On 6 August 2015, Egypt will complete a historic $8.6 billion expansion of the Suez Canal. The enlargement of this strategically important waterway, announced just 10 months ago as part of President Abdel Fattah El Sisi’s larger vision for modernizing and advancing Egypt’s economy, will increase capacity, allow two-way maritime traffic for the first time, reduce waiting and transit time and create new jobs and revenue. Funded entirely by the Egyptian people through investment certificates, the megaproject represents a watershed moment for the country’s economic aspirations and reinforces Egypt’s role as a major hub for global commerce and trade. In addition, the new Suez Canal Area Development Project (SCZone) will have a transformative impact on Egypt’s economy as a whole. Launched August 2014, SCZone creates an industrial development corridor along the canal. It is poised to support nearly one million new jobs and two million new residents as well as turn the region into an innovative, integrated value-added services center with an international reach.

CONDUIT FOR GLOBAL TRADE

The 145-year old Suez Canal is one of the world’s most critical waterways. The Suez Canal reduces maritime supply chain routes by nearly 43 percent, or over 4,800 nautical miles. Nearly 10 percent of all global commerce and 416,000 tons of cargo pass through the canal each year. Revenue hit $3.26 billion during the first seven months of FY 2014/2015, with 10,399 vessels carrying 586.2 million tons of cargo traversing the canal. August 2014 saw the highest monthly revenue in the canal’s history, at $510 million. The project to add a second 45-mile channel to the canal has involved dredging by six international firms, including Illinois’ Great Lakes Dredge and Dock Company.

NEW SUEZ CANAL: BY THE NUMBERS

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Expansion</th>
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</thead>
<tbody>
<tr>
<td>SHIP CAPACITY PER DAY</td>
<td>49</td>
<td>97</td>
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<tr>
<td>ESTIMATED SHIP CAPACITY PER YEAR</td>
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<td>ESTIMATED SHIP WAIT TIMES</td>
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<tr>
<td>SOUTHBOUND TRANSIT TIME</td>
<td>18hrs</td>
<td>11hrs</td>
</tr>
</tbody>
</table>
SUEZ CANAL ZONE: A NEW ECONOMIC HUB

The benefits to the Egyptian people and global investors of the Suez Canal project extend well beyond increasing canal traffic volume. A new integrated network of economic centers is being created, known as the Suez Canal Area Development Project (SCZone). The SCZone is an innovative development area that will transform 76,000 square kilometers along one of world’s most important trading routes into an international commercial hub. It will efficiently and competitively provide access to over 1.6 billion consumers across Europe, Asia, Africa and the Gulf, including Egypt’s growing population of 90 million.

A masterplan for this megaproject has already been completed. A detailed exposition of the key projects in the different sectors can be viewed through this link: http://www.sczone.com.eg/English/Pages/default.aspx

FOUR CUTTING EDGE PORTS

The SCZone includes the creation or redevelopment of four world-class ports including: East Port Said, Ain Sokhna Port, 10th Ramadan Dry Port and Ismailia Dry Port.

East Port Said and industrial complex will be the country’s premier container hub and trade gateway. The expansion includes a $3 billion container terminal with a yearly capacity of 20 million twenty-foot equivalent units (TEUs), potentially making it the fifth-largest port in the world. Additionally, the port will include a fully integrated container terminal, general cargo and dry bulks terminal, liquid bulks terminal and a dedicated area for automotive products.

Ain Sokhna Port and Industrial Zone is strategically located at the southern entrance to the Canal. This port will be transformed into an ultra-modern, multi-purpose facility, capable of handling large ships by increasing container capacity to 5.1 million TEUs per year, making it Egypt’s main gateway to the Gulf Cooperation Council, East Africa and Asia. Alongside the port, 4,000 hectares will be made available for light and medium manufacturing activities and 2,260 hectares for heavy industries. The construction of a business district will support commercial and retail activities as well as an R&D park.

Both the 10th Ramadan and Ismailia Dry Ports will help facilitate movement of goods between the ports and the domestic market. The 10th Ramadan Dry Port will eventually serve as the regional freight hub for all the ports of the SCZone while Ismailia Dry Port will contain specialized facilities for the handling, transit and storage of agricultural commodities.

AGRICULTURE, MANUFACTURING AND TEXTILE COMMERCE

Expanding agricultural and manufacturing capacity in the SCZone is a top priority. This includes:

- Agricultural supply chain optimization by expanding and developing storage and transportation facilities specialized to agribusiness needs. This will eventually support up to 60,000 metric tons of agribusiness output per year
- Nearly 8,000 hectares for light manufacturing with a potential output of:
  - 400,000 automobiles per year
  - 1,000,000 domestic appliance units per year
  - 3,000 tons of textile products per year

CLEAN ENERGY AND WATER

The SCZone will diversify and increase Egypt's power supply through the construction of wind farms, gas turbines and waste to energy incineration plants.

- The two wind farm sites will generate 650 megawatts (mw) of green power
- An open-cycle gas turbine power station west of Suez City will generate 1,125mw of power
- Three combined cycle gas turbine power stations in East Port Said and Ain Sokhna will generate 3,625mw of power
- Four waste-to-energy plants will reduce waste and generate 60mw of renewable energy

New and expanded wastewater treatment plants across the SCZone will ensure clean water and suitable capacity for expanded industrial growth. By 2030, total additional wastewater treatment capacity for the SCZone will equal 915,000 cubic meters.