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## **IFC and Orascom Development Partner to Boost Green Tourism in Egypt**

**Cairo, Egypt, November 24, 2024** – IFC today announced a partnership with Orascom Development Holding's (ODH) largest subsidiary, Orascom Development Egypt (ODE), to support the leading Egypt-based tourism and real estate developer to improve energy and water efficiency and reduce greenhouse gas (GHG) emissions across several of its hotels in its flagship destination, El Gouna, Egypt.

IFC is providing ODE with a Sustainability Linked Loan (SLL) of total equivalent \$155 million, which comprises tranches of \$96 million and EUR55 million. The SLL will support green improvements and growth opportunities for the developer in El Gouna, a popular coastal town on the Red Sea, including renovations of its Mövenpick Resort and Spa El Gouna.

The SLL will enable Orascom Development's efforts in taking impactful measures to enhance resource efficiency, including heat pumps, solar heaters, and conserving water responsibly at its hotels to reduce energy consumption by up to 50 percent from non-renewable energy sources and water usage by at least 20 percent. Additionally, the SLL will be used to refinance a portion of the company's existing debt and improve the company's debt profile. The SLL framework is being verified by Moody's, and will be the first to be issued by a tourism and real estate company in Egypt.

IFC will also help Orascom Development's hotels in El Gouna achieve EDGE certification for green buildings. EDGE is an IFC innovation that scales up resource-efficient buildings in a fast, easy, and affordable way.

Egypt is a major tourism destination with historical, cultural, and beach attractions. The tourism industry significantly contributes to the country's economy, generating 8 percent of GDP in 2023 and employing 2.5 million people, with the creation of another 1.5 million jobs expected in the next 10 years. By helping green Egypt's tourism sector, the country can further enhance its economic competitiveness and reduce operational costs, ultimately contributing to sustainable and inclusive growth.

"This partnership with the IFC marks a pivotal milestone in Orascom Development's journey towards fostering resilient, sustainable, integrated communities," said **Omar El Hamamsy, Group CEO of Orascom Development**. "Our environmental commitment is reflected in our continued proactive measures towards enhancing energy efficiency and water conservation across our destinations, including El Gouna by the Red Sea. This partnership reflects our commitment as a global developer in contributing to a healthier planet, by creating vibrant destinations that harmonize with nature and boost Egypt's economic growth. At the same time, this funding facility also enables our company to optimize our financing terms by reducing our cost of capital, strengthening our liquidity and maintaining a net debt to adjusted EBITDA ratio of less than 1.3x."

"Egypt's tourism industry is a major contributor to employment, foreign exchange earnings, and tax revenues. Our partnership with Orascom Development Egypt is a testament to our shared commitment to supporting a strong and more sustainable tourism sector in Egypt," said **Sérgio Pimenta, IFC's Vice President for Africa**.

The project aligns with the World Bank Group's Country Climate and Development Report (CCDR) for Egypt, which identifies opportunities to improve the alignment of the country's development goals with its

climate ambition. It also falls under the World Bank Group's Country Partnership Framework (CPF) for Egypt, which seeks to support more and better private sector jobs and improve resilience to shocks in the country.

Since beginning its operations in Egypt in 1975, IFC has invested and mobilized approximately \$9 billion in investment projects and has an advisory portfolio amounting to \$24 million in the country. IFC's private sector support in Egypt focuses on the fintech, climate finance, manufacturing, infrastructure, renewable energy, healthcare, gender, and other sectors.

El Gouna is home to a multicultural community with residents and visitors from all over the world and combines residences, hotels, commercial and leisure amenities within the beautiful natural environment along Egypt's Red Sea coastline. More than a decade ago, El Gouna became the first place in Africa and the Arab region to receive the UN-sponsored Global Green Town award. Orascom Development's 33 hotels have achieved key certifications for their adherence to environmental management and sustainability standards, including EarthCheck, Green Key, ISO 14001, and ISO 21401. El Gouna's 18 hotels collectively were among the first hotels in Egypt to join the Green Star Hotel program for sustainability. Already, over one-fifth of El Gouna's power is generated by solar and water treatment plants produce one-third of El Gouna's irrigation water.

### **About IFC**

IFC — a member of the World Bank Group — is the largest global development institution focused on the private sector in emerging markets. We work in more than 100 countries, using our capital, expertise, and influence to create markets and opportunities in developing countries. In fiscal year 2024, IFC committed a record \$56 billion to private companies and financial institutions in developing countries, leveraging private sector solutions and mobilizing private capital to create a world free of poverty on a livable planet. For more information, visit [www.ifc.org](http://www.ifc.org).

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### **About Orascom Development**

Orascom Development Holding is a leading international developer specializing in vibrant, integrated communities in Europe, the Middle East, and North Africa. For more than 35 years, Orascom Development has been a pioneer in creating destinations where people are inspired to live, work, and play with passion and purpose.

From El Gouna's stunning Egyptian coastal town by the Red Sea to Andermatt Swiss Alps' breath-taking, year-round mountain destination, each master-planned community is a testament to Orascom Development's commitment to place-making at its finest. The integrated towns harmoniously combine residential areas with private villas and apartments, hotels, and award-winning leisure and commercial amenities – including golf courses, marinas, sports facilities, retail shops and restaurants.

Orascom Development owns a land bank of more than 100 million square meters with approximately 40% under development or developed into thriving communities in Egypt (El Gouna, Makadi Heights, O West, Taba Heights, and Byoum), in the GCC (Jebel Sifah and Hawana Salalah in Oman), and in Europe (Andermatt Swiss Alps in Switzerland, Luštica Bay in Montenegro and West Carclaze Garden Village in the UK). Orascom Development's hospitality portfolio includes 33 premium and luxury hotels with more than 7,000 rooms across Europe, the Middle East, and North Africa. ODH shares are listed on the SIX Swiss Exchange.

For more information, please visit [OrascomDevelopment.com](http://OrascomDevelopment.com).