and foster the development role of the IsDB Group's entities, in Egypt and in the Arab and African region as well.

In conclusion I reiterate my thanks and appreciation to the IsDB Group for the good preparation and organisation of these meetings. I also reiterate my thanks and gratitude to the brotherly kingdom of Morocco for hosting our meetings today. I wish you all success and prosperity.

Was-salamo alaykom wa rahmat Allah wa barakatuh.