

Egypt - Zambia Virtual Business Forum

Tuesday 22nd of December 2020

EBA has held Egypt - Zambia Virtual Business Forum in cooperation with the Egyptian Commercial Service and the Zambian Development Agency Under the auspices of the Ministry of Trade and Industry of Egypt & the Ministry of Commerce, Trade and Industry of Zambia on Tuesday 22nd of December 2020 at 10:00 headed by Eng. Ali Eissa the chairman of EBA and Dr. Sherif El Gabaly Board Member and the chairman of Africa Committee in EBA in the presence of the two ambassadors H.E. Amb. Ahmed Mostafa Ambassador of Egypt to Zambia and H.E General Toply Mulambo Lubaya - Ambassador of Zambia to Egypt.

H.E. Mrs. Nevine Gamea' , Minister of Trade and Industry, confirmed that

The current period is considered one of the most difficult periods that the international economic system is passing through, considering the COVID 19 pandemic imposing challenges on the economies, which led to the decline of economic growth rates in some countries and a slowdown in other countries. Therefore, more effort should be exerted on the national and regional levels.

On the national level, the Egyptian government succeeded not only in facing these challenges but also in achieving positive economic growth considering the precautions that Egypt has implemented on the economic and health levels, maintaining the balance between the continuation of various economic activities, and safeguarding the public health of the citizens.

The most notable economic actions that Egypt has implemented to face these challenges are represented in facilitating the customs clearance operations, loan repayment facilities and the cancellation of interest on arrears.

On the regional level, we are aware that the African economy is one of the most affected economies by the COVID 19 pandemic, which requires more joint effort to be exerted with our strategic partners in the African continent, on the top of them Zambia.

She mentioned that organizing today's forum during this critical time is considered a positive step to encourage the trade and investment cooperation between Egypt and Zambia, and will doubtlessly, work on increasing the trade exchange between the two countries, that has reached an amount of 250 million US\$ by the year 2019, which does not match with the strong relations and the historical bonds between the two countries, therefore, we are requested to exert more joint efforts to increase the trade exchange and encourage joint investments, in addition to having a joint will to overcome these challenges, that cannot be reached without the total coordination with our strategic partners.

She added that Egypt and Zambia have a lot of opportunities to develop the trade and investment cooperation considering the strong political bonds between the two countries, and the customs exemption given by the COMESA agreement. Therefore, the Egyptian and the Zambian business communities should study the available opportunities in the various trade and investment sectors and benefit from the information offered and presented in this respect to know the competitive advantages of each country in each sector and benefiting from these advantages in consolidating and enhancing the joint economic cooperation.

Through today's agenda, we are going to highlight on the most important available trade and investment opportunities for the cooperation between the two sides. In addition, to tackling the transportation, shipping and financial services which are considered the most crucial topics affecting the trade and investment exchange between Egypt and Zambia, I am definitely sure that tackling and presenting these topics will participate in supplying and providing the business communities in the two countries with the required information needed to start establishing joint trade and investment cooperation.

Also she seized this opportunity to invite the participating companies in this forum, to submit their inquiries, their comments and their remarks on the different topics that will be presented, and also to submit their recommendations to realize the benefits from their participation, which will positively reflect on the joint trade and investment co-operation between the two countries.

She confirmed the importance of the following points:

1. Continuing the coordination efforts between the two countries to organize more promotional events to encourage the trade and investment exchange, focusing on the priority sectors.
2. The importance of organizing sectorial events to present more details about the available opportunities in these sectors.
3. Benefiting from the Egyptian companies already existing in Zambia and trying to replicate their experiences in the priority sectors.
4. The private sector should take advantages of the regional trade agreements in which both countries are members, in increasing the joint trade exchange and investment, especially with the expected chairmanship of Egypt to the COMESSA next year, and Zambia hosting its permanent headquarters, in addition to the AFCFTA (AFRICA Continental Free Trade Agreement) that will come into force by the beginning of next year 2021.

She thanked all those who prepared and organized this forum, wishing that it will offer the chance to the participating companies to be aware of the available fields and the promising opportunities for joint co-operation, establishing trade and investment partnerships that will participate in developing the economic relations between Egypt and Zambia.

For his part, Eng. Ali Eissa, Chairman of the EBA gave a brief introduction on EBA, it is a non-governmental association established in 1979, he added that we have been working for more than 40 years as a lobbying & advocacy power as well as working in close partnership with the government to support the policy makers to take the necessary actions for a better business environment.

EBA has a strong membership base that consists of more than 450 members representing 1300 companies covering all types of business.

We are always keen to have the think tanks of the Egyptian economy under our umbrella which reflects the positivity of the relations between EBA ns all decision makers in Egypt. It is worth mentioning that some of our members have been nominated to leading positions in the government and also, some were elected in the

senate and the parliament, and on this occasion, I would like to congratulate Dr. Sherif El Gabaly for being elected as a member of the Egyptian parliament.

Since the mid ninetieth we gave utmost importance to our relations with our neighbors in the African continent, that is why we were the pioneers in adopted the idea of one of our members to launch the first shipping line to east Africa, as well as, we have participated in the establishment of a company to study and promote the investment opportunities in Africa. Finally, we have established a committee under our umbrella for the development of African relations chaired by Dr. Sherif El Gabaly.

I wish that this forum would realize its goals in creating the awareness on the Zambian economy and on the tools that might facilitate the flow of doing business, in addition to creating the necessary links between the stakeholders from both sides

Dr. Sherif El-Gabaly, member of the Board and Chairman of the Africa Committee in EBA, stressed on the importance of the role of commercial representation offices and the banking sector in promoting Egyptian African trade cooperation and promoting opportunities in the two countries, that is why we have established under our umbrella a special committee to promote and enhance the relations with Africa, as well, we have recently joined the COMESA business council based in Zambia.

Being the chair of the Africa Committee, I would like to highlight some of our main committee's objectives:-

- It presents the business interests to all policy organs and speaks on behalf of the private sector to the highest levels of decision making.
- It plays a critical role in integrating the key drivers into the direction of a successful market driven economy that supports growth, development, and regional wealth.
- It promotes intra – trade and investment through the African Continent.
- It works on enhancing member competitiveness through the provision of demand driven value added services through ongoing communication with counterpart business organizations in the region.
- It promotes effective regional integration.

He said no doubt that what is happening nowadays will lead to dramatic changes in the economic powers across the world. It is time for the African countries to join forces to face all the expected changes, and it is the responsibility of the large African

countries such as Egypt and Zambia to magnify the intra African cooperation and get the best use of our continent resources to enhance the flow of trade and investment among all African countries.

Today's event is of great importance to us , since we are all very keen to strengthen and reinforce cooperation between Egypt and Zambia.

Our forum today reflects the will of both parties to collaborate in paving the way for more private sector interactions especially that the trade figures do not reflect the full range of possibilities existing in both countries.

Indeed, we pay a special attention to Zambia not only for having the COMESA headquarters based in, but also because of the high potentials there, in the fields of agriculture, tourism, pharmaceuticals and manufacturing.

I wish you all a fruitful event and a good networking.

H.E. Ahmed Mostafa, Egypt's ambassador to Zambia, stressed on the important role of the private sector in developing trade exchange and investments between both countries, pointing to the Egyptian and Zambian governments' support for all forms of cooperation between the two countries in the fields of trade and investment, as well as the two governments 'keenness to Developing the balance of trade exchange between them.

Then he added that Egypt is striving to remove all obstacles to push and strengthen trade and investment exchange between the two countries and raise them to the level of good political relations between the two sides, especially in the presence of trade agreements that bring Egypt and Zambia together, especially the COMESA agreement. The Egyptian economy is one of the economies that have achieved stability and growth despite the Coronavirus pandemic and are able to complete the process of economic development.

He referred to the importance of the forum as a platform to meet industrialists and investors from both sides to introduce trade and investment opportunities, pointing to the visit of the Egyptian Federation of industries delegation to Zambia in 2019 to discuss investment opportunities available between the two countries, pointing out that the results and recommendations of the Egyptian-Zambian Forum are expected to be reflected. Positively, on the volume of trade exchange and mutual investments

between the two sides, as part of the country's efforts to support economic cooperation with African countries.

Zambian Minister of Trade and Industry H.E. Christopher Yaluma said that the COVID-19 pandemic has negatively affected the global economy and therefore, Egypt and Zambia are no exception. Supply chains have been disrupted, companies have downsized their staff levels, market confidence has been significantly eroded, and consumer and investment demand are shrinking, leading to the slowdown of global economic activity.

Notwithstanding the impact of the Covid-19 pandemic on the global economy, the Government of the Republic Of Zambia remains committed to implementing positive and forward-looking economic and investment policies, aimed at creating an enabling business environment for economic recovery and positive economic growth. As such, Zambia is open for Trade and Investment.

He mentioned that that His Excellency, Mr. Edgar Chagwa Lungu, President of the Republic of Zambia launched the Economic Recovery Programme on 17th December 2020 to address the various dimensions of the current challenges. The Programme sets out the choices that Zambia has to make over the next four years and provides a clear roadmap of strategic policy actions, focusing on building the private sector as the key driver of economic growth.

He pointed on that trade between Zambia and Egypt is heavily skewed in favour of Egypt. In 2019, Zambia's exports and imports to and from Egypt, stood at 71 Thousand United States Dollars and approximately 16 Million United States Dollars respectively. Further, with regards investment, we have a few Egyptian companies such as Elsewedy Cables, Imex Stardarn Limited, Nuba Homes and Hawaii Real Estates Limited that have invested in Zambia. I look forward to a time when I can also enlist Zambia investments in Egypt and a balanced trade portfolio between the two nations.

the main goal of convening the joint Egyptian-Zambian Business Forum is to deepen long-term cooperation between Egypt and Zambia at the commercial and investment levels, especially in light of the challenges facing the global economy currently, on top of which is the outbreak of the new Corona virus.

"Yaluma" mentioned that the launch of this forum coincides with the launch of the Zambian President's economic recovery program 2020-2023, which aims to

address the economic challenges currently facing Zambia, on top of which are stagnant growth, unemployment and a decline in economic activity.

Zambia is known globally for its copper production but has a number of export products that Egyptian companies can import, either for direct consumption or intermediate use in production. These ready export products include coffee, tea, tobacco, cotton, precious stones, wood and wood products, sugar and cement, among others.

Topoli Lobaya, Zambian ambassador in Cairo, affirmed the keenness of his country, the Zambian president and the government to encourage cooperation with Egypt in various fields, in trade and investment, especially since the two countries are endowed with untapped natural resources and wealth.

Eng. Ashraf Saeed, CEO of Al-Nasr Import and Export Company spoke about the plan to restructure Al-Nasr Company as part of the Bridges initiative adopted by the Ministry of Business Sector.

He said that the restructuring plan of the Nasr Company includes changing the business model to be based on mediation, marketing and providing an integrated package of logistical services, explaining that the two companies Egypt for import and export and Egypt for foreign trade will be merged during the year 2021, pointing out that the victory company has 10 foreign branches. In Zambia, Kenya, Tanzania, Uganda, Niger, Central Africa, the Democratic Republic of the Congo and the Congo-Brazavia, next to Syria, in addition to the Dubai branch of the Misr Import and Export Company and 15 foreign branches rented.

He pointed out that the restructuring plan also includes expanding the scope of work to include the rest of the continents beside the African continent and the Middle East to all regions of the world according to the most important current and potential trading partners and global trade centers, pointing to the completion of the establishment of a joint company with the private sector for mediation and marketing in East Africa, where the Providing logistical services to it through the Nasr Company, and opening brokerage and marketing offices in Ivory Coast and Ghana during the first quarter of 2021, next to offices in Central Africa in Rwanda during the second quarter, Zambia in the third quarter and South Africa in the fourth quarter in addition to the opening of two brokerage and marketing offices in the country Cameroon in 2022.

He continued, regarding logistical services, it is planned to provide an integrated package of logistical services, brokerage and marketing services, as it includes, land transport services, customs clearance and collection at the port of export, shipping, storage, insurance, promotion and mediation in addition to financing through Cooperation agreements with Egyptian banks.

Mr. Hany Omar Al-Khattab, Deputy General Manager of Banking Operations at the Central Bank of Egypt, started with the role of financial services in promoting trade and investment between Egypt and Zambia, and he also reviewed the regional payment and settlement system (REPSS).

Gamuchirai Moyo, advisor to the African Bank for Export and Import, also reviewed the Mansa platform launched by the bank and its role in facilitating African trade, stimulating intra-African trade by reducing risks and addressing the main trade-related challenges facing the continent, including the lack of market information. And the high cost of doing business in Africa and discovering African extremes.

Closing Remarks by Dr Chisoma Lombe the Interim Vice Chairperson of the Board-Zambia Development Agency in the end of the meeting Zambia has a number of priority sectors open for investment directly or through joint ventures and partnerships.

I also urge Exporters and Importers to take advantage of the preferential access to the COMESA market and to be ready to exploit the single large market under the African Continental Free Trade Area that will come into force by January 2021.

In this regard I would like to congratulate Afrexim Bank for introducing MANSA Repository, a customer due diligence platform that will serve as a primary single source of data collection center on African corporates, MSMEs, Financial Institutions, as well as investment information in Africa.

I therefore encourage our exporters and importers to make use of MANSA and derive the necessary benefits aimed at growing trade and investment in Africa

I also urge the Zambia Development Agency and the Egyptian Commercial Services to record and follow up on all the trade and investments leads that will be generated through this platform.

Further, ZDA and ECS should arrange for individual sector specific match making in the first quarter of 2021 for all the sectors represented here today so that Importers, Exporters and Investors can deepen their engagements with each other to achieve maximum gains.

To view the presentations presented by the speakers, please go to the link

<https://drive.google.com/file/d/1jrEeU44AKigamajL4n63ACIbWWvgESZt/view?usp=sharing>