



## NEWS RELEASE

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### **New US\$1 Billion World Bank Group Development Financing to Support Egypt’s Private Sector–Led Job Creation, Macroeconomic Stability, and a Greener Economy**

**WASHINGTON, May 8, 2026** – The World Bank Group has approved US\$1 billion in financing to support Egypt’s efforts to boost private sector–led job creation, strengthen macroeconomic and fiscal resilience, and advance its transition to a greener economy.

The financing includes a US\$200 million credit guarantee from the United Kingdom.

After two years of successive external shocks, Egypt has undertaken a series of reforms that have helped the country move into a stabilization phase. Measures such as exchange-rate unification, a stronger commitment to fiscal discipline, and significant tax policy and administration reforms have contributed to rebuilding external buffers, moderating inflation, improving market sentiment, and gradually supporting a recovery in growth. However, the ongoing conflict in the Middle East has added new uncertainty and pressures, making it even more urgent to sustain reform momentum.

Building on these efforts, the “Generating Resilience, Opportunities, and Welfare for a Thriving Egypt II” (GROWTH II) Development Policy Financing (DPF) supports a set of policies to help Egypt’s economy create more and better jobs, manage public finances more sustainably, and move towards a greener growth path.

*“Egypt is advancing an ambitious reform agenda to unlock private investment, create jobs, and protect households in a very challenging*

*context,” said **Stéphane Guimbert, World Bank Division Director for Egypt, Yemen and Djibouti.** “This operation supports critical steps in that journey – helping Egypt build a more competitive, resilient and sustainable economy that can better withstand current and future shocks.”*

*“This financing reflects the strong partnership between Egypt, the World Bank Group and the United Kingdom,” said **H.E. Samar Al Ahdal, Deputy Minister of Foreign Affairs for International Cooperation.** “The reforms supported under this project will generate more and better jobs for Egyptians, protect our citizens in vulnerable situations, and ensure that growth is both sustainable and inclusive.”*

**Mark Bryson-Richardson, the UK’s Ambassador to Egypt** said *“The United Kingdom is proud to support Egypt’s reform programme through this guarantee, in partnership with the World Bank Group. This operation will help unlock investment, strengthen economic stability, and support sustainable growth, for the benefit of all Egyptians.”*

The new financing backs measures to strengthen the governance of state-owned enterprises and reduce barriers to private investment and growth, including by enforcing fair competition rules. It also supports reforms to increase domestic revenue mobilization, improve the efficiency of domestic debt markets, and reduce the cost of government funding.

At the same time, the operation helps protect more economically vulnerable Egyptians by ensuring that beneficiaries of the Takaful and Karama social safety net programs are automatically enrolled in the Universal Health Insurance System, so they can access basic services and better cope with rising prices and economic uncertainty. Finally, it also supports the transition to a greener economy by improving how Egypt monitors greenhouse gas emissions, developing carbon credit markets, encouraging a demand-driven market for clean energy, and strengthening the financial sustainability of the electricity and water sectors.

This DPF is the second in a series of three concessional financing operations by the World Bank Group that are offered on more favorable terms than market rates. It is consistent with the engagement of other

international partners—including the International Monetary Fund and the European Union—as part of broader efforts to support Egypt’s reform program and national development priorities. The Asian Infrastructure Investment Bank is also expected to provide complementary parallel financing.

The newly approved DPF is aligned with the World Bank Group’s Country Partnership Framework (CPF) for Egypt for FY2023–2027, which aims to support Egypt’s efforts to advance green, resilient, and inclusive development by enabling more and better private sector jobs, stronger human capital outcomes, and greater resilience to shocks. This DPF also aligns with Egypt’s development priorities and national strategies, including the National Narrative for Comprehensive Development, the Sustainable Development Strategy Vision 2030, the State Ownership Policy, and the National Climate Change Strategy 2050.

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