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MASHREQ SUSTAINABILITY CASE STUDY

Enabling Implementation of Wastewater Projects in Egypt

Financing Solutions for the New Alamein City Wastewater Treatment Project

Snapshot

- Egypt has a fast-growing population of over 105mn people as of July 2023. This places considerable stress on natural resources, employment, infrastructure, education, and healthcare.
- Egypt has embarked on the ambitious New Alamein City project as a response to the demand for creating new generation smart cities. The city will hold millions of residents.
- A fourth-generation city like New Alamein City requires a strong utility infrastructure to cater to the requirements of its residents. Integrated within its masterplan is the New Alamein City wastewater treatment project.
- Mashreq Egypt has been actively involved in providing financing facilities and solutions to various projects in Egypt including the New Alamein Wastewater treatment plant that are aligned with Egypt's Vision 2030.



New Alamein City

- The city includes all residential activities, cultural, tourist, industrial and research areas, a private university, international hotels, two presidential and cabinet buildings.
- The area of New Alamein City is 50,000 acres.

Executive Summary

The New Alamein City is located on the North Coast of Egypt and is set to be the first of its kind, designed to the high standards of what is called a fourth-generation city. New Alamein City is planned to hold millions of residents, hitting a new milestone for the area. It comes with the new concept of an open-to-the-public tourism city. Aside from its touristic benefits, the New Alamein City also offers an alternative to living in the crowded capital of Cairo, aiming to reduce the residential burden on the shoulders of the city.

EGYPT VISION 2030

TENTH PILLAR: URBAN DEVELOPMENT

A balanced spatial development management of land and resources to accommodate population and improve the quality of their lives.

This new coastal city will include several global projects, from business and international trade centers to residential towers and luxurious resorts. With Millennium projects like New Alamein City aspiring to showcase Egypt's potential on a global scale, attract tourism and present an alternative to a crowded city like Cairo; the availability of adequate water, mindful usage of available water resources and conservation of water through recycling is crucial.

Context

With growing insecurity about water resources availability and anxieties of various nations surrounding it, water is playing a major role in the present world and managing the available resource is given the highest priority. Sustainable Development Goal 6 (SDG6) has specific targets on halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally (target 6.3) as well as supporting countries in wastewater treatment, recycling, and reuse technologies (target 6.a). The wastewater treatment plant in New Alamein City aims to meet these sustainability aspects.

EGYPT IN-NUMBERS

1.69%

is Egypt's projected population growth rate for 2023.

Approximately 95%

of Egypt's population lives in the Nile Valley and Delta.

+3mn People

are expected to reside in New Alamein City.

EGP 1.8bn

is the total cost of the wastewater treatment plant being developed by Metito Egypt and Orascom Construction in New Alamein City, the largest of its kind in the world.



EGP 121mn

is the amount Mashreq Egypt has provided joint venture partners Metito Egypt and Orascom Construction, for developing the New Alamein City wastewater treatment project

Mashreq Egypt's Role

Mashreq Egypt has been actively focusing on supporting sustainable projects with relevant financing solutions. For the New Alamein City wastewater treatment project, Mashreq Egypt has provided JV partners Metito and Orascom working capital facility. Mashreq Egypt was chosen as the preferred banking partner for the JV for capital requirements for successful completion of the project.



Outlook

Since inception in 1967, Mashreq has adopted the principles of social responsibility, integrity, and transparency into every aspect of its business. Mashreq has now joined the United Nations Global Compact initiative, which will further support the Bank's efforts to embed strong ESG practices across the organization. Mashreq has financed and facilitated deals worth US \$15.5bn in sustainable financing as of end 2022. Supporting achievement of the UN Sustainable Development Goals through sustainable loans, sustainable bonds, project financing etc. will continue to remain a key priority for Mashreq.

New Alamein Wastewater Treatment Plant

The New Alamein wastewater treatment plant is being undertaken by Urban Communities Authority and the Engineering Authority of Egypt. This project is expected to serve the 3mn people who will live in the new city. It aims to protect the environment and water resources from pollution and to reduce health risks due to discharge of untreated wastewater to the drains and canals and enhance water re-use.

OUTCOMES

- Construction of 3 phase wastewater treatment plant with a capacity of 90,000 m3 per day.
- Meet the domestic water usage demand of approximately 3mn people.

Metito Egypt and Orascom Construction are developing this EGP 1.8bn wastewater treatment plant in New Alamein City. The Metito-Orascom Joint Venture (JV) has been awarded the project based on the special expertise and history of the two companies in the construction and water industries. They have many iconic projects that make up their extensive portfolio of successful developments.

Impact

The New Alamein city is one of the first model millennium cities across the region which is conceived to be a center for tourism, education, and government. The government intends that this city will attract not just tourists, but residents wanting to make it their long-term home. All the above activities will lead to increased water consumption.

Implementation of the wastewater treatment project in New Alamein City will provide multi-fold benefits from the environmental and social aspects:

- 90,000 m3 per day will be recycled and made available for use.
- 3mn people will directly benefit from this project.
- Employment opportunities will be created for the local community as part of the project commissioning and ongoing maintenance.

With Africa being a highly water-stressed continent with very low availability and access, the provision of wastewater recycling projects like this creates positive impact all along. It also fulfills SDG goal 6 that assures "clean water and sanitation for all" and SDG 11 that supports "sustainable cities and communities".

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