

## Egypt, IFC ink deal to boost private role in airports

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Dhaka : Egypt's airport sector is set for increased private sector participation following a new agreement with the International Finance Corp. The deal aims to modernize infrastructure, boost capacity, and attract foreign investment.

Prime Minister Mostafa Madbouly oversaw the signing ceremony at Egypt's new administrative capital, where Planning Minister Rania Al-Mashat, Civil Aviation Minister Sameh Al-Hefny, and IFC Vice President for Africa Sergio Pimenta formalized the agreement.

The agreement builds on Egypt's ongoing partnership with the World Bank's private sector arm, extending advisory services that support the country's privatization efforts.

"The agreement signed today ... is an extension to strengthen cooperation with the International Financing Corp. to provide advisory

services for the governmental proposals program," Madbouly said in a statement posted on the government's official Facebook page.

He added that the IFC "will provide consultative services to expand the participation of the private sector of the airport sector" in the Egyptian market.

"This is an important partnership that will contribute to the improvement of the services provided and the capacity of Egyptian airports," Madbouly added.

The agreement aligns with Egypt's broader strategy to leverage the IFC's expertise in attracting both local and foreign investments, providing technical support to national agencies, and fostering public-private partnerships, the prime minister highlighted.

Planning Minister Al-Mashat noted that "the government is aiming to expand private sector partnerships in the airport sector, coinciding with strong growth in the tourism, transport, and storage sectors during the first quarter of the current financial year."

She highlighted that private sector investments now account for a record 63 percent of total investment, driven by a surge in tourism in 2024, bolstered by Egypt's preparations for the Grand Egyptian Museum's opening — a reflection of rising airport traffic and growing opportunities for private sector involvement.

Al-Mashat noted that the government has paved the way for these steps by enhancing macroeconomic stability, implementing measures to control public finances, enacting structural reforms to stimulate the private sector, and fostering an investment climate to attract both local and foreign investors.

Civil Aviation Minister El-Hefny stated that under the agreement, the ministry aims to develop a strategic plan to identify airport projects suitable for private sector partnerships.

IFC's Vice President for Africa Pimenta said that enhancing Egypt's airport infrastructure through public-private partnerships will drive economic growth. He added that the program will help attract global investors to build modern, high-efficiency airports, strengthening Egypt's position as a global hub for travel and trade.

Between July 2023 and May 2024, Egypt saw an influx of \$900 million in investments from the IFC — a testament to the sustained momentum of financial inflows into the country's economic landscape, Al-Mashat said during the "IFC Day in Egypt" event held in May.

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