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#Egypt#MOU#OverseasConstruction#SmartCity

## Ministerial Talks with Egypt To Bolster Korea's Infrastructure Cooperation

Talk Between ministers of Korea and Egypt to discuss initiatives  
to strengthen railroad collaboration and extend economic cooperation

The Ministry of Land, Infrastructure and Transport (MOLIT, Minister NOH Hyeong-ouk) announced the visit of Minister Noh to Egypt from February 23 to 25 to discuss measures to deepen economic relations including the Cairo Metro train supply project and to strengthen infrastructure collaboration ties of both nation.

The visit was a follow-up task to President Moon Jae-in's visit to Egypt<sup>1</sup> in January, during which he signed a memorandum of understanding (MOU) between South Korea and Egypt for a \$1 billion soft loan to Egypt.

A domestic company that has worked on the Cairo Metro Lines 1, 2, and 3 train supply project since 2012, a project worth approximately 1 trillion Won(KRW), is expected to be able to boost its competitiveness in Egypt and facilitate entry into the Middle East and Africa region with Egypt as a bridging country.

Egypt, the African Union's<sup>2</sup> president nation and the largest Arabian country by population (population of 103 million), is a country with geopolitical advantages such as the Suez Canal and a strategic value as a gateway to the Middle East and Africa markets.

Korea and Egypt have cooperated in a variety of industries since their diplomatic relations were established in 1995, including overseas construction, large-scale national projects, and intelligent transportation systems (ITS). The total value of the overseas contracting accumulating orders was estimated to be approximately \$5.2 billion (about 6.2 trillion won) since a Korean company first entered the Egyptian infrastructure construction business in 1976.

Additionally, the Economic Development Cooperation Fund (EDCF) of approximately \$360 million was funded to the Egyptian government's railway renovation project<sup>3</sup>, and a Korean company is

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<sup>1</sup> Visited on the invitation of President Abdul Fatah al-Sisi of Egypt during the summit tour of the three Middle East countries (UAE, Saudi Arabia and Egypt) (Jan. 15~22, 2022), concluded to strengthen collaboration in significant infrastructure projects including trains, metros, as well as in eco-friendly energy and education

<sup>2</sup> As a pan-African organization founded in 2002, the African Union currently has 55 member states

<sup>3</sup> As part of a large-scale national project to improve Egypt's vital transportation network (Alexandria-Cairo-High Dam railway, 5,100km), funding is provided for the Nahhamadi-Luxor stretch (118 km, USD 110 million) and Luxor-High Dam (224 km, USD 250 million)

participating as a key partner in the Nahhamadi to Luxor stretch (118km).

The two countries agreed to jointly promote promising projects in the fields of information and communication technology (ICT), sustainable energy, and science and technology in higher education that can implement the Korean version of the New Deal alongside Egypt's national development strategy 「Vision 2030」<sup>4</sup>, which is expected to double the effect of economic cooperation between the two countries, as two nations' policy direction coincided with the president's visit last January.

A higher level of cooperation is sought after in the realm of eco-friendly infrastructure development, such as hydrogen trams, LNG conversion of Suez Canal tugboats, and seawater desalination projects.

On February 24, Minister Noh met with Egypt's Minister of Transportation, Kamel Al-Wazir, and thoroughly consulted on the reinforcement plan and resourcing and finance plans for the Cairo Metro Lines 2 and 3 additional train supply project (320 compartments, about 784.2 billion won).

(Date and Time) 24 FEB 4:00 pm (local time) / Ministry of Transport in Egypt

(Korea delegates) Minister Noh Hyeong-ouk, Ambassador to Egypt, Export-Import Bank of Korea, International Contractors Association of Korea, Hyundai Rotem, etc.

(Egypt delegates) Minister Kael al-Wazir, Director of Tunnels, Commissioner of Railways, Ambassador for International Cooperation, etc.

The "Korea-Egyptian Railway Cooperation Memorandum of Understanding (MOU)" was signed in particular to widen the base of cooperation between the two governments through G2G cooperation and to further enhance Korean enterprises' competitiveness in gaining projects.

During the meeting, Minister Noh said, "We will actively seek out ODA candidate projects through G2G cooperation in order for Korean companies with advanced technology to promote specific cooperative projects in a variety of fields, including smart cities and intelligent transportation systems."

He added, "The successful case of cooperation between the two countries will be realized as a cooperative model for a win-win development so that joint advancement into a third country will be achievable."

Egypt's Minister of Transportation, Kamel stressed that "Korea, with its cutting-edge technology, is the most ideal partner for cooperation in Egypt's railway industry, as well as in smart cities and eco-friendly cities."

He added, "We will benefit from Korea's experiences in a multitude of sectors, and by doing so, we will continue to establish a mutually beneficial cooperative partnership between the two countries."

At a meeting with companies that have entered the Egyptian market, Minister Noh said, "The government will actively support Korean companies that have amassed numerous achievements abroad as a result of their world-class technological prowess in order to enable them to participate in plant projects and the expansion of transportation and water infrastructure in Egypt, such as the urban railway and seawater desalination."

For further information regarding the above article or request for covers,  
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<sup>4</sup> Innovation across 12 subfields, including economy, energy, urban development, and environment, with the goal of advancing to the top 30 in the world by 2030, as declared in March 2015 by the sustainable development strategy