

"Few people think more than two or three times a year; I have made an international reputation for myself by thinking once or twice a week"

George Bernard Shaw  
Irish playwright  
1856 - 1950

# The Middle East Observer

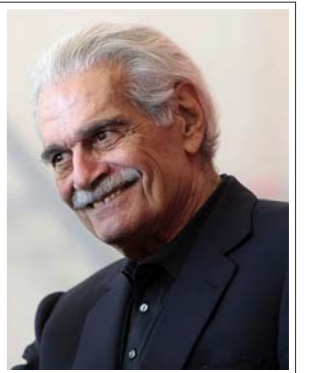
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"I want to live every moment totally and intensely. Even when I'm giving an interview or talking to people, that's all that I'm thinking about"

Omar Sherif  
Egyptian actor  
1932 - 2015



ESTABLISHED 1945

## Egypt & Saudi Arabia signed **SAR 60 bn** investment fund agreements

## Egypt's treasury bonds take a hike

Supported or Opposed

## Panama Papers rock politicians, business people & athletes

4,5

## MEO marks its presence in employment fairs

7

63<sup>rd</sup> Year No. 15

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Hollande to arrive to Cairo next week



### France & Egypt to sign 30 agreements

France and Egypt are decided to sign 30 agreements during French President Francois Hollande's visit to Egypt next week, according to France's ambassador to Cairo Andre Parant.

Parant added that agreements might change as negotiations on some of the agreements are still ongoing.

It is expected as well the two presidents will sign 10 economic memoranda of understanding (MOUs). During a meeting at the embassy with a number of journalists, Parant noted that 60 French businessmen will accompany the president as well as two or three French ministers.

He noted that France ranks sixth among countries importing to Egypt, adding "The trade exchange between Egypt and France currently amounts to € 2.5bn annually."

### Sharm El-Sheikh hosts Telecommunications Global Forum

Telecommunications and information technology entrepreneurs, experts and regulators from all over the world will come together in Sharm El-Sheikh on 11-14 May, according to the Geneva-based International Telecommunications Union (ITU). This global forum aims to review using the most advanced technologies in development. It will also discuss smart sensors, artificial intelligence, smart grids, entrepreneurship and cyber security.

## Egypt expected to be one of the largest natural gas suppliers by 2020

A recent US document on the world of 2020 came out in which countries were divided into groups: South America, Asia, Europe, Middle East, North Africa and Egypt.

The study confirmed Egypt will become one of the world's largest natural gas suppliers in the region by 2020, following the East Delta and Mediterranean field explorations.

This is expected to enable Egypt to cover all its fuel needs when it comes to industry and household consumption, as well as exporting the surplus.

Moreover, Egypt might set up

a network to export natural gas to Europe through Cyprus and Greece, who will benefit also from this network.

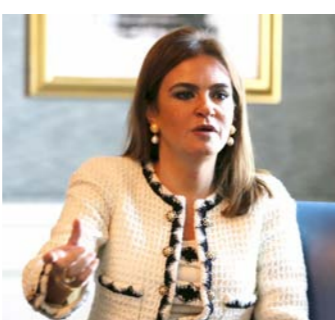
Seeing this massive NG production and the ambitious investment plans, Egypt's national income is expected to boom. This will, in return, make it one of the biggest economies in Middle East by 2020.

Finally, the study highlighted Egypt's growing political and military strength, which might change power balance in the region, as it is anticipated to be a regional key player.

By Rania Imam



### Nasr: An agreement with Kuwait Fund on developing Sinai



Minister of International Cooperation Sahar Nasr said an agreement with Kuwait Fund for Development will be signed within few days on water desalination in Sinai Peninsula. This came on the sidelines of laying foundation of Al-Kasr Al-Ainy Hospital development project.

Nasr added that Saudi Development Fund and Minister of Industry Tarek Kabil agreed that the first will support industrial projects in Saudi. The fund's total contribution in Sinai development program is estimated at \$1.7bn, \$1.5bn of which is soft loan and \$200m is irrevocable grants.

### Emirati-Jordanian anti-double taxation agreement

The United Arab Emirates and the Kingdom of Jordan have signed an agreement on combating double taxation and tax evasion on income. The agreement aims to enhance joint cooperation in economic and tax fields, and encourage investment activities and trade exchange between both countries.

### News in Numbers

\$1.2bn

Wells Fargo & Co (WFC.N) admitted to deceiving the US government into insuring thousands of risky mortgages, as it formally reached a record US\$1.2 billion settlement of a US Department of Justice lawsuit.

€750m

Britain's EU Commissioner, Lord Hill, is set to present the rules, which will affect multinational firms with more than €750m (£600m) in sales.

\$8bn

Sri Lanka has asked China to swap some of the \$8 billion it owes Beijing for equity in infrastructure projects and offered to sell stakes in its companies to Chinese ones, Colombo officials said on Saturday.

\$1.63bn

UAE-based Aldar Properties has announced the launch of a golf and waterfront development which will be developed at a cost of \$1.63 billion at Yas Island. Yas Acres will be its largest project till date, says the developer.

66.49mb

Nigeria produced a total of 66.49mb of crude oil and condensate for the month of January 2016, representing an average daily production of 2.14 million barrels per day.

\$318bn

The six Gulf Cooperation Council states, which heavily rely on oil earnings, are expected to post a shortfall of \$318 billion in 2015 and 2016.

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## Historical agreements demarcating borders & a Saudi-Egyptian bridge to be built



Saudi Arabia and Egypt have announced a bridge is to be built across the Red Sea linking the two countries – as well as the continents of Africa and Asia.

King Salman of Saudi hailed it as a "historic move" that would boost trade between the two allies after meeting the Egyptian President Abdel Fattah al-Sisi in Cairo. No estimate was given for the

cost of the bridge, which is to be named after the Saudi king. It's hoped the bridge will boost tourism, improving access for pilgrims visiting Saudi's holy sites.

In light of this, Defense Minister Deputy Crown Prince Mohammed bin Salman Al Saud and Egypt's Prime Minister Sherif Ismail signed an agreement on demarcating borders.



## Sisi grants King Salman Order of the Nile

President Abdel Fattah al-Sisi granted Saudi King Salman bin Abdulaziz the Order of the Nile, which is Egypt's highest accolade, in recognition of the role of the King and his honorable situations.

### Saudi Arabia & Egypt signed agreements:

King Salman bin Abdulaziz University project in Al-toor city, under King Salman's Sinai development program.

Establishment of residential complexes, under king Salman's Sinai development program.

West Cairo power plant project.

Al-Kasr Al-Ainy Hospital development project.

Anti-income tax evasion and inversion.

Educational executive program between the 2 countries' ministries of education.

Cultural executive program between the 2 ministries culture.

Media cooperation executive program.

Maritime transport and shipping cooperation.

Peaceful nuclear program.

Demarcating maritime borders.

**They signed MOUs on:**

Joint business sectors.

Agricultural cooperation.

Electricity projects.

Trade and industry cooperation.

Housing projects.

Integrity protection and anti-corruption efforts, between Egypt's Administrative Supervisory Authority and Saudi Arabia's National Anti-Corruption Authority.

## Saudi Arabia & Egypt sign MoU to boost mutual investments

### Saudi Minister of Industry: Saudi Arabia is Egypt's top Gulf investor

Egyptian agriculture ministry signed a Memorandum of Understanding (MoU) with its Saudi counterpart to enhance mutual cooperation and boost investments in field of agriculture and food industries. During the Saudi-Egypt Business Opportunities Forum, Saudi agriculture minister Abdulrahman bin Abdulmohsen Al-Fadhli stated that the MoU includes collaboration in field of cultivating cereals, vegetables, fodders, and food manufacturing.

As Saudi King Salman is visiting the country, the Saudi-Egypt Business Opportunities Forum, organized by Egyptian trade and industry ministry, aimed to review aspects of enhancing trade exchange and investment in various

sectors between the two countries. It discussed investments in the agricultural, industrial and commercial sector as well as the energy sectors and witnessed the signing of several trade and investment agreements between Egyptian and Saudi investors.

Many experts and officials from the governmental and private sectors participated in the forum. The Saudi minister added that Egypt enjoys investment-attracting opportunities in agriculture and food manufacturing fields that would lead to deepening joint cooperation between two states.

On other side, Egyptian agriculture minister Essam Fayed said that there are a lot of investment potentials in fields of food

industries, agro-business, livestock, and poultry that would lead to Arab integration to achieve food security. The total volume of Saudi investments in Egypt in agricultural sector represents around 8.9 per cent of total Saudi investments that reached around \$6.1bn in 2015.

Saudi Arabia is Egypt's first biggest investor regionally and second globally, with investments worth more than EGP 50bn (\$5.6bn), Saudi minister of industry said.

Speaking at the forum, Minister Tawfiq Al Rabiah further said Saudi investments in Egypt involve more than 3,000 companies working in the North African country's industrial, agricultural, financial, and tourism sectors.

## Egyptian-Saudi Coordination Council



A photo taken from the Egyptian-Saudi Council meeting.

The Egyptian-Saudi Coordination Council pledged to be an Arab idol, in terms of performance and ability to interpret political leader's vision into a reality in no time.

The council, presided by Deputy Crown Prince Mohammed bin Salman and Prime Minister Sherif Ismail signed 17 new agreements in Cairo.



President Sisi welcomes King Salman.

## Egypt & Saudi Arabia signed SAR 60 bn investment fund agreements

Egypt and Saudi Arabia signed an agreement to set up a SAR 60bn investment fund among other investment agreements, including an economic free-zone to develop Egypt's Sinai region, Egyptian state television reported.

The signing of the agreements took place in Egypt's Abdeen palace in the presence of Egypt's President Abdel Fattah al-Sisi and Saudi's King Salman, during a 5-day visit to Egypt.

Egyptian state TV said the agreement was to establish "a Saudi-Egyptian investment fund with a capital of SAR 60bn between the Saudi Public Investment Fund and the entities belonging to it and the Egyptian government and the entities that belong to it."

A memorandum of understanding was also signed between the Saudi Public Investment Fund and the Egyptian International Cooperation Ministry to set up an economic free-zone in Sinai.

The two countries also signed agreements to develop a 2250 Megawatt electricity plant with a cost of \$2.2bn, set up agriculture complexes in Sinai and develop a canal to transfer water, a statement from the Presidency said.

The statement also said that a com-



The Egyptian and the Saudi parties signing the agreements.

pany was set up to develop 6 square kilometers of the industrial zone around Egypt's Suez Canal worth \$3.3bn, without giving further details.

The investments are part of a change in strategy from Saudi Arabia to focus more on financial support that will also benefit Saudi Arabia with return on investment.

Some of the projects announced include private sector investments. Last week the deputy head of the Saudi-Egyptian Business Council told Reuters that Saudi businessmen are investing around \$4bn in projects in Egypt and have already deposited 10 per cent of that sum in Egyptian banks.

Egypt is aiming for direct foreign investment of around \$8-\$10bn in 2015/16.

Egypt also signed development agreements with Saudi Arabia worth \$590m, Egyptian International Cooperation Minister Sahar Nasr said on Friday.

She said the signed agreements, with the Saudi finance minister, covered development in the Sinai Peninsula, agriculture, housing and a university.

Several other agreements were signed too, in areas such as education, trade and shipping. They also include a memorandum of understanding between Saudi Aramco and Egypt's Arab Petroleum Pipelines Company SUMED.

## Saudi Arabia and Egypt: Old and new



A file photo shows King Farouk and King Al-Saud during his visit to Egypt.

Saudi King Salman's current visit to Egypt is very important at this particular time. Egypt has a significant status in the Arab world and Africa, and plays an important role in matters of war and peace.

Its geographic location, political history, demographic weight, moral significance, promising market and soft power all helped Egypt rise throughout various eras. Its army is a pillar of security and power-balance in the Middle East.

The vitality of the Egyptian people resulted in two revolutions in two years, changing the political regime from President Hosni Mubarak's rule to that of the Muslim Brotherhood, and now popular republican governance. Saudi Arabia is well-aware of all these facts. Its social, commercial, cultural and economic ties

with Egypt go back a long way.

Saudis are present in Egypt in Al-Azhar and in poetry and literature clubs. Egyptians are present in the Grand Mosque and Prophet's Mosque in Saudi Arabia, and the coastal cities of the Red Sea. They have been there for centuries - an example is famous Egyptian poet Baha' al-din Zuhair, who was born in Mecca.

### Hospitality

These significant ties were reflected in the speech that King Abdulaziz, founder of Saudi Arabia, gave following his historic visit to Egypt in 1946, where the Egyptian people, king, politicians and intellectuals welcomed him with unprecedented hospitality.

Upon his return to Saudi Arabia, he told

his people in a speech: "A statement is not enough to describe [the hospitality] I've been met with. My pride is that I felt that the Egyptian army is your army and that your army is Egypt's, and that Egypt's civilization is yours and that your civilization is Egypt's. These two armies and civilizations [empower] Arabs."

His son King Salman is walking the same good path, whose results are peace and security for Arabs, Muslims and the entire region, with all its religions and sects. Attempts to ruin bilateral ties by saying some Saudi policies do not harmonize with those of Egypt, but this is normal in politics. Big countries know how to manage good relations responsibly and wisely. Saudi Arabia and Egypt are the Arab people's wings.



## Court in session

One of the most vital approaches to end corruption and embrace a transparent market and economy, the government -represented in the Economic Court- has been executing remarkable efforts to insure a safe and emerging economy, as well as monitoring and restraining payments delayed by

companies to lending financial institutions. This, in return, would support the progression of Egypt's developmental cycle and assure a stable transparent economy. Here are the latest cases presented and pledged by the court to provide positive impacts in the money market...

### Quest Consult, Medical System & Arab Iron Union to jointly pay EGP 29m

The Cairo Economic Court of Appeal (1st Circuit) ruled -in case no. 202 for Cairo economic judicial year 7- that Quest Consult Co., Medical System Co. and Arab Iron Union should together pay EGP 29m -along with added interests- to Banque Misr.

The case started when the bank provided the companies with banking facilities, corporate bonds, loans and negotiable instruments -at different times- but they defaulted. Thus, the court, presided by Judge Mohammed Zekri, the membership of counselors Bahaa Riyadh and Hussein Hamdi, and Secretariat Abram Agaibi, has fined the 3 companies a sum of EGP 29m in favor of the bank.

### Abu Dhabi Islamic Bank (ADIB) fined EGP 10m

The Cairo Economic Court of Appeal (6th Circuit) fined Abu Dhabi Islamic Bank (ADIB) the sum of EGP 10m to Ahramat Engineering & Trading Office (AETO) -in case no. 1010 for Cairo economic judicial year 3.

The case started when AETO sealed a supply



contract with The Arab Contractors, on Armat Water Station- South Valley, but it waived the contract in favor of ADIB. The office then found that the bank failed to fund the project, which caused a delay in opening letters of credit for foreign supplies, at a time when demand for foreign currency was soaring. Thus, AETO filed a case claiming damage and requesting EGP 20m compensation. The court, presided by Judge Ahmed

Wahby, the membership of counselors Hany Hassan and Tamer Ahmed and Secretariat Mahmoud Zeinhom, ruled on the bank to pay EGP 10m only, in favor of AETO.

### Ajwa for Food Industries fined EGP 22m to Arab African International Bank

The Cairo Economic Court of Appeal (9th Circuit) has issued a verdict - in case

no. 537 of judicial year 4-obliging Ajwa for Food Industries to pay the sum of EGP 22m in favor of Arab African International Bank (AAIB).

The bank had lodged an appeal before the Economic Court to compel the company to pay the mentioned sum. This came after the company obtained loans, banking facilities and joint guarantee, but it evaded.

The court, presided by Judge Gamal Mohammed

Abdel Hakim, the membership of counselors Mohamed Timor Taha and Sherin Farouk, and Secretariat Abdel-Rahman Mohamed, fined the company to pay the sum mentioned to the bank - and a yield conventional rate of 5 per cent per year till the sum is paid in full.

### Redha Car Rental fined EGP 60m

The Cairo Economic Court of Appeals (9th Circuit) has issued a verdict - in case no. 183 of 1st judicial year- propelling Redha Car Rental to pay EGP 60m - with a yield conventional rate of 5 per cent per year to Banque Misr.

The bank had lodged an appeal before the Economic Court of Appeals to oblige the company to pay the mentioned sum. This came on the back of Redha Car Rental obtaining banking facilities and loans from the bank, but failed to pay.

The court, presided by Judge Gamal Abdel Hakim, the membership of counselors Mohamed Timor and Sherin Farouk, and Secretariat Abdel-Rahman Mohamed, fined the company the sum previously mentioned to the bank.

By Alaa Abdelwanis

## Egypt's treasury bonds take a hike

**DNE-** The outstanding balances from treasury bonds in local currency owed by the government increased by EGP 16.94bn, to record EGP 726.97bn at the end of March, compared to EGP 710.03bn at the end of February, according to the Ministry of Finance.

The ministry indicated in a recent report that there are two types of bonds in Egyptian pounds, the first being coupon yield bonds, the balance of which recorded EGP 660.023bn, with an average return rate of 12.828%. These bonds

were put forward from 12 February 2008 until 8 March 2016. The interest rate on these bonds ranges between 9.15% and 17%.

The second type of bond, the zero coupon bonds, recorded a balance of EGP 66.95bn, with an average interest rate of 12.108%. Zero coupon bonds were proposed between 28 January 2014 and 8 March 2016. The average interest rate on these bonds is between 11.319% and 13.538%.

The payment of balances for coupon yield bonds is

scheduled between 7 May 2016 and 10 November 2025, while that of zero coupon bonds will be between 12 April 2016 and 5 September 2017.

The Ministry of Finance said the bonds worth \$3bn will be repaid on 17 December 2016, with average interest rate of 3.5%. Other bonds issued in global financial markets, worth \$4.5bn, are also set to be repaid in the period between 1 July 2016 and 29 April 2040, with average interest rate of 5.333%.

## Central Bank of Egypt (CBE)

CBE announced that net foreign currency reserves reached \$16.56bn, by the end of March 2016, with a \$27m increase compared to February. This comes after they have hiked \$16.53bn by the end of February - against \$16.48bn in January and \$16.45bn in December 2015.

Abu Bakr Imam, Research Department Head at Prime Holding, said that the 0.16 per cent increase-

\$27m- in net foreign currency reserves raise questions, especially following the CBE's 3 major auctions in March to sell \$900m. Moreover, the loan granted to the bank by China Development Bank (CDB) in February was not recorded at the same month, but at March - precisely since February's surge in international reserves, which reached \$ 55m, was due to gold reserve's increase.



## Bells from the Trading Floor

A cautious sentiment is covering the market which seems to be resuming the correction wave that followed the devaluation.

News of tens of MoUs signed during the visit of Saudi King Salman didn't help much. While the visit is expected to provide Egypt with fresh dollar injections the memory of the never-materialized promises of the Economic conference in Sharm Al Sheikh undermines the value of all

the MoUs signed during the visit. Moreover, the monthly purchasing managers, survey published this week by HSBC bank showed business activity shrinking for the sixth straight month in March, with declines in new orders and output causing the biggest contraction in the index for more than two and a half years.

Arabian Cement Company reported a 2015 net profit of LE 289 million,

down 22 per cent compared to 2014. Revenues for the period fell 9.8 per cent to LE 2.273 billion due the decline in ex-factory prices, which fell to LE 470 per ton during the fourth quarter of 2015. According to Pharos, Ex-factory average selling prices rebounded during late February and are currently hovering around LE 620 / ton. ACC sold 4.24million tons which is 2.6 per cent higher than 2014 figures.

## Cleopatra Hospital

Cleopatra Hospital submitted its listing documents with an EGP 80m paid-in capital and 160 million shares- with 0.5 pounds each, according to EGX. Such documents are currently under consideration to be presented before the Listing Committee to issue stocks in stock market to be traded on.

The Emirati Abraaj Group took over Cleopatra Hospital in the 2015 first quarter,

with EGP 770m.

Abraaj Group established in March 2015 a \$ 200m health care investment group in Egypt and Tunisia, named North Africa Holding. This project came in cooperation with The European Bank for Reconstruction and Development (EBRD), Germany Trade & Invest (GTAI) and Propac Company- affiliate to the French Agency for Development.



### Abraaj Capital

The global emerging markets private equity group is considering floating a stake in Cleopatra Holding (CH). CH has already submitted a request to list on the Egyptian stock market with an authorized capital of LE80 million. It is looking to float 160 million shares at a par value of LE 0.5 per share. CH owns Cleopatra Hospital, Nile Badrawi Hospital, Al Shorouk Hospital, and Cairo Medical Center. Abraaj has been expanding in both the health and education sectors in the Egyptian markets. It owns Future schools and Thebes Academy.

## Sixth of October for Development and Investment Company (SODIC)

The company allocated LE700 million to expand its land bank either by directly buying land plots or entering joint venture either with other developers or with the government. The company's land bank has increased to 6 million meters after it signed the New Heliopolis development deal with Heliopolis Housing company. The company's CEO told Al Borsa Daily SODIC will consider the possibility of participating in the new administrative capital projects once land is offered.

Madinet Nasr Housing has approved a bonus share of for every existing share. The real estate development and housing

company will pay the bonus share by increasing its capital by 125 million Egyptian pounds (\$14.1 million) to reach 500 million pounds. The company's net profit last year reached 245.45 million pounds compared with 213.17 million in 2014.

Pharos Holding expect the company to deliver around 400 new units in its Tag Sultan project on the Cairo Suez road in 2016, which should give way to a healthy revenue stream. In addition, the recent devaluation of the Egyptian pound against the US dollar may help the real estate sector as investors look to hold onto the value of their savings.

## The Arabian Food Industries Company (DOMTY)



Egypt's largest cheese producer will increase price of its production by 11per cent through April and May. The company cited the rise in the price of production inputs following the devaluation of the pound last month. Domty said the price increase will be di-

vided on the two months with April seeing a 6 per cent increase followed by another 5 per cent in May. Beltone casted doubt on the market's reaction to the move pointing out that Juhayna's sales lagged when it hiked prices amid pressure on the cost of inputs.

## Egyptian for Developing Building Material (EDBM)

Consultants' studies on EDBM engaging in EGP 2bn real estate investments- which include establishing a resort in North Coast and a residential area in 6th of October city- are being concluded.

EDBM pointed out that 15 per cent of the EGP 4.79m Aswan water tank project was already finished. Negotiations on EGP 17m

contracts are held with a number of public sector companies. The company has also started to work on a water station project in Saudi Arabia, under a SAR 245K agreement.

The company emphasized that the general contracting values presented in the budget increased from EGP 65, by the end

of 2015, to EGP 150m and is expected to get EGP 25m contracts.

EDBM concluded measures of establishing the Egyptian Emirati Group for Drilling and Construction development Company, a joint stock company, in which it participated with one million - or 49 per cent of the issued capital.

## Misr Beni-Suef Cement Company (MBSC)



MBSC said that it targets getting an EGP 100m loan from Egyptian Gulf Bank to fund the coal-fired power project. It added that operating coal mill's date is initially set to be in July 2016, but is still subject to the contracting company supplying all necessary equipment and concluding all works.

MBSC's stock saw a 0.68 per cent increase, by the end of last week's trading, hitting 23.75 pounds. Trading volume reached 3.2 thousand shares estimated at EGP 75.8K.

The company started producing Sulphate-resisting cement (SRC) of which it targets selling 200,000 tons in 2016, in addition to the high-quality usual Portland cement sales.



## Elsewedy Electric

Elsewedy Electric has offered its card to join the Emirati Al-Hamria power station expansion project's tender. The expansion project aims at improving and sustaining the station - which feeds a water desalination project - by replacing the simple gas turbines to combined cycle system.

Elsewedy Electric's stock hit 43.99 pounds - with a slight 0.02 per cent decrease- by the end of last week's trading. Trading volume reached 171.7 thousand shares for a total value of EGP 7.6m.

## Pioneers Holding (PIOH)

PIOH's ordinary general assembly approved the BOD's report on the company's activities and financial statements- for the fiscal year ended December 31, 2015.

It has also approved the BOD's formation and procedures of distributing one free stock for each 4 original ones, after getting official authorization to hold

the coming general assembly. This follows the listing committee's approval on PIOH publishing a disclosure report, pursuant to Article (48) of listing rules on amending articles 6 & 7 of the company's statute, to increase issued and paid-in capital.

Egyptian Stock Market (EGX) said that it is currently reviewing PIOH's docu-

ments on raising issued and paid-in capital from EGP 2.8bn to EGP 3.5bn, with an EGP 708.4bn increase.

EGX pointed out that this hike will be distributed on 41.6 million shares, with a 5 pound nominal value funded by the legal reserve through free stocks, specifically one free stock for each 4 original ones.

## Global Telecom Holding (GTH)

GTH's ordinary general assembly approved the company's financial statements- for the fiscal year ended December 31, 2015. It has also approved authorizing the company to conclude a revolving credit facility agreement with

Vimpelcom Ltd., under which GTH will give additional \$200m cash in exchange for no more than 11.5 per cent annual interest rate on amounts withdrawn, 0.30 per cent annual commitment fee on unobligated balance and a 7-year ma-

turity date, starting as at the contract's signing date. A revolving credit facility allows the borrower to pay and redraw loans with flexible working capital requirements throughout the operating cycle.

GTH's stock recorded a 1.32

per cent increase - reaching 3.08 pounds - by the end of last week's trading, while trading volume reached 10.8 million shares with a total value of EGP 33.4m.

By Mahmoud Hammad



*The Panama Papers is considered an unprecedented scandal that did create enormous worldwide controversies; various public figures are involved including politicians, businessmen and many others.*

*Different opinions have been circulating in media; some are pro executing major investigations and others are against. Major investigations are currently held; France, Australia and New Zealand declared that they will proceed with all the needed procedures related to tax authorities in order accomplish the needed inquiries. The Australian tax authorities declared that it is currently investigating the papers of more*



## Obama: Panama Papers are a global problem

In a press conference held in the White House on April 5, President Obama shed light on Panama Papers, describing tax evasion as a global problem and calling on fixing tax laws' loopholes.

He said: "We've had another reminder in this big dump of data coming out of Panama that tax avoidance is a big, global problem. It's not unique to other countries."

"A lot of it is legal, but that's exactly the problem. It's not that they're break-

ing the laws, it's that the laws are so poorly designed," Obama said, adding that corporations who can afford the accountants and lawyers to arrange the tax deals are "gaming the system".

The US president called on Congress to adopt necessary measures to reform tax laws and eliminate insidious loopholes represented in the tax inversion-i.e. the practice of some US corporations of relocating their headquarters off-shore on paper to avoid paying taxes.



## Jia Qinglin's granddaughter revealed in Panama Papers

Eight senior members of China's Communist party, whose families used offshore companies, are revealed in the Panama Papers, including Jia Qinglin's granddaughter, the country's fourth most powerful figure. Others who feature in the Panama Papers are the brother-in-law of China's president, Xi Jinping, and the son-in-law of Zhang Gaoli, a member of the politburo standing committee.

China and Hong Kong were Mossack Fonseca's biggest sources of business, with clients linked to a total of 40,000 companies past and present. The Mossack Fonseca

franchise now has offices in eight Chinese cities, according to its website.

Moreover, the documents expose movie star Jackie Chan had at least six companies managed through the law firm. But, as with many of Mossack Fonseca's clients, there is no evidence that Chan used his companies for improper purposes.

China's reaction was predictable. It blocked access to the Panama Papers revelations, as they made headlines elsewhere, and the Guardian's website after its "red nobility" stories from the leaked files were published.

# Supporting or Opposing: Panama Papers rock politicians,

## What are Panama Papers and Mossack Fonseca Company?

The news has been captured lately by Panamanian law firm Mossack Fonseca's data leak, named "Panama Papers", so what are the Panama Papers? What is Mossack Fonseca?

Panama Papers are an unprecedented leak of 11.5 million files from the database of the world's fourth biggest offshore law firm, Mossack Fonseca. This biggest leak in history revealed that a number of celebs, athletes and politicians have been using offshore tax havens, with the Panamanian company's help.

Tax haven is a term used to describe places where foreign

individuals and businesses are offered little or no tax liability at all. Moreover, they impose strict laws on the confidentiality of foreign clients' accounts helping them evade tax in their origin states.

Mossack Fonseca is a Panama-based law firm which has been providing corporate services for 40 years, which include incorporating companies in offshore jurisdictions such as the British Virgin Islands. It administers offshore firms for a yearly fee. Other services include wealth management.

The Panamanian firm runs a global network with 600 people

working in 42 countries. It has franchises around the world, where separately owned affiliates sign up new customers and have exclusive rights to use its brand. Mossack Fonseca operates in tax havens including Switzerland, Cyprus and the British Virgin Islands, and in the British crown dependencies Guernsey, Jersey and the Isle of Man.

It is worth mentioning that dealing with Mossack Fonseca or similar companies does not necessarily imply legal violations, but fears are spread across the west that some might use such services to cover illegal money crimes.

## Egyptian journalist unveils Panama Papers investigations



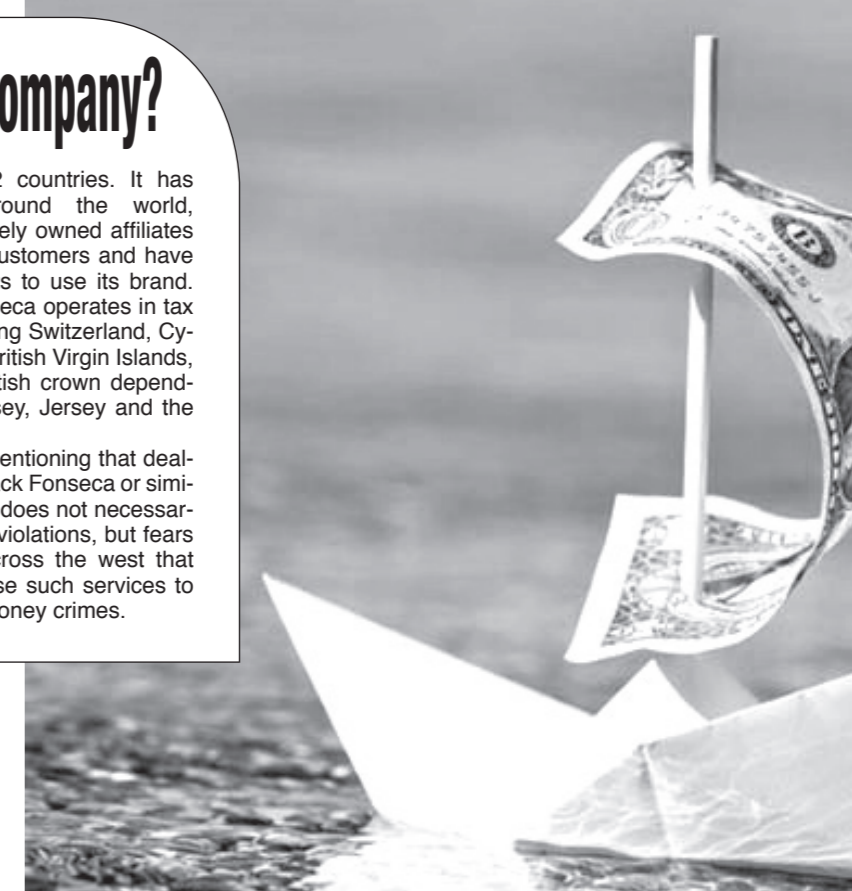
Hesham Alam, the Egyptian journalist who partook in the Panama Papers investigations, said the investigation team used a mechanism that secures their work before publishing. It is based on distributing the files on several groups among the investigation team to avoid any potential abuse against them.

Alam pointed out that the safety of the investigation team's members was a priority, and in turn the journalists took on themselves the responsibility of protecting the files, since they contain data most governments seek, even the slight-

est part of it. He added "I believe we were able to strike surprisingly most of those involved in illegal practices in more than 100 countries. This proves we accomplished our mission, which we kept highly confidential for a year, successfully".

The Egyptian journalist assured that no one in Egypt, excluding him, reviewed the documents, adding that there backup copies in case of any emergency.

He concluded that the investigation team will keep publishing the first part of the Panama Papers all over the world, followed by the second part soon, and saying: "I would like to stress out that we do not work individually, all of our steps are planned ahead. We all strike at once and with a definitive mechanism".



## UK Prime Minister under fire for tax avoidance



Pressure has been heaping on Prime Minister David Cameron to quit after he finally acknowledged he had benefited from a controversial offshore fund set up by his late father Ian.

David Cameron's late father, Ian, ran a Bahamas-based investment fund called Blairmore Holdings Inc. It managed tens of millions of pounds on behalf of wealthy clients. Yet, in 30 years of trading, Blairmore did not pay any UK tax on its profits, according to new leaks.

At first, Downing Street insists that David Cameron's tax affairs are "a private matter", yet following that confession, Cameron has become under fire. He admitted "I could have handled it better".

Scotland's First Minister Nicola Sturgeon was on the list of Cameron's critics against tax evasion. Moreover, she has followed other Scottish party leaders by publishing her tax return for 2014-15, and committed to publishing it annually for as long as she is first minister.

UK has decided to form a commission to investigate the Panama Paper leaks.

# Panama Papers expose Alaa Mubarak's hidden wealth

The Panama Papers published by the International Consortium of Investigative Journalists (ICIJ) revealed Alaa Mubarak owned Pan World Investments Company, registered in the British Virgin Islands, to evade taxes and preserve the secrecy of the owners' identities and financial transactions.

Pan World Investments is incorporated by Mossack Fonseca and managed by Credit Suisse group. But when he and his ousted father and brother, Gamal, were arrested over corruption charges, British Virgin Islands authorities was asked to freeze Alaa's company assets according to a European Union decision in 2011, according to a leaked file.

Mubarak's company was established in 1996 and owned a 50 per cent stake in the Bullion Company, which was registered in Cyprus. Bullion owned a 35 per cent stake in another investment company registered in the British Virgin Islands called EFG Hermes Private Equity, which owned two funds under the name EFG Capital Partners. Those funds invested remotely in several Egyptian companies, including Suez Cement, the National Bank of Egypt, Talaat Mostafa Holding and Alexandria for Mineral Oils.

EFG Hermes Equity also owned a third fund under the name of Horus Food and Agribusiness, which in turn invested in Edita Food Industries, Alwadi Holding, Misr

October for Food Industries (El-Misreieen) and other companies. All these companies accepted investments from funds that were tied to other funds, which in turn were tied to companies that all led back to Pan World. Gamal and Alaa Mubarak then collected profits and transferred them to their offshore accounts.

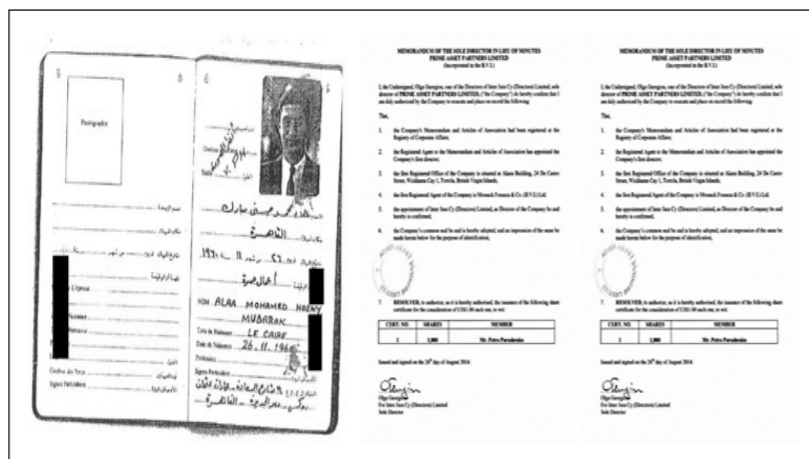
In 1997, Pan World became a partner in another company called Egypt Fund Ltd, registered in another tax haven in the Caribbean's Cayman Islands. Egypt Fund Ltd managed another fund called Horus, with a capital of \$54m, and that fund invested in 18 private sector Egyptian companies.

In February 2008, Pan World Investment sold its stake in the Bullion Company in Cyprus and transferred its stocks to another

company, also registered in Cyprus, called Nakoda Limited. Nakoda was owned by another Cyprus-registered company called CP Palema.

In March 2014, the European Union had decided to freeze four bank accounts belonging to Gamal Mubarak in Cyprus that were all tied to Bullion.

The Panama Papers hit is apparently the latest in a series of previous ones against Pan World. The Virgin Islands authorities investigated the company in 2014 and froze its assets. They also penalized the Mossack Fonseca for failing to "identify Alaa as a high risk customer," and was subsequently fined \$37,500. The firm has admitted that "its procedures were 'seriously flawed'", the file said.



## The French National Front party's associates named in Panama Papers

In the wake of Panama Paper leak and related investigations, the French Le Monde reported that President of the National Front party Marine Le Pen's associates are named in the papers. It seems that they set up a developed offshore system among Hong Kong, Singapore and the British Virgin Islands through which they managed "to get money out of France, through shell companies and false invoices, to evade French anti-money-laundering authorities".

Le Pen's 2 associates involved are Nicolas Crochet, an accounting expert, and Frédéric Chatillon, a longtime friend, on whom the party has relied for so long to provide financial support.

Chatillon told Le Monde that the transfer of funds to a Hong Kong-based company was "perfectly legal" and reflected his and his business partners' interest in "investing in Asia" at the time.

While in a step ahead, The National Party flatly rejected allegations the far-right party was involved in a complex system to hide cash in offshore account, adding that it presented to journalists documents to support that.

"All of that is perfectly legal," the head of the party said, adding: "Anyway, Mr. Chatillon has no responsibilities at the National Front...Any attempt to link these allegations to the National Front or to Marine Le Pen will simply amount to defamation".

Yet, Le Monde said- based on Panama papers- "In 2012, following presidential elections, Frédéric Chatillon with the help of Nicolas Crochet managed to transfer € 316,000 out of France".





than 800 clients related to the offshore law firm Mossack Fonseca.

Furthermore the French President, Francois Hollande said, he has been giving the needed orders in order to proceed with the needed inquiries, in cooperation with the tax authorities; the French President stressed on the fact that all penalties will be applied.

In Pakistan, the Pakistani minister of Information and Broadcasting Pervez Rashid, denied any accusations related to the Prime Minister Nawaz Sharif, who has been involved in Panama papers; his two daughters were involved as well. Rashid declared that Nawaz Sharif is not criminalized by the Pakistani law or the international law.



# business people & athletes

## Thailand investigates 16 suspects tied to Panama Papers

Following unconfirmed earlier reports of 21 Thais identified in the Panama Papers, Acting AMLO Chief Pol Colonel Seehanart Prayoonrat said Panama's anti-money laundering agency had responded to a request for clarification on this issue.

Thailand is now investigating 16 people, including current and former politicians and well-known business people, whose names appeared in the Panama Papers, Seehanart said.

The individuals are among scores of politicians and busi-

ness figures worldwide who feature in the massive document leak from Panamanian law firm Mossack Fonseca, which specializes in establishing offshore companies.

Moreover, Thailand has sought cooperation from Panama's anti-money laundering agency, he said. But, it would not release the names on the list until authorities had verified the leaked information.

Seehanart said no Thais currently holding political office were named in the Panama Papers, but an unspecified number of former politicians

were on the list. He said AMLO found that there were a total of 719 names, including 411 Thais, 262 expatriates living in Thailand and 45 juristic persons in the Panama Papers.

AMLO decided to work with the Securities and Exchange Commission to see if there was any evidence showing Thai individuals or juristic people were involved in stock manipulation or other illegal activity. Whereas, the National Anti-Corruption Commission will examine former politicians' asset declarations.

## Icelandic prime minister & his wife's secret firm

Iceland's prime minister, Sigmundur Davíð Gunnlaugsson, and his wife, Anna Sigurlaug Pálsdóttir, had a secret British Virgin Islands firm. They set up Wintris Inc in 2007. Its purpose was to invest her share of the proceeds from the sale of her father's car business. In 2009, Gunnlaugsson sold his 50 per cent stake to his wife for a symbolic \$1. At this point he was an MP. In 2013, he became prime minister for the centre-right Progressive Party. He failed to declare his offshore firm, perhaps hoping that its existence would stay hidden. Last month, Swedish journalists working on the Panama Papers ambushed Gunnlaugsson during a TV interview. He denied wrongdoing, but his face — alarm, confusion, hesitation — told its own sorry story. Edward Snowden tweeted this dramatic moment as a gif.

Nearly 10,000 people — in a country of 330,000 — protested outside Iceland's parliament in Reykjavik. They shouted slogans calling for Gunnlaugs-

son to quit. They banged drums, blew whistles, and waved bananas — a symbol suggesting the country that suffered a banking collapse in 2008 had turned into a banana republic. The next day, after a meeting with party colleagues, Gunnlaugsson resigned. Reluctantly, it appeared: his party said it was a temporary measure and that he might come back after a period of leave. Gunnlaugsson is the Panama Papers' biggest casualty so far, and proof that democratic leaders have a tougher time than their authoritarian counterparts.



## Messi & Platini named in panama papers

Nearly 20 high-profile footballers, including the five-time world player of the year Messi, Leicester's Leonardo Ulloa, and former Chilean star Ivan Zamorano and former Manchester United defender Gabriel Heinze have been named in the leak over allegations they or associates of theirs used offshore tax regimes to hold money they earned after selling their image rights to sports brands and advertisers.

Messi and his father Jorge turned out to own a Panama-based company called Mega Star Enterprises, that goes as far back as 2013. The Panama Papers show Messi signed at least one document reflecting his ownership of Mega Star, but that his father took over sole ownership of the company in December 2015. The company remains active in Panama's company register.

Messi and his father are already due to stand trial in May over tax fraud charges after allegedly failing to declare €4.1m (£3.3m) in taxes related to his image rights between 2007 and 2009 through front companies in Belize and Uruguay. Both men deny the allegations.

Yet, Messi decided to sue the Spanish media outlets that published the documents. "



## Panama Papers spark a French-Algerian diplomatic row

Algerian foreign ministry summoned the French ambassador Bernard Emié to complain that French media reports on the issue were a "malicious campaign" against Algerian officials.

This came after French newspaper Le Monde published a front-page picture of President Abdelaziz Bouteflika among leaders it said were named in the Panama Papers leaks.

The Algerian foreign ministry described the French media's prejudice against regime, under the pretense of freedom of speech, as unacceptable, adding it summoned the ambassador to protest this "organized media campaign" against it, just 2 days before the French Prime Minister Manuel Valls' visit to Algiers.

"It is our duty as Algerians not to tolerate harming our symbols and constitutional institutions," the official news agency APS quoted Interior Minister Nouredine Bedoui, adding "This is a red line."

Le Monde clarified later that Bouteflika's name does not appear in Panama Papers. Yet, it considered that the Algerian industry minister Abdesselam Bouchouareb- who is close to the president's brother and his private consultant- being named in the papers makes the president involved one way or another in this corruption scandal.



# How a UK banker helped North Korea finances its nuclear program

Following Panama Papers leak, it was unveiled DCB Finance, located in Pyongyang and registered in the British Virgin Islands, is an illegal firm set up by a UK banker to help Pyongyang regime sell arms and expand its nuclear weapons program.

The British Nigel Cowie moved to North Korea in 1995 and became head of its first foreign bank, Daedong Credit Bank. Initially operating out of a ramshackle Pyongyang hotel with a staff of three, Cowie led a consortium that in 2006 bought a 70 per cent stake in the bank.

Giving his address as Pyongyang's International House of Culture, he registered DCB Finance Limited, an offshoot of the bank, in the BVI in 2006, with a senior North Korean official, Kim Chol-sam. The Panamanian law firm Mossack Fonseca incorporated the company, despite North Korea being an obvious high-risk destination.

In 2013, the US imposed sanctions on Daedong and Cowie's front company, DCB, as well as on Kim Chol-sam. It alleged the bank provided "financial services" to North Korea's main arms dealer, the Korea Mining Development Corporation, and its main financial arm, Tanchon Commercial Bank, which were subject to sanctions for the "central role they play supporting North Korea's illicit nuclear and ballistic missiles programs".

The US Treasury claimed that since "at least 2006, Daedong Credit Bank had used its front company, DCB Finance

Limited, to carry out international financial transactions as a means to avoid scrutiny by financial institutions avoiding business with North Korea".

Kim was suspected of facilitating transactions worth hundreds of thousands and managing millions of dollars in North-Korean-related accounts.

The Panama Papers reveal Mossack Fonseca failed to notice Cowie's companies were linked to North Korea — even though he gave an address there. The banker also used the Panamanian company to register another company, Phoenix Ventures Ltd.

It was only in 2010 that Mossack Fonseca realized it had been dealing with North Korea entities, and resigned as agent. The discovery came after the law firm got a letter from the British Virgin Islands' Financial Investigation Agency asking for details of Cowie's company. The next year, Cowie sold his share in the bank to a Chinese consortium.

In a letter, Cowie's lawyer said: "My client was a shareholder

in DCB Finance Ltd, a company set up to enable DCB to continue to operate after correspondent banks had closed its accounts. The name was specifically chosen in order to reflect the historical connection with DCB. DCB Finance Ltd was used for legitimate business. My client was, and still is to this day unaware of any transactions being made with any sanctioned organization or for any sanctioned purpose, during his tenure."

Edward Snowden, former Central Intelligence Agency employee, tweeted about Panama Papers: "Biggest leak in the history of data journalism just went live, and it's about corruption"



## The Panama Papers fallout on Russia

The musician Sergei Roldugin was identified as an old friend of Vladimir Putin linked by documents from the leak to a number of offshore companies with cash flows of up to \$2bn (£1.4bn).

Roldugin has said he is no businessman. But the Panama Papers reveal \$2bn flowing from Russian state banks to offshore companies and a firm in the British Virgin Islands called Sandalwood Continental Ltd. The money is cycled back to Russia. Some \$11m of it went to a ski resort outside St Petersburg called Igora, where in 2013 Putin's younger daughter Katerina got married.

The president's veteran spokesman, Dmitry Peskov, dismissed theories of Putin being involved as an example of "Putinphobia" and suggested that many of the investigative journalists involved were actually CIA spies.

Moreover, Peskov denied that his wife, Tatiana Navka, a former Olympic ice skater, whose name appeared in the papers, had an offshore company.

Putin dismissed claims of corruption and said Roldugin had used his money to import musical instruments and suggested the US government is behind the leaks.



## Marzouki's hidden wealth exposed

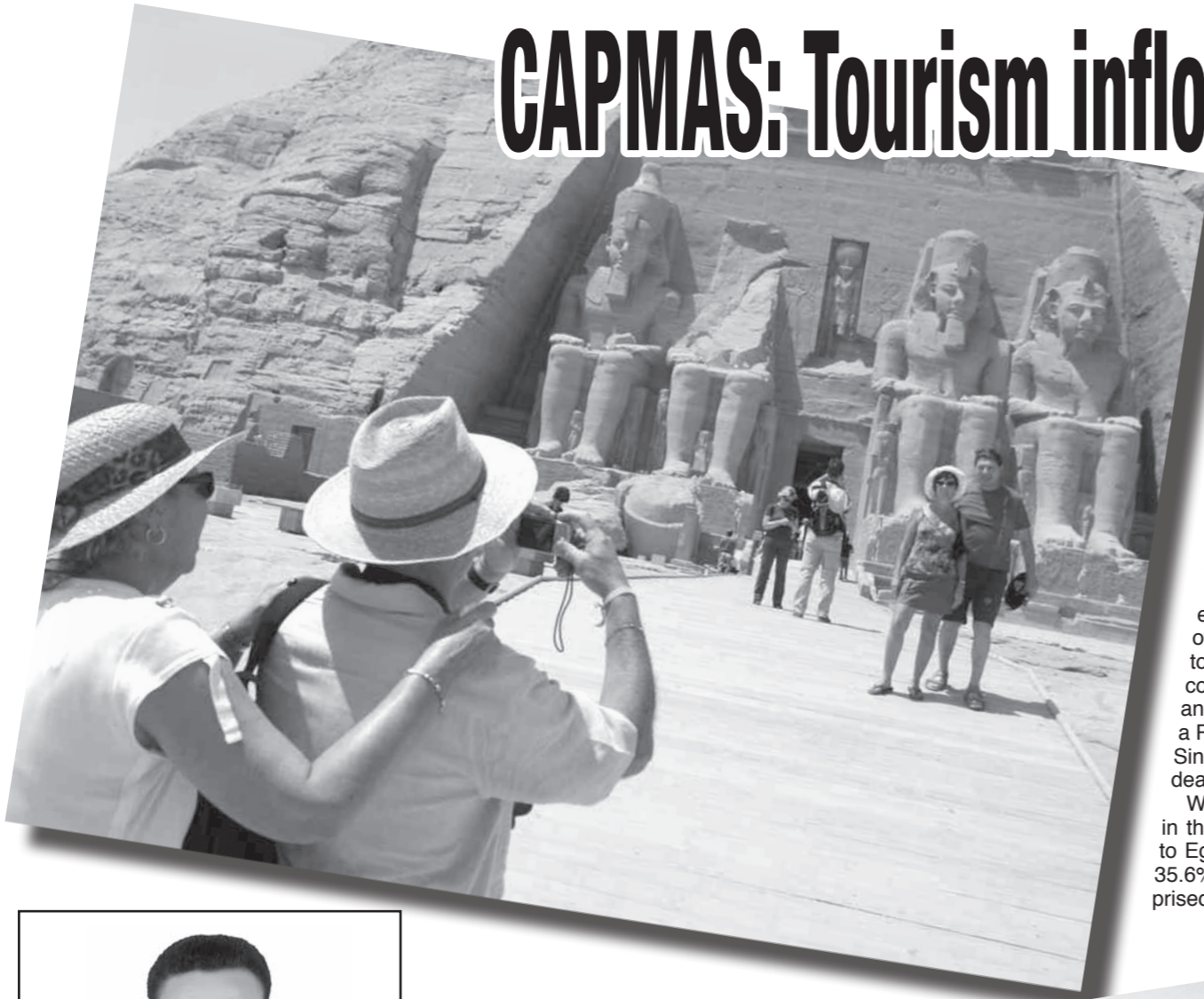
Al-Shorouk Newspaper, citing Inkyfada website, wrote that former President Moncef Marzouki established in 2013 a real-estate service corporation, with the help of Mossack Fonseca. He transferred, through this shell company, \$36m from a Qatari entity to his corporation.

Apparently, Marzouki sent e-mails asking for information on how to set up his own offshore company, according to the website.

On the other hand, Tunisian parliament approved, with 124 members being in favor, forming a commission to investigate the Panama papers.



# CAPMAS: Tourism inflow declines by 45.9% in February



Tourist arrivals to Egypt fell by about 45.9% in February in a year-over-year comparison, according to a report issued by the Central Agency for Public Mobilisation and Statistics (CAPMAS) on Monday.

The agency estimated that 346,500 tourists arrived in Egypt throughout February, compared to 640,200 tourists during the same month of 2015, a decrease of 45.9%.

The report mainly attributed the decline in the number of tourists to fewer Russian tourists visiting Egypt. Moscow suspended its flights to and from Sharm El-Sheikh after a Russian plane was downed in Sinai last October, leading to the death of all 244 people on board.

Western Europe ranked first in the number of tourists coming to Egypt in February, constituting 35.6% of arrivals. Germans comprised 38.5% of the total tourist ar-

rivals from that region.

Saudi Arabia was the most prominent country exporting tourism to Egypt in the Middle East, with 25.8% of the total inbound tourism from the region. Eastern Europe was the third highest region, with 14.1% of the total inbound tourism. Ukrainians topped the list of Eastern Europeans coming to Egypt with 60.3% of the total arrivals from the region.

The rest of the world, Africa, Asia, America, and other countries altogether accounted for 23.5% of the total inbound tourism.

The number of tourists who arrived in Egypt in January declined by 46.3% year over year.

Minister of Tourism Yehia Rashed said during a televised interview on Sunday that the ministry has an urgent plan with six axes to restore tourism over six months, in coordination with Minister of Civil Aviation Ashraf Fathi, to raise the quality of airline service.

Rashed noted that the plan will utilize the latest technology in restoring tourism to maximise revenues. The number of tourists departing from Egypt amounted to 329,900 tourists during February compared to 606,200 tourists in February 2015, a decline of 45.6%. The number of nights tourists stayed in Egypt in February has also declined by 67.2% compared to the same month of last year. CAPMAS also attributed this decline to the fall in arriving Russian tourists by 99.0%.

Western Europeans stayed the highest number of nights in Egypt at 37% of the total nights spent. Germany topped the region's ranking with 42.8% of the total number of nights.

The number of tourists from Arab countries was estimated at 112,500 tourists during February compared to 105,300 tourists during February of 2015, marking a decline of 6.9%.



## Dubai is ready to compete globally in medical tourism



### Ahmed A. Basset wins the 2016 CFO experience award

In appreciation of his outstanding performance, Ahmed Abdel Basset, Sheraton Miramar's Deputy Director of Finance has been selected to receive the Starwood 2016 CFO Experience Award.

This award is presented to Basset for his exceptional achievements and his responsibility of the Sheraton Miramar since 2 years as Acting DOF. In addition He was appointed as Acting GM when the hotel's GM left and demonstrated great leadership in rallying both Operational and Finance teams together while facing external challenges in the country combined. Sheraton Miramar's team proud to have such an outstanding leader.

Dubai Crown Prince Sheikh Hamdan bin Rashid Al Maktoum launched Dubai as the world's first medical tourism hub. Driven by the Dubai Health Authority (DHA), the move comes in line with the vision of Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of UAE, to develop the tourism sector and make Dubai city a hub for medical, family and shopping tourism capable to woo over 500,000 tourists with the advent of Expo 2020 Dubai.

With medical infrastructure in terms of hospitals, clinics and medical centers spread across Dubai, the city is capable of competing globally in this vital medical tourism sector.

Sheikh Hamdan sealed the model passport, announcing the start of reception of tourists in Dubai from

around the world.

Humaid Al Qutami, Chairman of the DHA's Board of Directors and its Director-General, said at the ceremony while welcoming the Crown Prince of Dubai, "It is an epochal step for the authority, which prepared this ambitious medical tourism sector project through the experience of Dubai's healthcare program. It offers a range of world-class medical specialties."

He noted that this would be enhanced through cooperation and coordination with the DHA strategic partners in Dubai, notably Emirates Airlines, the Department of Tourism and Commerce Marketing and the General Directorate of Residency and Foreigners Affairs in addition to a number of competent private sector corporations - *Emirates 247*.

## Ajman Palace: targeting new tourist markets

The Ajman Palace Hotel has confirmed its presence at the Arabian Travel Market (ATM) that will take place in Dubai from April 25 to 28. The luxury five-star hotel will be showcasing its facilities both at the HMH - Hospitality Management Holdings stand as well as the Ajman Tourism Development Department (ATDD) booth.

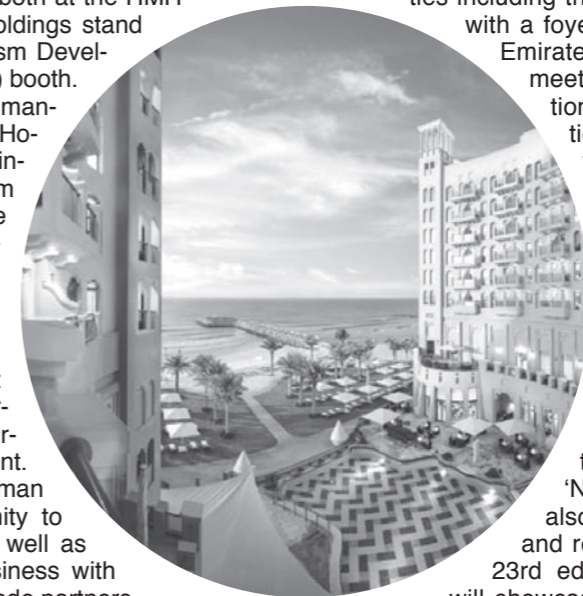
Ferghal Purcell, general manager of The Ajman Palace Hotel, said: "ATM is a leading international travel and tourism trade show and has become a pivotal platform for The Ajman Palace Hotel."

It is important for us not only from a group perspective given HMH's strategic presence at the event but also from a destination perspective with the Ajman Tourism Development Department. Both platforms offer The Ajman Palace Hotel the opportunity to maximize its exposure, as well as meet, network and do business with our existing and potential trade partners.

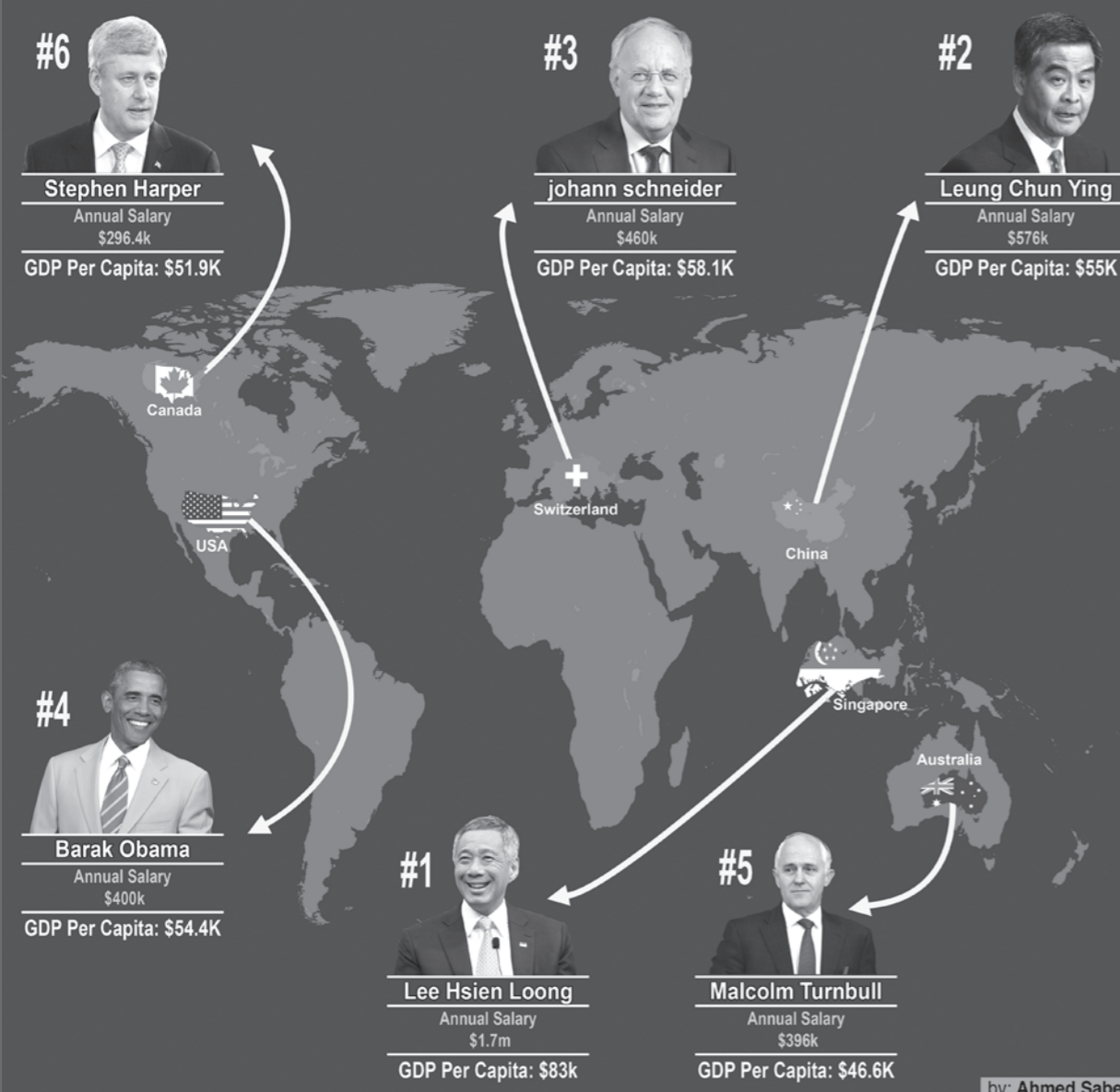
Elaborating on his property's unique appeal Purcell added: "The Ajman Palace Hotel is ideally equipped with world-class facilities to serve interna-

tional clientele, which is why we are the preferred choice of discerning business and leisure travellers.

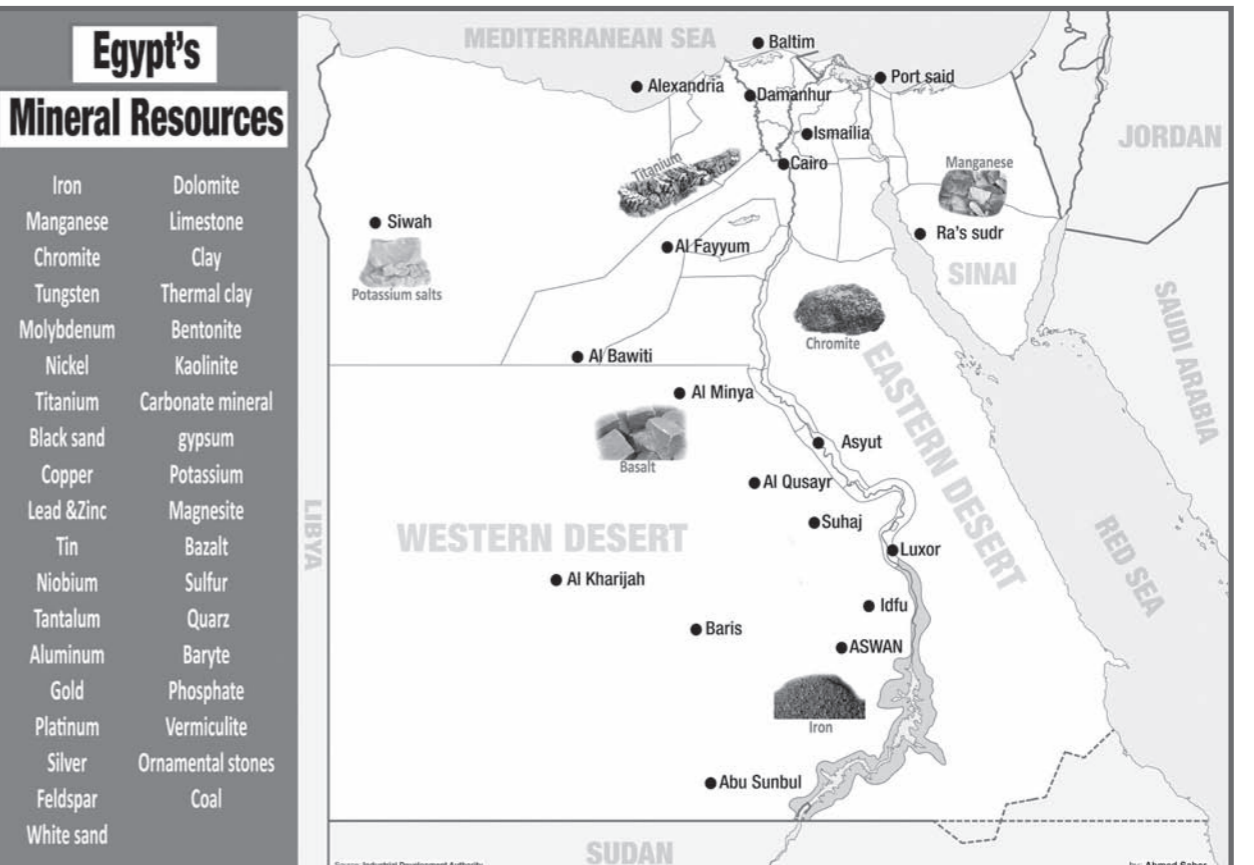
One of our greatest assets is our meeting facilities including the 1,200-sq-m grand ballroom with a foyer, the largest in the northern Emirates, a conference hall, four meeting rooms, and a VIP function area - all offering inspirational surroundings. In addition to these fabulous event facilities, we have got outstanding accommodation as well as a superb choice of restaurants and lounge options serving cuisines from around the world with a speciality Asian restaurant 'Dragon's Place' and an all-day-dining restaurant 'Bistro', lobby café, sunset terrace and the rooftop deck 'Nojoom Lounge'. On site are also excellent lifestyle, wellness and recreation facilities. "Now in its 23rd edition, Arabian Travel Market will showcase more than 2,800 products and destinations from around the world to over 26,000 buyers and travel trade visitors across four days. - *TradeArabia News Service*



## Top presidents' salaries in the world



\* Presidents and prime ministers' incomes way surpass laymen's, with the big gap among those differing from one country to another. Generally heads of the most rich states are paid the highest. yet, annual salaries are not the only material privileges they enjoy, other indirect ones include staying at presidential places, getting paid for talking to the media and writing books among many others. The Numbers website, citing 24/7 Wall Street Journal, reported the world's 20 highest paid presidents.





# Engezni: The story of the social food network

There are multi million dollar companies internationally recognized that were started by ambitious college students such as Facebook and FedEx. Engezni is an example of an Egyptian startup that was started by college students and it is revolutionizing the food scene in Egypt.

It all started in the summer of 2013, when Amr Ashraf and Ahmed Shinawy, two computer-engineering students from the American University in Cairo were taking a mobile development class. Their idea for their class project was an application named Engezni. The application aims to easily link customers with restaurants to make orders all over Egypt and to help food lovers to post reviews of restaurants. Engezni's pages on social media websites regularly posts photos of meals and reviews of rising restaurants.

The mobile application was officially launched in January 2014, during the

food event, *Koshary* festival. The application won the 2nd place at the 2014 University Mobile Challenge at the GSMA Mobile World Congress. The Mobile World Congress is the biggest conference for mobile technology in the world with over 70,000 participants hitting Barcelona each year to attend the conference.

Today Engezni's Facebook page has more than 400,000 likes and more than 55,000 followers on Instagram.

Amr Ashraf said that AUC helped them a lot to establish their startup, as its media office helped promoting the application; the office also helped publicizing the team's winning at the Mobile Challenge Competition. The Computer Engineering Department nominated the application for the first place



at the competition.

According to Ashraf, the troubled economic and political atmosphere made it very challenging to find investors. Most investors were not motivated to participate in a startup under the current economic circumstances. Eventually a Jordanian investor was found.

Engezni's founders had a creative launch event, which was the *Koshary* festival held back in January 2015. Upon the festival, Egypt broke the Guinness world record for the largest plate of *Koshary*, which was made by the *Koshary* restaurant Abu Tarek. The launch event aimed to encourage the tourism industry in Egypt and helped to encourage various Egyptian restaurants to participate in one of the biggest food events. The *Koshary* festival made headlines for various newspapers and it was a huge success for a startup.

Engezni also contributed in the first food festival that was held in AUC last March. The festival had many gourmet restaurants and featured the Lebanese band *Mashrou' Leila*. The food festival was a success and more than 4000 people attended it. Ashraf said that it is possible to have an

annual food festival at AUC.

According to Amr Ashraf, Engezni is like Instagram for food. "It is a social network where people can share their experience, view what your friends are ordering and recommending, check reviews from others, while at the same time ordering online," he said.

Ahmed Shinawy said that what makes Engezni different from other food ordering applications is that it is meant to be fast, accurate and convenient. An order placed through Engezni system appears directly at the restaurant instead of having to call the restaurant. Engezni also allows users to discover new restaurants and food items.

#Stay tuned to more stories about successful Egyptian Start-ups#

By Noura Shibli



## FCC plans \$51 million fine over Lifeline program abuse

The Federal Communications Commission has announced plans to fine a mobile provider \$51 million for defrauding its Lifeline program, which subsidizes wireless service for low-income Americans.

The FCC accused California-based Total Call Mobile of fraudulently enrolling tens of thousands of duplicate and ineligible consumers in the Lifeline program.

The company received an estimated \$9.7 million in improper payments since 2014, according to the FCC. In the fourth quarter of that year, 99.8% of the company's enrollments allegedly involved overriding a system designed to stop the registration of duplicate customers.

FCC enforcement bureau chief Travis LeBlanc said the agency reserves its toughest penalties for those who "defraud or abuse federal programs."

"Any waste, fraud, or abuse in the Lifeline program diverts scarce funds from the consumers they are meant to serve and undermines the public's trust in the program and its stewardship," he

said in a statement.

Total Call, which operates in at least 19 states or territories, did not immediately respond to requests for comment.

Roughly 18 million people eligible for food stamps and Medicaid receive cell phone subsidies through the 31-year-old Lifeline program. Carriers receive a \$9.25-per-month subsidy

for every person enrolled in the program and are supposed to pass the discount on to customers.

The program is not without controversy, particularly among conservatives because of its \$2 billion annual price tag. It became even more unpopular in the wake of a 2012 corruption scandal in which instances of Lifeline fraud emerged.

Lifeline at one time enjoyed bipartisan support. The Reagan-era initiative was expanded to include cell phones under president George W. Bush.

In recent years, however, conservative politicians and pundits have dubbed it the "Obama phone" program.

In March, the FCC voted to expand the program to include broadband internet access.



## Mind Games

N E L A S R O F M E C N A R U S N I  
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### Word seeks

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| AGENT        | CREDITOR     | LAWYER   | SKYSCRAPER |
| AMORTIZATION | DEED         | LENDER   | SOLD       |
| APPRAISAL    | DEPOSIT      | LIEN     | SQUARE     |
| ASSESSMENT   | DEPRECIATION | LOAN     | FOOTAGE    |
| ASSET        | DUPLEX       | LOFT     | TAXES      |
| BUILDING     | EXTERIOR     | MARKET   | TIMESHARE  |
| BUNGALOW     | FLIPPING     | VALUE    | TOUR       |
| BUYING       | FOR SALE     | OFFER    | TRIPLEX    |
| CLOSER       | HOUSE        | PAYMENT  | VACANCY    |
| COLLATERAL   | INSPECTOR    | PLOT     | VALUATION  |
| CONDEMNED    | INSURANCE    | PROPERTY | ZONE       |
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# Uber settles California lawsuit

Uber will pay the cities of San Francisco and Los Angeles up to \$25 million as part of a lawsuit that accused the startup of misrepresenting its background checks.

In 2014, district attorneys brought the suit against Uber for not vetting its drivers thoroughly while claiming its background checks were the "gold standard" in the industry. The cities said Uber's system was actually not as thorough as those used by taxi companies, which require fingerprints.

As part of the settlement announced Thursday, Uber has agreed not to use certain lan-

guage to describe its services, such as claiming to be the "safest ride on the road." Uber had already stopped making many of those claims earlier this year, as part of part of a separate \$28.5 million class action lawsuit.

It will also only service airports in the state when it has permission from the port authority. The company already agreed to stop charging "airport fees," which were not actually paid to any airports, as part of a \$1.8 million class action lawsuit settled in November.

Uber also agreed to con-

tinue work closely with the Division of Measurement Standards, which reviews transportation companies' calculation methods to ensure pricing is fair. Previously, Uber had refused to submit its app to the agency. It began cooperating after the lawsuit began, and the DMS approved its app in August.

"We're glad to put this case behind us and excited to redouble our efforts serving riders and drivers across the state of California," Uber said in a statement.

Uber has agreed to pay up to \$25 million in penalties. The

first \$10 million is due in the next two months, but the remaining \$15 can be waived if Uber complies with the terms of the lawsuit.

Lyft settled a similar suit with Los Angeles and San Francisco in 2014 for \$250,000.

"It sends a clear message to all businesses, and to startups in particular, that in the quest to quickly obtain market share, laws designed to protect consumers cannot be ignored," said San Francisco district attorney George Gascon. "If a business acts like it is above the law, it will pay a heavy price."

## The Middle East Observer marks its presence in one of the most important employment fairs



Beni Suef governor & the president of El Nahda University inaugurating the employment fair

Recently the Middle East Observer (MEO), participated in a significant employment fair organized by El Nahda University in Beni Suef governorate; the fair embraced 50 national and international companies, including pharmaceutical companies, banks, telecommunication firms and vital syndicates.

The aim of the fair is to assist fresh graduates in their job hunting in order

to empower them to have a fruitful career life; the fair gives them a chance to get in touch with various national and international companies which provided the graduates with the needed assistance.

During the employment fair, MEO reporter, Moharam Fouad, met Beni Suef Governor, Sherif Mohamed Habib, and Dr. Seddik Affi, the head of El Nahda University, who showed their interest for coop-

eration between the academic sector and MEO; Habib suggested organizing workshops for the students of faculty of media and mass communication where they can get adequate trainings from qualified media calibers; this step will be the first move towards more cooperation between MEO and El Nahda University.

By Eman Rashed



# Alexandria Company For Pharmaceuticals and Chemical Industries



Alexandria Company was established in 1962 as Nassar Lab, then developed to Alexandria Company For Pharmaceuticals and Chemical Industries

- We have two factories, one factory for production of Pharmaceutical Products and the other one for production of adhesive tapes, plasters and sterile surgical gloves.

Alexandria Pharmaceutical Company ranks highly in pharmaceutical industries since the company administration and employees managed to position it top of the holding pharmaceutical companies and 16 in the list of 247 companies in the Egyptian market, according to IMS statistics units year 2015.

### Alexandria Company Activities :

- 1- Manufacture of chemical and pharmaceutical products, Veterinary Products, dietary supplements and medical appliances.
- 2- Purchase, sale, and export of all kinds of pharmaceutical products and medical appliance.



•Panadol is one of the market leader Paracetamol products is manufactured under licence in Alexandria Company due to the big trust of a famous Multinational Company in the GMP of Alexandria Company. Alexandria Company is characterized by many products such as Mepeccaine and Mepeccaine-L, (as Dental Local Anaesthesia).

We are the only National Company that produces Dental Anaesthesia.

-Bi-Alcofan is an important analgesic (Bi layer Ketoprofen tablet dosage form).

- Alexandria Company is also characterized by caldinor plasters silk and cotton in different sizes.

- Alexandria Company is the only company which produces Tiger plaster as a counter irritant.

- Alexandria Company is characterized by many products which are considered the largest selling Pharmaceutical products in Egypt such as:

- \* Nassar tablets (powerful laxative).
- \* Mydrapid 0.5% & 1% (Mydriatic).
- \* Salbovent tablets and syrup (Bronchodilator).
- \* Minophylline pediatric and adult suppository.
- \* Minophylline SR tablets (Bronchodilator).
- \* Pystinon tablets (for treatment of Myasthenia Gravis).

## ALEXANDRIA COMPANY DEVELOPMENT IN THE LAST 5 YEARS



**ALEXANDRIA Co. FOR PHARMACEUTICALS & CHEMICAL INDUSTRIES**  
ALEXANDRIA - EGYPT  
Affiliated Co. of Drug Holding Company

