Early Warning System

WB-P168630

Private Sector Development and Fiscal Management for Inclusive Growth DPF

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Quick Facts

Countries	Egypt
Financial Institutions	World Bank (WB)
Status	Proposed
Bank Risk Rating	U
Voting Date	2018-12-04
Borrower	Government of Egypt
Sectors	Finance, Law and Government
Investment Type(s)	Loan
Investment Amount (USD)	$ 1,000.00 million
Project Cost (USD)	$ 1,000.00 million

Project Description

According to bank documents, the objective of this operation is enabling financial inclusion, private sector development and strengthening fiscal management for inclusive growth in Egypt.

The proposed project is a stand-alone, two-tranche operation (with each tranche being US$500 million) aimed at supporting GoE's effort to improve inclusive growth, structured under three objectives. The proposed DPF will support the following specific policy reform actions and tranche release conditions which contribute to the policy objectives of the GoE program:

1. Pillar 1 - Financial inclusion and access to finance:
    i. Improving access to finance for subsistence entrepreneurs and microfinance by allowing use of mobile payment in microfinance activities and electronic payment by microfinance institutions;
    ii. ii. Facilitating greater access to finance for SMEs by strengthening the implementation of the framework for secured transactions by establishing and operationalizing an electronic collateral registry for security interests in movable property;
    iii. iii. Fairer and more efficient capital markets and broadening the investors base by amending the Capital Markets Law.
2. Pillar 2 – Private sector development:
    i. strengthening corporate governance and minority shareholder protection through regulations supporting the new Companies Law;
    ii. improving ease of doing business and enhancing the business environment by reducing the number of steps to establish a company;
    iii. providing investor facilitation services in lagging regions such as Upper Egypt and/or frontier Governorates, easing business establishment and operations;
    iv. improving the ecosystem for entrepreneurship through the "Your Idea, Your Company" program to provide technical assistance, funding and improve the regulatory framework for private sectorled entrepreneurship;
    v. promoting and facilitating SME participation in public procurement and enhancing transparency and automation of public procurement through new procurement law;
    vi. improving processes for property registration and efficiency of land administration through improving property deeds registration in new urban communities (via new law) and simplification in property title registration process (via draft new law on title registration system), to improve transparency and quality of information;
    vii. facilitating disruptive technology in the transport ride sharing sector through regulations supporting new Ride Sharing Law to determine conditions, procedures and controls required for issuance of operations licenses, taxes and charges, and operations cards; a framework for taxes, charges and social insurance premiums; and specifying data and information required to be kept and maintained by ride-sharing companies;
3. Pillar 3 – Strengthened Fiscal Management:
    i. simplifying tax payment and improving the business environment via facilitating electronic filing of tax returns;
    ii. publication of an updated expanded medium-term debt management strategy by GoE;
    iii. reduction in energy subsidies and continuing adjustments to energy prices via electricity and fuel price adjustments, for promoting private sector investment in energy sector and creating fiscal space for necessary investments in human capital;
    iv. fiscal empowerment of local governments by improving quality, transparency and sustainability of capital spending at Local Administrative levels (Governorates and districts)

Investment Description

- World Bank (WB)

Contact Information

World Bank:
Ashish Khanna, Mohamed Hisham El-Shiaty, Mohamed Nada
Program Leader

Borrower:
Arab Republic of Egypt
Yara Elabd
Advisor to Minister of Investment and International Cooperat
yelabd@miic.gov.eg

Implementing Agencies:
Ministry of Investment and International Cooperation
Yara Elabd
Advisor to Minister
yelabd@miic.gov.eg

General Authority for Investment & Free Zones
Mohsin Adel
Executive Director
mohsen.adel@gafinet.org.eg

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Bank Documents

- Concept Program Information Document (PID) - Private Sector Development and Fiscal Management for In [Original Source]