

The Delegation of The African Association of Automotive Manufacturers (AAAM) Explores Opportunities for Automotive Sector Development in East Port Said's Integrated Industrial Zone - EP.

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The African Association of Automotive Manufacturers recently held its periodic meeting in East Port Said industrial zone, with an eye to promoting the development of regional value chains and strengthening the automotive sector across the continent. The meeting brought together representatives from leading car manufacturers and component suppliers worldwide, under the leadership of Mike Whitfield, President of the association and Group Strategic Advisor Policies, Political Affairs and External Relations of Nissan Motor Corporation, and Martina Biene, Chairperson and Managing Director of the Volkswagen Group, South Africa. The delegation also gathered esteemed executives including Gerhard Botha, General Manager of Toyota South Africa Motors, Sharon Nishi, Managing Director of General Motors Egypt - North Africa, and Markus Thill, President of Robert Bosch - Africa.

The visit was attended by the esteemed H.E. Minister Ahmed Samir, Minister of Trade and Industry, and H.E. Adel El Ghadban, Governor of Port Said. The delegation was welcomed by H.E. Waleid Gamal El-Din, Chairman of the General Authority of the Suez Canal Economic Zone, and Eng. Karim Sami Saad, Chairman of the Board of Directors of East Port Said Development Company.

The meeting was held by Mike Whitfield, President of the Association, Consultant for Political Affairs and External Relations of the Nissan Group, and Martina Biene, CEO and Managing Director of the Volkswagen Group South Africa.

"The automotive industry and its feeding industries are one of the industrial sectors targeted to be localized in the SCZONE's strategic plan 2020/2025, in terms of its prime and unique location, especially with the integration of East Port Said industrial zone with its Port and the ease of access to regional markets, also the investment incentives for the automotive industry that launched by the Egyptian government last October, to meet the needs of the increasing demand for this sector during the coming years in both the local and African markets." Mr. Waleid Gamal El Dien SCZONE Chairman declared.

Mike Whitfield, President of AAAM Advisor to Nissan Motor Corporation said that: "Egypt will be a hub for vehicle manufacturing and a significant player in the auto production and trade system within the AfCFTA. Which will see a growth in demand from 1.1mn new

vehicles to 5mn in the next 15 years. This will enable deep industrialization of the value chain in Egypt and across Africa."

In the same context, "The AAAM applauds Egypt's East Port Said for developing a world class ecosystem of logistics, infrastructure, and services, that will support the evolving auto industry on the African continent" David Coffey, CEO of AAAM announced.

After the meeting, the delegation visited East Port Said Port to get acquainted with its components, which was recently ranked among the top 10 global ports in terms of efficiency, according to a World Bank report. The delegation also inspected the container berth operated by the Suez Canal Container Terminal, and the Suez Canal Ro-Ro Terminal, which is operated by an international consortium including Toyota Tsusho, NYK and AGL.

The delegation also visited the construction site of the Egyptian National Company for Railway Industries (NERIC) factory, which aims to assemble Rolling Stock and subway vehicles locally to be localized locally. The delegation was received by Eng. Ahmed Al-Mofti, General Manager of NERIC, who confirmed that the company has ambitious plans to start production during the first quarter of 2024, within the framework of the strategic plan and Egypt's Vision 2030, pointing out that NERIC has signed a cooperation agreement with Hyundai Rotem to supply 320 A metro carriage for subway lines 2 and 3, and a contract is underway to produce 500 railway passenger cars.

After the end of the site visit, a meeting was held for the delegation, with the participation of Gerhard Botha, General Manager of Toyota Motors South Africa, Sharon Nishi, Managing Director of General Motors Egypt and South Africa, and Markus Thill, CEO of Bosch in the African region.

The meeting was to review the automotive industry strategy in Egypt and the incentives offered by the government to promote and localize that promising sector in the Egyptian and African markets.

Chairman of East Port Said Development Eng. Karim Sami Saad commented: "The integration of various elements within the East Port Said industrial zone makes it the prime destination for harnessing opportunities and maximizing benefits for the automotive sector in the region. Through strategic development and enhancing local and worldwide partnerships, we aim to create a thriving automotive ecosystem that attracts investments, fosters innovation, and drives economic growth."

Dr. Ahmed Fikry Abdel Wahab, the Managing Director of EP and Vice president of AAAM also expressed his optimism about the future of the automotive industry in Egypt, stating that: "East Port Said Development Company is making efforts to attract a number of different brands from global automobile manufacturers to participate in a joint automotive manufacturing complex. East Port Said aims to establish a specialized zone for automotive manufacturing, known as EPAZ".

It is noteworthy that the Association of Automotive Manufacturers in Africa aims to work with countries and institutions in the African continent to promote the development of regional value chains for the manufacture and supply of components and to enhance the automotive sector throughout the continent.

—End of press release—

Founded in 2015 by global Automotive Companies and Original Equipment Manufacturers (OEMs), among other institutions, the African Association of Automotive Manufacturers (AAAM) collaborates with African governments to promote the development of the automotive sector in the region and drive economic growth. The association is committed to fueling the African automotive industry and helping it reach its fullest potential through creating a strong network of stakeholders and encouraging worldwide partnerships.

About EP

East Port Said Development (EPSD) is the developer and promoter for the new industrial area in East Port Said Special Economic Zone ep. The zone is located at Egypt's most strategic location, the northern end of the Suez Canal and benefits from a predictable and transparent legal and regulatory framework, which provides various investor incentives. The company has been established by the Industrial Development Group (IDG), the National Service Project Organization (NSPO), Samcrete and Hassan Allam Holdings.

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