

## **The Central Bank of Egypt Concludes the Third Phase of Egyptian Money Market Development Project**

The Central Bank of Egypt - in coordination with the Ministry of Finance, the Egyptian Stock Exchange, the Financial Regulatory Authority, and the banks operating in Egypt – has successfully completed the third phase of the Government Securities' Primary Issuance Ecosystem, as well as modernizing the process of execution and settlement of the secondary market operations, while also transferring the activities of central depository and settlement of the Egyptian treasury bills and bonds to the Egyptian Central Securities Depository Company (ECSD) - specifically established for this purpose - starting September 24<sup>th</sup>, 2023.

This achievement will assist in developing, enhancing and improving the efficiency of trading Egyptian treasury instruments in alignment with the best international standards and practices in that regard, resulting in the attraction of new types of investors from local and foreign financial markets. This development would also foster a competitive environment that achieves fair and transparent pricing of the instruments.

With the joint efforts of both teams from Banking Operations, Markets, Information Technology and Risk Management and Information Security Sectors of the Central Bank of Egypt, in conjunction with the Egyptian Central Securities Depository company (ECSD), they were able to effectively prepare all technical procedures and infrastructure needs for the development and integration of these systems, to ensure the optimal execution of operations. The taskforce also benefited from the valuable assistance received from the European Bank for Reconstruction and Development (EBRD).

The implementation of this phase required the collaboration between the Central Bank of Egypt, Egyptian Central Securities Depository Company, and the Egyptian Stock Exchange to modernize the technological infrastructure systems used for government securities to introduce new mechanisms and features for the settlement of primary market issuances, the operations of secondary market, and the central depository of Egyptian treasury bills and bonds, including linking these parties with market stakeholders.

The Central Bank of Egypt will continue to follow up on developments in mechanisms for advancing and modernizing Government Securities Ecosystem in international markets to achieve the state's macroeconomic goals, by staying at the forefront of best practices.