



## BREAKING NEWS

### US President Obama and UK Chancellor Darling Differ in New Approach to Prevent Another Financial Calamity

President Obama will today announce major reforms of the US financial system. He plans to tighten the grip on banks through the establishment of a new regulatory agency, new powers for the Federal Reserve, and a new supervisory council in charge of monitoring risks to prevent a recurrence of the financial turmoil that caused last year's market collapse. UK Chancellor Darling emphasizes corporate governance over new institutions as the best way to prevent financial calamity in the future, saying that 'bank boards must have the right people, skills and experience to manage themselves successfully.'

Source: [Timesonline.co.uk](http://Timesonline.co.uk)

### Egypt's Orascom Construction Industries Wins \$168 million Contracts for Infrastructure Work in Egypt

Orascom Construction Industries has announced that it has been awarded a contract valued at \$128 million to work on the new Cairo -Alexandria highway by the Egyptian Ministry of Transportation, expected to be completed by the end of 2011. OCI has also been awarded a project of \$40 million for the construction of the South Waste Water Treatment Plant in the 6th of October City by the Ministry of Housing, Utilities and Urban Development.

Source: [nooz.com](http://nooz.com)

## IN DEPTH: UK EXPENSES CLAIMS



### Do you agree?

Who should be held accountable for the fraudulent expenses claims made by MP's in the UK? Is the system essentially flawed?

Last February, the public push for more Government transparency came to the foreground when the Information Tribunal ruled in favour of the Freedom of Information campaigner Heather Brooke, the Sunday Telegraph and Sunday Times to release information on MP's expenses claims within 28 days. Since then, the Prime Minister and MP's have been under fire from the media and public over exploiting their allowances. The functioning of the underlying system that has condoned these claims in the past is being questioned to such an extent that proposals for reform are now arising. While this fiasco should be taken as grounds for reform, it does not take away the problem of accountability. According to the tribunal, "the laxity and lack of clarity rules for Additional Costs Allowance is redolent of a culture very different from that which exists in the commercial sphere, or in most other public sector organisations today" (BBC news). In the private sector these actions would be subject to formal investigation and prosecution, why should the members of the UK government be exempt from these consequences if there was a deliberate attempt to take advantage of the system? While the system is essentially flawed, the MP's should still be held accountable for exploiting their allowances, even more so when they have not paid tax over certain claims. After all, tax should be paid over any benefits received from a job. Furthermore, the administrators in charge of approving expense accounts should also be held responsible. Let us hope that continued transparency will result in a further push for reform.



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## LATEST NEWS FROM EGYPT

- ◆ Egypt passes a law allocating a quota of 64 seats in the lower house to women.  
Source: [egyptdailynews.com](http://egyptdailynews.com)
- ◆ Casino operator MGM Mirage is teaming up with Egyptian developer to build resort outside Cairo.  
Source: [egyptdailynews.com](http://egyptdailynews.com)

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## LATEST NEWS FROM THE UK

- ◆ UK unemployment reaches a 12 year high at 2.26 million. The pace of decline has eased this month.  
Source: [guardian.co.uk](http://guardian.co.uk)
- ◆ Supermarkets Tesco and Sainsbury's have reported a growth in like-for-like sales of 4.3% and 7.8% respectively. Sainsbury's plans to raise £445m to step up its expansion drive.  
Source: [timesonline.co.uk](http://timesonline.co.uk)



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**CHAMBER NEWS**

Issue 9, 17 June 2009

**EBCC PARLIAMENT DEBATE REVIEW**

Last week the EBCC organised a debate at Parliament to discuss the consequences of the G20 summit for trade relations between Egypt and the UK. Our speaker was Dr Amr Hassanein, Chairman of MERIS, Moody's affiliate in Egypt and currently Egypt's only rating company. He gave us a very informative presentation and created a lively discussion. This was followed by a champagne reception. Please click on the following link to access Dr Amr Hassanein's presentation:



Dr. Amr Hassanein, Mr Taher El Sherif & Mr Javed Hasan

- [The Ability of the Financial Sector in Egypt to Benefit from the Outcome of the G20](#)

The Egyptian-British Chamber of Commerce غرفة التجارة المصرية البريطانية



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*Do you agree?*  
The oil prices will continue to shoot up to the level they were at before the global economic crisis hit.

**IIP SEMINAR REVIEW**



CQL Group, in cooperation with the EBCC successfully facilitated an Investors in People Seminar on Wednesday 20th May 2009, at the British Embassy in Cairo.

CQL, the Licensed Investors in People Centre for London, are working in partnership with the Investors in People International Centre, to

bring IIP to Egypt for the greater benefit of the Egyptian economy, allowing Egyptian organisations in the public and private sectors as well as government employees to experience the benefits already recorded by over 80,000 organisations worldwide.

The event was hosted by the Honourable Dominic Asquith CMG, Her Majesty's Ambassador to the Arab Republic of Egypt. Also present were Bill Rammell, Minister of State, Foreign & Commonwealth Office, and Dr Ahmed Darwish, Egyptian Minister of State for Administrative Development.

John Telfer, the Managing Director of Investors in People London and CQL Group commented: "We were very pleased to receive such wholehearted support from both the British and Egyptian Ministers in promoting the benefits of IIP in Egypt. It is clear that IIP compliments Egyptian Government initiatives to improve skills and development in the Egyptian workforce, both in the public and private sectors and we look forward to working with them in the future."

**UPCOMING EVENTS**

July 13 Conference 'Infrastructure & Energy Projects in Egypt' with MEA.  
BIS Conference Centre  
1 Victoria Street, London

Click for:  
[Conference Flyer](#)

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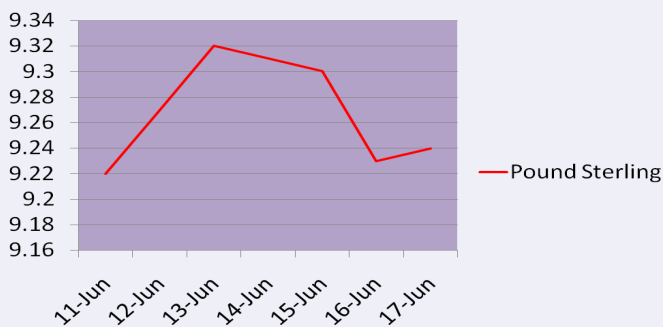
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## EXCHANGE RATE

17/06/09	Egyptian Pound
GBP	9.23
USD	5.64
EUR	7.81

Egyptian Pound vs Sterling over a week



Source: Central Bank of Egypt

### BMI Special Offer ~ Premium Economy Rate Flights Valid for all current EBCC members Valid for booking 01 June 2009 - 31 July 2009

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## BUSINESS OPPORTUNITIES

### Healthcare



Healthcare and education are the priority development and investment sectors in Egypt. According to the draft budget released two weeks ago, the Egyptian government will increase spending on the healthcare sector by 20%

this year, and education by 33%. The government is stimulating private sector involvement in every aspect of the economic reform process in the form of public/private partnerships (PPPs). Spending on healthcare has already increased by over 200% over the last 15 years and the changes are noticeable. There is a high demand for state of the art, sophisticated healthcare, this demand provides opportunities for foreign investors and providers to penetrate the market. There is a large diversity of investment opportunities in the healthcare sector, priority areas for investment are private hospitals, health tourism, pharmaceuticals, platforms & software, and rural healthcare. Egypt also requires investment in the distribution of medical equipment and supplies. There is a need for additional insurance providers, currently only 18% of the private workers in Egypt are insured. The growth of the healthcare sector in Egypt is strongly connected to the establishment of qualified continuing education programmes. UK investment in the development of education programmes through the concept of a British College system could greatly benefit both countries. The development of infrastructure projects is also of importance in enhancing the healthcare system in Egypt, priority is given to areas such as constructing, renovating and refurbishing private hospitals & healthcare centres. Furthermore, the transport network needs to be improved in order to provide better remote/rural healthcare.

## LATEST EGYPT-UK TRADE FIGURES

The latest figures for Q1 of 2009 confirm that trade between the UK and Egypt is continuing to hold up well despite the economic downturn. UK exports to Egypt have increased by 13% compared to Q1 of 2008, from £194m to £220m. This is above average compared to total MENA exports to the UK which only increased by 5% compared to Q1 of 2008. Egypt's share in MENA exports has now grown from 8.3% to 8.5% year-on-year and Egypt is ranked 5th largest MENA importer from the UK. UK imports to Egypt have reported a growth of 3% year-on-year, from £153m to £157m. Total MENA imports from the UK saw a slight increase of 1%. Egypt's share in total MENA imports from the UK increased from 7% to 7.5% year-on-year and Egypt is now the 6th largest exporter from MENA to the UK (these figures include oil exports.) The total volume of trade between Egypt and the UK stands at £377m for Q1 of 2009, an increase of 8.3% year-on-year. Egypt is still the 4th largest MENA trade partner of the UK, after UAE, Saudi Arabia, and Israel. The devaluation of the Sterling plays a large part in the 13% increase of Egyptian imports from the UK since the costs of the imported products will be relatively lower. Similarly, the lowering of the value of the Sterling resulted in a decrease in Egyptian export products to the UK, as these are now relatively less profitable.