

## **IFC Appointed as Strategic Advisor to Government of Egypt for its Asset Monetization Program**

**Cairo, Egypt, June 18, 2023** – IFC is joining forces with the Government of Egypt to boost private sector participation in the economy – helping to increase competitiveness, create jobs, and improve living standards for Egyptians.

IFC was appointed today as the strategic advisor for the government's Asset Monetization Program, which will focus on harnessing private capital and know-how to manage state-owned assets. The program is part of the government's State Ownership Policy (SOP), a new framework rolled out in December 2022 aiming to empower the country's private sector across sectors to spur economic growth. This is the first agreement within the World Bank Group Egypt Country Partnership Framework, jointly developed with the Government of Egypt and launched in March 2023.

As per the **Transaction Advisory Services Agreement** (TASA) signed in the presence of H.E. Prime Minister of Egypt Dr. Mostafa Madbouly today, the IFC will provide the government with technical assistance and advisory support to develop a strategy and implementation plan, help structure and prepare assets for sale - including improving corporate governance - and ultimately implement selected approved transactions.

**H.E. Prime Minister of Egypt Dr. Mostafa Madbouly** said: "Today we appoint the IFC as the Government's strategic advisor for the Asset Monetization Program, leveraging on its experience in supporting private sector companies in emerging markets. The IFC is uniquely placed to play this role given its neutrality, strong reputation, broad global experience in privatization transactions, IPOs, trade sales and PPP tenders; multi-sectoral experience, and deep ties with strategic and financial investors focused on Egypt. Through the new agreement signed, the IFC will work in close coordination with the Egyptian cabinet's Asset Monetization Unit to operationalize and implement the privatization strategy and harness private capital. The agreement will structure and prepare assets for sale - including improving corporate governance - and ultimately the implementation of selected approved transactions in the second phase of the program."

"IFC has been a key partner of Egypt for several decades," said **Makhtar Diop, IFC Managing Director**. "Our appointment as strategic advisor to support the sale and monetization of state assets will further unlock the potential of the private sector to build a sustainable, resilient, and inclusive economy for Egypt."

IFC has a strong track record of supporting governments around the world in attracting private sector investments in state assets. IFC has led transactions of asset monetization for state companies in Kenya, Brazil, and Cameroon, among others, raising private investment for the governments. Additionally, IFC has also structured public-private partnerships for critical infrastructure such as Queen Alia International Airport in Jordan and the Hajj Terminal in King Abdulaziz International Airport in Saudi Arabia.

IFC's appointment is a significant milestone in its longstanding relationship with the Government of Egypt to increase private sector participation in the economy. Initiated by the Ministry of International Cooperation and in partnership with the Prime Minister's

Office and the Central Bank of Egypt, IFC's support will help the program attract private investment into Egypt. Today, the TASA was signed in the presence of H.E. Prime Minister of Egypt Dr. Mostafa Madbouly.

### **Minister of International Cooperation and Egypt's Governor at the World Bank**

**H.E. Dr. Rania A. Al-Mashat** said: "IFC is the largest global development institution focused on the private sector in emerging markets and one of its biggest programs is in Egypt. The Transaction Advisory Services Agreement between Egypt and the IFC expands the partnership and is the first operation to be signed under the recently launched 2023-2027 Country Partnership Framework with the World Bank Group, specifically supporting the government's SOE reform agenda and harnessing private capital. As the Government's strategic advisor for the Asset Monetization Program, IFC will provide advisory support and technical assistance to identify a privatization model for each SOE, acknowledging the potential target investors, and defining the sale process for each SOE under the program."

"Monetization of state assets is one of the most critical requirements to Egypt's economic development," said **Hassan Abdalla, Governor of the Central Bank of Egypt**. "The Central Bank of Egypt is proud to contribute to this multi-stakeholder effort that signals to the world – clearly – that Egypt is open for business."

Since beginning its operations in Egypt, IFC has invested and mobilized more than USD\$7 billion in investment projects and has an advisory portfolio amounting USD\$34 million in Egypt, which have supported the private sector in key areas such as access to finance, fintech, climate finance, manufacturing, infrastructure and renewable energy, healthcare, and gender.

### **About IFC**

IFC — a member of the World Bank Group — is the largest global development institution focused on the private sector in emerging markets. IFC works in more than 100 countries, using its capital, expertise, and influence to create markets and opportunities in developing countries. In fiscal year 2022, IFC committed a record \$32.8 billion to private companies and financial institutions in developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity as economies grapple with the impacts of global compounding crises. For more information, visit [www.ifc.org](http://www.ifc.org).

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