

COUNTRY CASE STUDY: EGYPT'S EXPERIENCE IN DEPLOYING DIFFERENT FINANCIAL INSTRUMENTS.

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**Analytical Statement
Of
The State's General Budget
For FY2017/2018**

Uses and Resources of state's general budget

Table no. (1)

2017/2018

(Billion EGP)

Uses						Resources					
Description	Draft	Revised	Actual			Description	Draft	Revised	Actual		
• Expenditures : includes wages, purchase of goods and services, interest, subsidy, grants and social benefits, other expenditures and investments	692.4	583.8	471.0	401.9	366.0	• General resources: includes tax revenues of income tax and sales tax and custom tax and other custom tax and other sovereign revenues, also available grants and other revenues of surpluses and profits and revenues of different services.	497.1	393.5	303.6	265.3	268.1
• Acquisition of financial assets: includes financial institutions lending the economic authorities and corporations that support the restructure fund	13.2	8.1	3.9	3.5	3.0	• receipts of Acquisition : includes lending receipts and sales of assets receipts	11.2	13.6	4.6	5.6	3.3
• Loans repayment : includes loans repayment and domestic and foreign loans amortization according to due dates	114.5	93.5	36.5	32.2	26.5	• financing sources : includes borrowing and issuance of financial securities of bills and bonds	311.7	278.3	203.2	166.6	124.1
Total	820.1	685.4	511.4	437.5	395.5	Total	820.1	685.4	511.4	437.5	395.5

Financial Instruments

External Financial Resources

Loans from international and regional institutions (The Saudi Fund Development (SFD), World bank, International Monetary Fund and Arab Monetary Fund)

Bilateral Agreements (Japan, China, France, Germany and Austria)

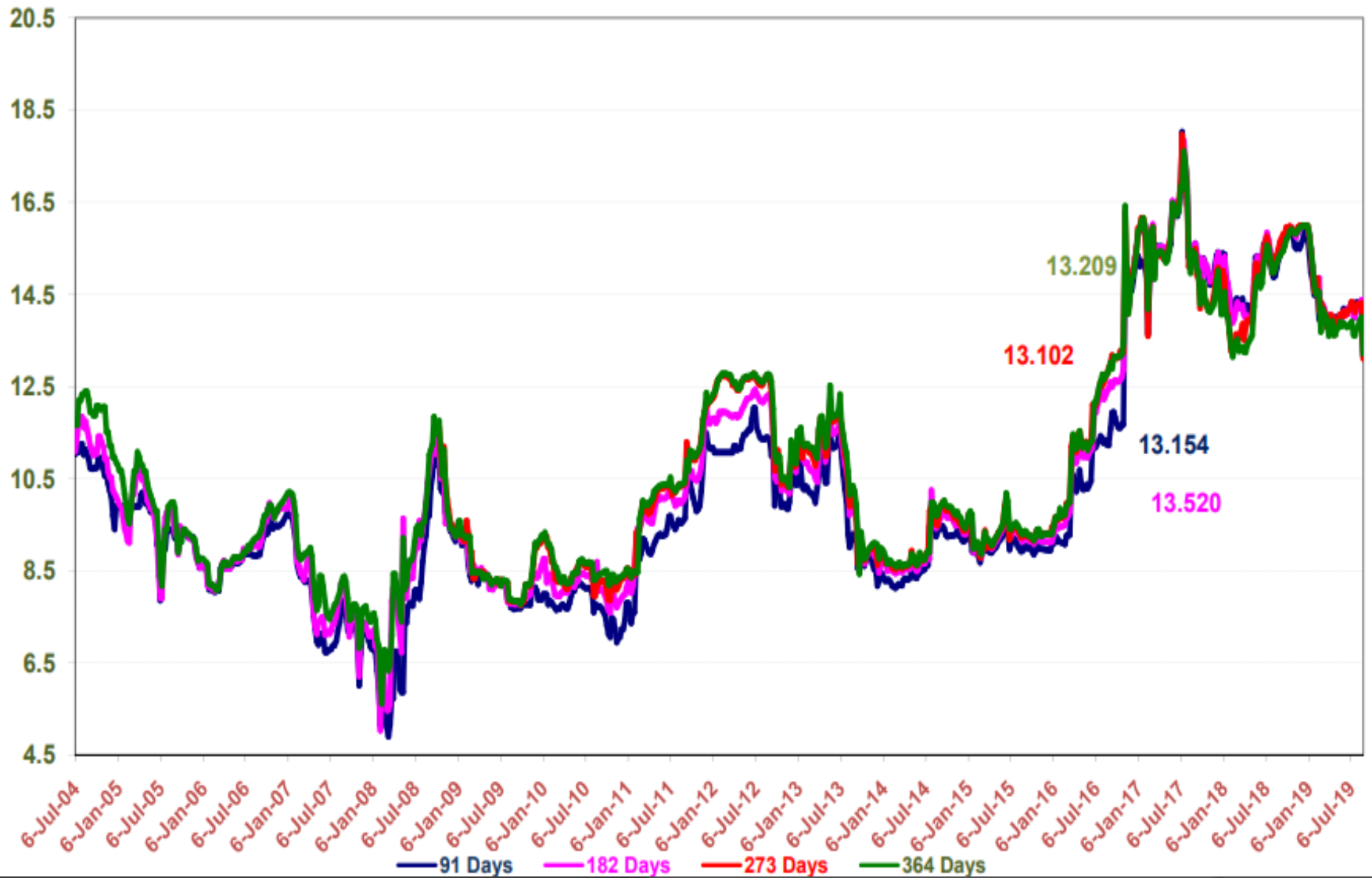
Internal Financial Tools

Treasury bills with foreign and local currency

Treasury bonds with foreign and local currency

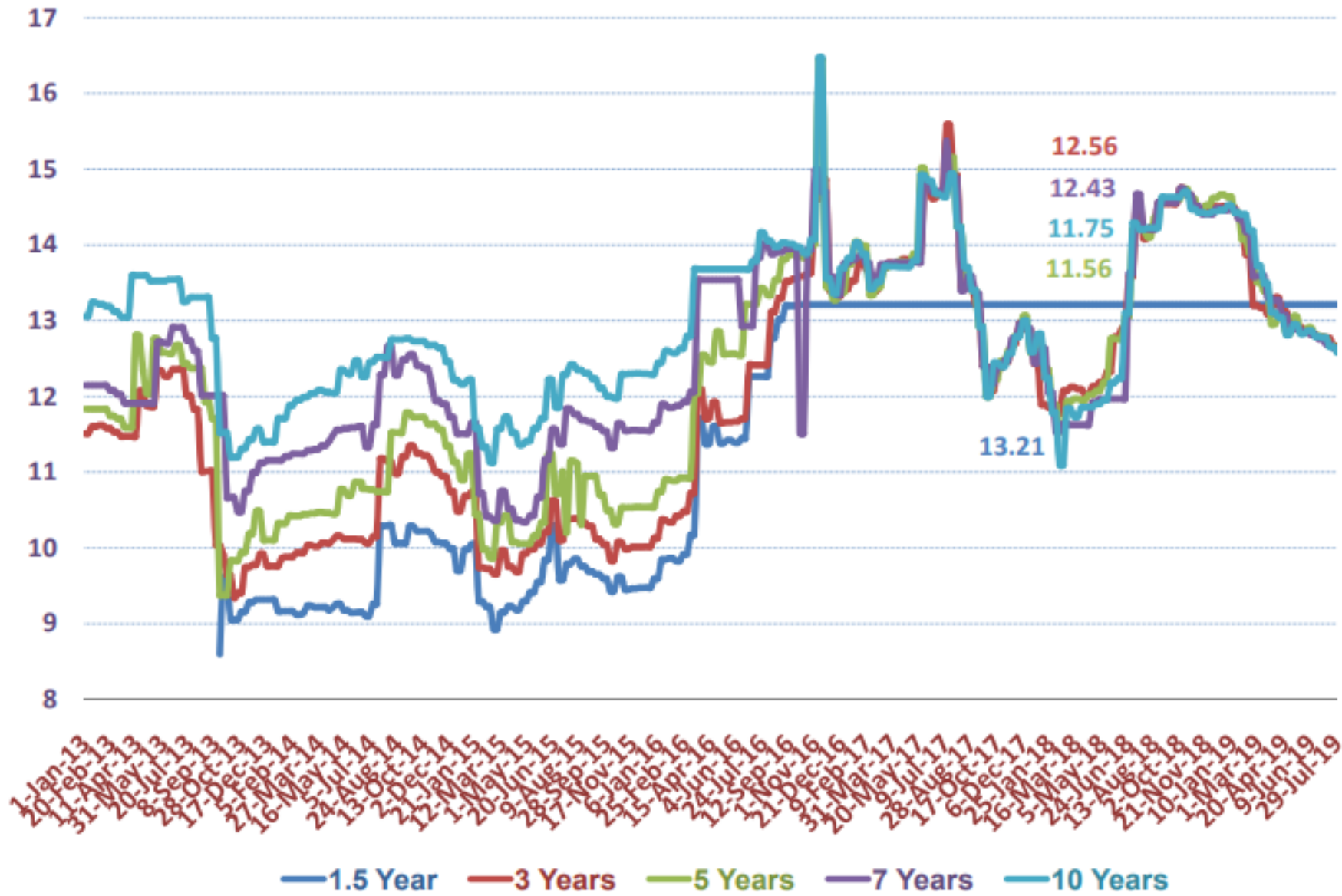
Yield %

T- Bills Yield (After Tax) from July 2004 till 31 August 2019



% Yield

T-Bonds Yields (After Tax) from January 2013 till 31 August 2019



Why we need green loans & green bonds?

- Access to finance is a main issue in Egypt due to the huge recovery bill following two people's revolutions in just a few years. Grand projects that were politically and socially required for such a recovery created real pressure on the public budget deficit. Economic reform must be built upon various alternatives, including non-conventional financial products that provide a broad spectrum of options to finance different project schemes. Infrastructure projects can possibly be financed through public private partnerships (PPPs) so that public investment is not the only gate to provide and enhance public services. Meanwhile infrastructure projects that are basically required to [alleviate] poverty and provide basic needs are normally financed with fixed-income products. This means that debt is required to finance those projects; not equity as wrongly claimed by non-specialists repeatedly asking the government to raise funds by selling shares of the new projects to the public.