THE MINISTRY OF INTERNATIONAL COOPERATION

COVID-19 RESPONSE & REBUILD

Updated as of April 4, 2020







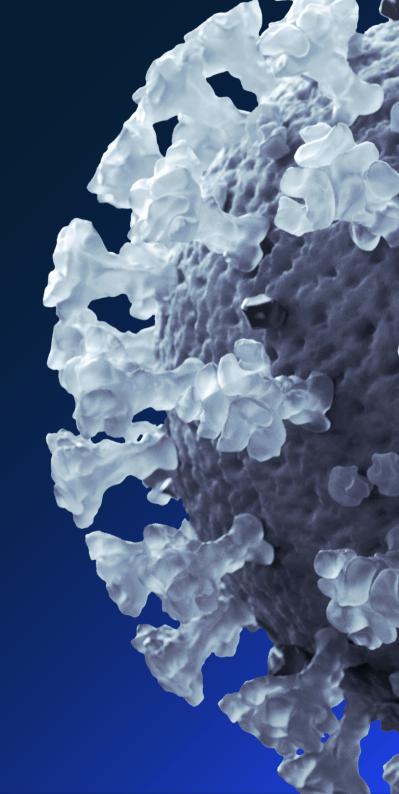
We Protect, Provide & Progress...

Protect: the population from the spread of the virus.

Provide: easier access to credit to help households smooth consumption and provide liquidity for firms to survive the disruption.

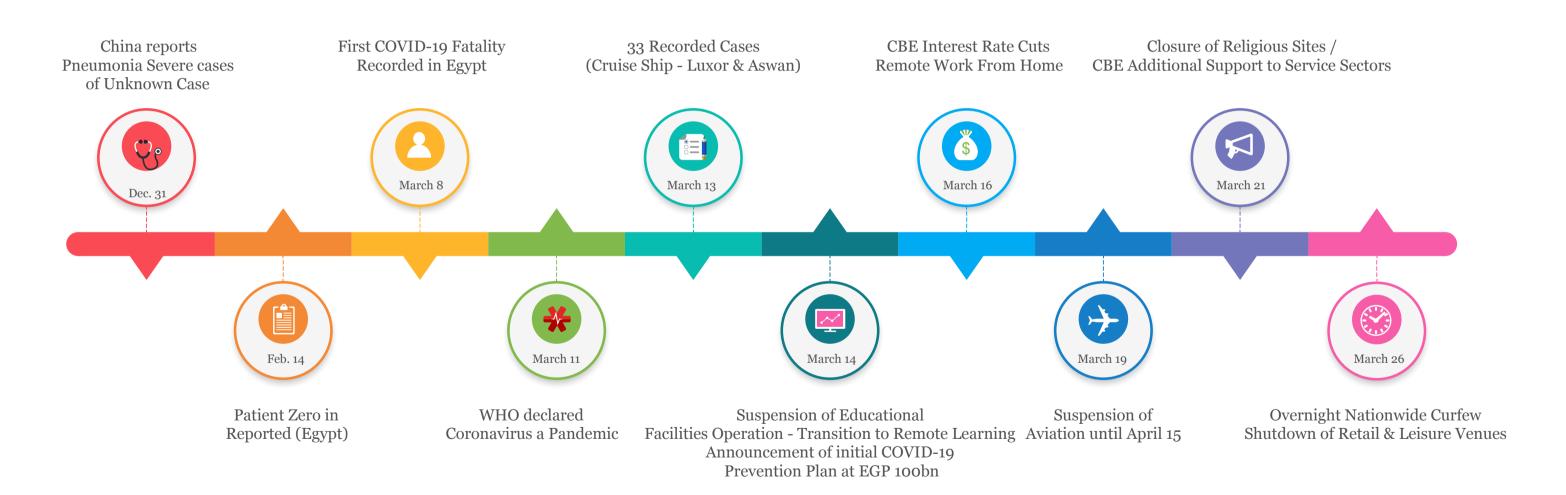
Progress: by expediting structural reforms through and beyond COVID-19.

@RaniaAlMashat



COVID-19 RESPONSE & REBUILD Egypt Public Health Measures To "Flatten The Curve" وزارة التعاون الدولي of International Cooperation

Timeline: 50 Days from Patient Zero





Controlling the Outbreak

As the potential risks of COVID-19 continue to rise, efforts have been stepped up to enhance infection prevention & identify alternative mechanisms for testing patients.



27 laboratories across the country have the capacity to test cases. Additional 4 + University Laboratories will be added.



Scale up Infection Prevention & Control (IPC) programme with WHO to prevent transmission & ensure patients & health workers are protected.



Expand capacity to conduct up to 200,000 tests within two weeks.



Recurring 15-Day sterilization campaigns to be carried out in cities & villages to step the virus spread.



Adding acute-care capacity, providing ventilators & building stock of other critical medical supplies such as personal protective equipment.



8 isolation hospitals with a capacity of 2,000 beds have been set up including 1,000 ICU beds & 400 ventilators.



Field hospitals have been set up for mild and asthenopic cases.



Significant work is being done, especially in the areas of early detection, laboratory testing, isolation, contact tracing and referral of patients.

Dr Yvan Hutin, Director for Communicable Diseases in WHO's Regional Office

GoE efforts in allocation additional dedicated human and financial resources, strong disease surveillance system and contact tracing efforts have proven effective in controlling managing sporadic and clusters of cases before they can spread.



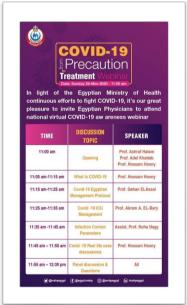
Information Updates

Combating digital wildfires and ensuring the public is updated on the current situation, including working with other sectors to reach vulnerable populations has been a key priority.









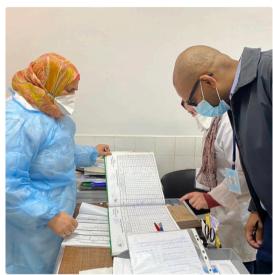
WHO: Egypt has decisive opportunity to effectively control Covid-19 Pandemic

WHO EMRO

@WHOEMRO · Mar 25, 2020

.@WHO technical mission to #Egypt

for #COVID19 concludes with key findings of solid work being done to control outbreak, especially in the areas of disease detection and contact tracing, laboratory testing, and referral of patients.





In light of reports of local transmission in the country, there is a critical window of opportunity to effectively control outbreak and prevent community transmission, taking a whole-of-government and whole-of-society approach.





MULTIMEDIA CONTENT

images (1)

Source: World Health Organization (WHO) | 5 days ago

Coronavirus - Egypt: WHO delegation concludes COVID-19 technical mission to Egypt

Significant efforts have been made to ensure the public is updated on the current situation, including working with other sectors to reach vulnerable populations

GENEVA, Switzerland, March 27, 2020/APO Group/ — A team of experts from the World Health Organization (WHO) concluded a COVID-19 technical support mission to Egypt on 25 March 2020. The objectives of the mission were to understand the current situation; review ongoing response activities; provide on-site technical support as needed; and identify strengths and gaps to guide response priorities.

"After several days of intensive meetings and field visits both inside and outside Cairo, we see that Egypt is making substantial efforts to control COVID-19 outbreak. Significant work is being done, especially in the areas of early detection, laboratory testing, isolation, contact tracing and referral of patients," says Dr Yvan Hutin, Director for Communicable Diseases in WHO's Regional Office and mission team lead.

"But more needs to be done. There is now a critical window of opportunity to effectively control the outbreak before the current local transmission progresses to community transmission. We have agreed on several areas that can be scaled up, taking a whole-of-government and whole-of-society approach."

Considerable efforts have been made by the government in allocating additional dedicated human and financial resources needed to contain the outbreak. Progress has been made in expanding the number of peripheral laboratories that are now able to test for COVID-19, and consideration will be made in engaging overall laboratory capacities. Across the country, 17 laboratories now have the capacity to test cases. An addi-

66 Egypt's strong disease surveillance system and contact tracing efforts have proven effective in controlling managing sporadic and clusters of cases before they can spread

tional four will be added soon and university laboratories will also be engaged. With support from WHO and other partners, Egypt now has the capacity to conduct up to 200,000 tests.

Egypt's strong disease surveillance system and contact tracing efforts have proven effective in controlling managing sporadic and clusters of cases before they can spread. Recent border closures now provide an opportunity to enhance screening and rapid testing capacity using a risk assessment approach.

Maintaining effective contact tracing with proper quarantine mechanisms, as well as continuing systematic testing of patients seeking treatment for all acute respiratory infections will ensure that no critical COVID-19 cases are missed.



Thank you, President @AlsisiOfficial for your strong commitment to stop the #coronavirus from spreading and also ensuring that affected populations are receiving wide-ranging support. Great act of leadership and solidarity!

Egypt Today Magazine 🔮 @EgyptTodayMag · Apr 2

Egyptian President Abdel Fattah el-Sisi has signed a declaration that Tahya Misr (Long Live) Egypt, a donation-based national fund, will take care of the expense of quarantine for Egyptians evacuated from abroad over the novel coronavirus

egypttoday.com/Article/1/8325...

9:02 AM · Apr 3, 2020 · Twitter for iPhone

956 Retweets 1.6K Likes



COVID-19 RESPONSE & REBUILD

Egypt Education Measures

Technology has stepped into the breach, playing a key role in educating future generations



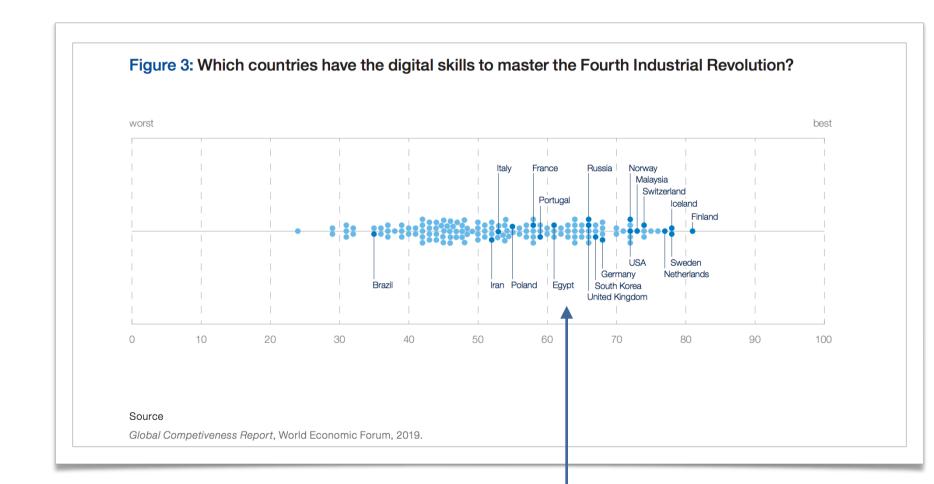
Egypt: Education 4.0: Schools of the Future

Defining New Models of Education for the 4IR

Reform implementation is gathering momentum in the 2019/2020 academic year.

The Ministry of Education and Technical Education scaled up technology-based learning with the distribution of tablets and enhanced access to an increasingly more sophisticated digital resources through a state-of-the-art Learning Management System.

The Minister of Education and Technical Education announced some months ago a plan to accelerate the implementation of the reform, speeding up the roll-out the new curriculum, access to quality early childhood education, and expanding teacher professional development.



COVID-19 RESPONSE & REBUILD

Macro Economic Impact

On the Global & Local Economy

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Global Economy: Implications of the Crisis



Disruption of Trade & Transport

Global value chains which account for nearly half of world trade, are disrupted by factory shutdowns and delayed resumption of operations.



Disruption of Manufacturing & Production Cycles

Global Production size has plunged due to the halt of investment projects and plans, the weak investor and consumer confidence levels, and the declining levels of spending.



Decreased Revenues & High deficits The revenues of leading sectors such as tourism and transportation, that constitute a major source of revenues in several developing countries, have been hard hit as a result of the decline in demand and the higher restrictions on travel.

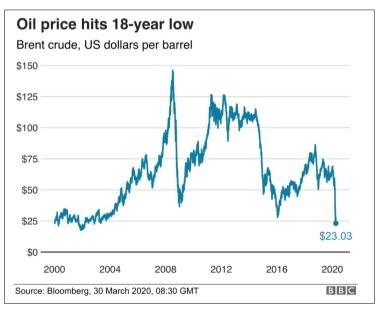
Capital Flight

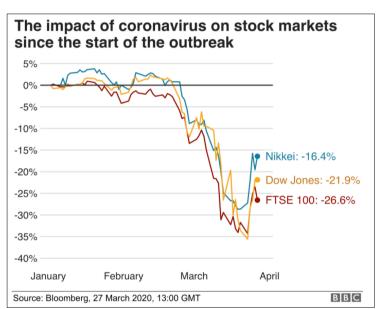


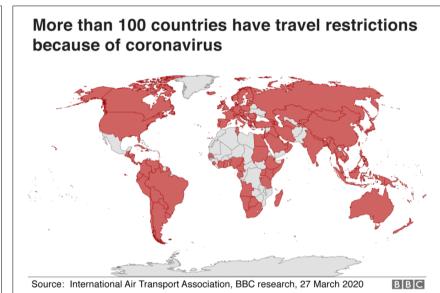
Debt Crisis

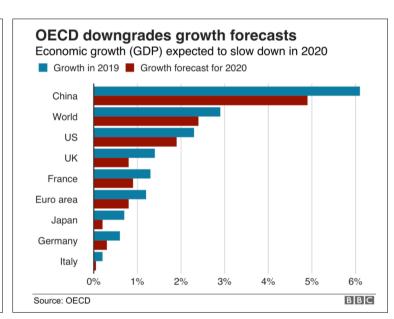


Global Economy: Implications of the Crisis









Local Economy: Implications of the Crisis

We enter the crisis with strong fiscal & foreign exchange buffers

(2019)



Remittances USD 26.8 billion

Remittances (10% of GDP), particularly the ones from Gulf countries, could be affected by the drop in oil prices and employee dismissals by affected companies.



Tourism USD 13 billion Tourism receipts (5% of GDP). Inbound tourism reservations have dropped by 80% in comparison with the same period last year.



Suez Canal Revenues USD 5.9 billion

The decline in global trade and transportation could have a negative effect on Canal Suez revenues.



Changes in Oil & Energy Prices

The ongoing oil war led to a sharp drop in international oil prices, exacerbated further by the collapse in global demand, could affected the sector in Egypt.



Increase in Commodity Import Prices

As Egypt is a big importer of commodity goods, it is susceptible to possible price increases.

COVID-19 RESPONSE & REBUILD

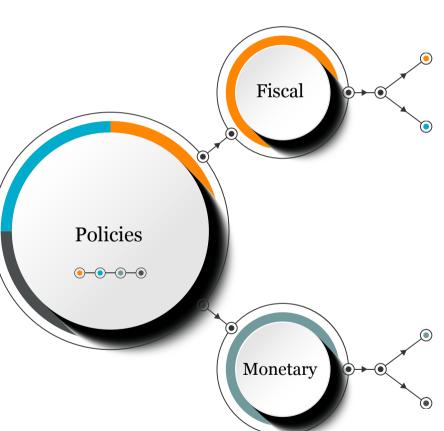
Egypt Policy Responses

To Contain Economic Implications of the Pandemic

According to the World Bank, to mitigate the resulting adverse economic impact, governments are taking monetary, fiscal and structural measures to "flatten the recession curve".



To contain economic implications of the pandemic in support of the Private Sector



An amount of EGP 188 million has been transferred to the Ministry of Health and Population, out of the EGP 100 billion allocation that was approved by H.E. President Abdel Fattah el-Sisi to support the containment efforts against the Coronavirus Outbreak.

Wages and bonuses of doctors and medical staff has been increased. A periodic allowance of 7% have been approved for public sector employees subject to the Civil Service Law as well as a 12% bonus for state employees who are not subject to the Civil Service Law. In addition, grant an additional incentive to all workers and employees ranging from 150 to 375 pounds per month to improve their standards of living.

Postponing the payment of the real estate tax imposed on factories and touristic establishments for a period of 3 months and allowing to install the real estate taxes due on the factories and the touristic establishment from previous periods through monthly installments over a period of 6 months.

Lifting administrative reservations on all the financiers who have unsettled tax dues in return of a payment of 10% of the tax due on them and resettling the files of these financiers through the Dispute Resolution Committees.

Cuts on dividend tax for companies listed on its stock exchange by half to 5% and lowering a stamp duty on stock market transactions.

Interest rates have been lowered by 300 points. The overnight deposit rate, overnight lending rate, and rate of the main operation are now at 9.25%, 10.20%, and 9.75% respectively. The debit and credit rate has been reduced to 9.75%.

Credit dues for companies and individual clients have been delayed for six months.

All court cases between the CBE and indebted clients are waived once the latter agree with the bank on the terms of payment. These clients will also be removed from CBE black lists and their collateral will be released provided they make a cash or in-kind payment of 50% of the net debt balance without marginal returns.

The discount rate has been reduced to 8% down from 10% for the following CBE Initiatives: A) Industrial Private Sector B) Mortgage Finance Program for middle-income homebuyers C) Initiative to support the renovation of residential and floating hotels and transportation services of the tourism sector D) Initiative to support the agricultural sector.



To contain economic implications of the pandemic

EGP 50 Billion (\$3.2 Billion)

Tourism Financing Initiative

To finance tourism enterprises for renovation & hotels development. Postponement of real estate tax payment due on factories & tourism facilities for the period of 3 months.

EGP 50 Billion (\$3.2 Billion)

Real Estate Development To fund real estate development for middle-income groups through banks for 20 years.

EGP 20 Billion

(\$1.27 Billion) Stock

Stock Exchange

Allocated by The Central Bank of Egypt (CBE) to support and stimulate the Stock Exchange during the economic slowdown, contributing to market recovery and leading to Egypt's main stock index listed among the World's Best Performers at 3rd Best in the session of March 23, 2020, according to Bloomberg.

EGP 4 Billion

Financing Labor Tax To raise the tax exemption limit from LE 8,000 to LE 15,000 and reduce the job-earning tax brackets for all low- and middle-income groups.

(\$253 Million)

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To contain economic implications of the pandemic

EGP 1 Billion

(\$63.5 Million)

Healthcare

To provide necessities in protective equipment.

EGP 15 Billion

(\$952 Million)

Agriculture

Finance the purchase of local of wheat from local farmers since the beginning of this

harvest season.

EGP 8.7 Billion

(\$553 Million)

Commodity & Services

For urgent commodity and services needs in the months of January / February.

EGP 4 Billion

(\$254 Million)

Sectoral Support Initiative to support the health, education, and social solidarity sectors, as well as increasing the budget of the Ministry of Health and Population by 100% is set to increase for the fiscal year FY2020-2021.



To contain economic implications of the pandemic

Trade and Export Services

Reduce the price of natural gas for all industrial activities, bringing the price of gas supplied to \$4.5 per million Btu, in March 2020, compared to \$6 per million Btu in October 2019, and \$8 per million Btu in June 2014.

Reduce the price of electricity for heavy usage industries to 0.10 Egyptian pounds (\$0.0064) per kilowatt hour, down from 1.10 pounds, and leave electricity prices for other industries stable for three to five years.

Postpone real estate tax payment due on factories for the period of 3 months.

Provide export subsidies of EGP 1 Billion to exporters for March & April 2020.

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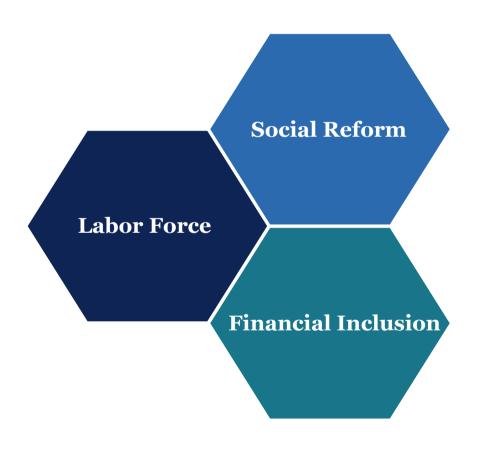
The Silver Lining

In COVID-19 Cloud



Preparing for the Future

Re-imagining the Next Normal: Dealing with the immediate socio/economic challenges



- 1 Mitigate impact on an un-organized labor force through employment protection legislation and unemployment benefits.
- 2 Putting forward a social protection & social safety agenda.
- 3 Expediting the financial inclusion & digital reform agenda.

1. Labor Force

Mitigate impact on an un-organized labor force through employment protection legislation & unemployment benefits and transition from an informal to a formal sector

Interest Rates	The preferential interest rate on loans to SMEs, industry, tourism and housing for low-income and middle-class families has been reduced.
	A new debt relief initiative for individuals at risk of default has also been announced that
Debt Relief	will waive marginal interest on debt under EGP 1 million if customers make a 50 % payment.
	The regulations issued last year requiring banks to obtain detailed information of borrowers
Regulations	have been relaxed.



2. Social Reform

Putting forward a social protection & social safety agenda

Monetary Compensation

A one-off monetary compensation (L.E. 500) offered to informal workers registered at the database of the Ministry of Manpower through post offices. Registration had been done for approx. 1 million individuals working in construction, agriculture, fishing, plumbing etc.

Social Protection Program Add 60,000 households to Takaful & Karama Program. An additional 100,000 will be added and in FY21 budget will increase to 19.3 Billion EGP compared to 18.5 Billion EGP.

+ 14% increase in pensions

Women Protection

Increase payments to women community leaders in rural areas from EGP 350 to EGP 900 per month.

Social Assistance Social Insur

3. Financial Inclusion & Digital Reform

Advancing financial inclusion for economic empowerment

Payment Facilitation	All domestic money transfers are exempt from fees & commissions, aimed to decrease the use of cash.
Mobile Wallet	Limits on daily value transacted via mobile wallets to be increased to EGP 30,000 (USD 1,900).
Banking Products	Banks to issue near-field communication / contactless pre-paid card.
Merchant Network	Improve merchant acceptance landscape by encouraging QR codes & request-to-pay method.
Digital Banking	Automatic enrollment for customers to internet banking services.

COVID-19 RESPONSE & REBUILD

A Decade of Action

To Deliver the Sustainable Development Goals



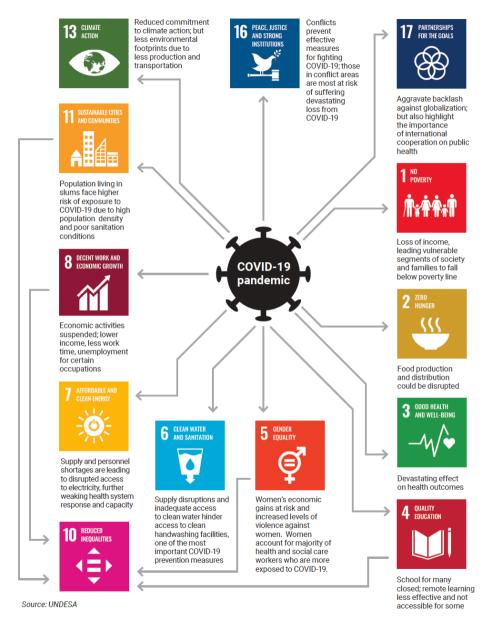




COVID-19 Affecting All SDGs

Partnerships are required to accelerate Glocal (Global/Local) response to COVID-19.

The COVID-19 should not derail us from pushing forward with the SDG agenda.





Concluding Remarks

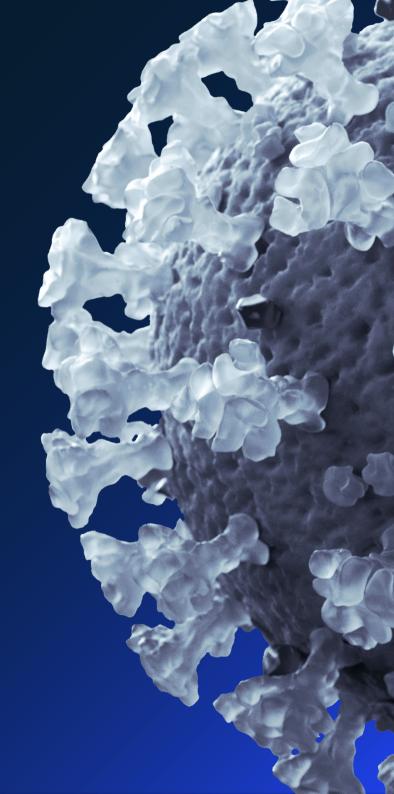
COVID-19 is, first and foremost, a global humanitarian challenge.

We continue to be hopeful & helpful as policy makers but more importantly as a community.

Egypt is not new to crises and has shown resilience over the past decade.

Through our multilateral and bilateral partnership & the development story showcased with the new narrative, we will move forward.

@RaniaAlMashat



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