

Ukraine & Egypt Agree to Simplify Trading Procedures



Ukraine and Egypt have agreed to deepen cooperation between the customs agencies, which will simplify export and import operations and customs clearance, as well as

liberalize the customs procedures in Ukraine for Egypt-made farm produce, the Ukrainian Economic Development and Trade Ministry said. The agreement was made at a meeting of Ukraine's Deputy Economic Development and Trade Minister, who is also Ukraine's Trade Representative, Natalia Mykolska and Egypt's Minister of Industry and Trade Mounir Fakhry Abdel-Nour during Mykolska's visit to Egypt on August 18 & 19.

Mykolska drew attention to the fact that Egypt had used safeguards against Ukrainian steel bars and might also increase import duties on this type of products, which may become a considerable obstacle to sales of the Ukrainian produce on the Egyptian market.

The sides also discussed the possibility of arrange joint economic business forums for both countries entrepreneurs and the establishment of a dialogue between the Federation of Industrialists of Egypt, the Egyptian Chamber of Commerce and their Ukrainian peers.

In particular, the sides decided to exchange information before September 15 about ways to implement potential projects to facilitate further cooperation.

Egypt's Ezz Steel Output Hit by Forex Shortage



Egypt's largest steel maker Ezz Steel's first-quarter net loss increased to 136 million Egyptian pounds (Dh63.76 million, \$17 million) from 19 million pounds in the same period last year, hit by foreign currency shortages, the company said.

Net sales fell to 4.8 billion pounds from 5.3 billion in the same period last year. "Ezz Steel was not able to source sufficient foreign currency, due to a major change in the regulations of the banking sector," said Paul Chekaiban, chairman and managing director.

"As a consequence we had to limit imports of raw materials and to reduce the volume of our production and sales which has negatively impacted margins and the bottom line," he said.

The central bank cracked down on the country's foreign exchange market earlier this year in the hope of persuading foreign investors that the economy has returned to normal after four years of turmoil.

But Egyptian traders say official measures to cap dollar deposits at Egyptian banks have reduced foreign exchange liquidity and stifled business activity while failing to achieve long-term stability in the currency market.

Ezz Steel operates four plants in Egypt and controls more than half the country's steel market. Like other heavy industries in Egypt, its profitability had suffered in recent years from weak exports and a shortage of gas as the government diverted gas supplies towards electricity production to ease regular blackouts.

However, in October Egypt imposed temporary tariffs to protect domestic steel rebar manufacturers from cheap imports during the energy crunch.

Al Gharbia Pipe and Abu Dhabi Ports Finalise Deal on Kizad Factory



Al Gharbia Pipe finalised an Agreement with Abu Dhabi Ports to build a Dh1.1 billion factory in Khalifa Industrial Zone (Kizad). The deal was announced in March.

Al Gharbia Pipe will manufacture steel pipes for the region's oil and gas industry, especially for transporting sour gas. The company is a joint venture between Senaat, a holding company of the Abu Dhabi government, and Japanese companies JFE Steel and Marubeni-Itochu Steel.

Sour gas has high levels of hydrogen sulphide, a highly corrosive and poisonous gas. A plot of 200,000 square metres has been earmarked for the factory, which is open in 2018. The plant will produce up to 240,000 tonnes of steel pipes a year and create 370 jobs.

Al Gharbia Pipe would reduce the UAE's reliance on steel pipe imports, while



exporting 40 per cent of its production, Senaat executives said in March. "With the ongoing growth of the oil and gas sector in the region, the demand for high-quality steel pipes is expected to expand steadily," said Takafumi Nishiuma, the vice president of JFE Steel. "We see huge opportunities in this market and the UAE in particular."

Jamal Al Dhaheri, Senaat's acting chief executive said, "Kizad's location and infrastructure would allow Al Gharbia Pipe to improve delivery time and service to our customers in the region".

Abu Dhabi Ports' contribution to the emirate's economy grew more than 30 per cent last year, according to a study by Oxford Economics and Statistics Centre.

The ports operator which controls Kizad, Mina Zayed and Mussaffah Port contributed Dh14.1bn to Abu Dhabi's GDP last year, up 33 percent from Dh10.6bn in 2013.