To: Steering Committee
Middle East and North Africa Transition Fund


Subject: Supporting Public-Private Partnership (PPP) Execution in Egypt

The European Bank for Reconstruction and Development (EBRD) is pleased to endorse the submission to the Middle East and North Africa Transition Fund of Egypt’s proposal to support Public-Private Partnerships (PPP) execution in the country.

The Egyptian authorities have shown an increasing interest in pursuing partnerships with the private sector to fund infrastructure projects. A PPP programme was commenced in 2006 and a new PPP Law enacted in 2010, establishing a sound regime for private participation in large infrastructure projects. These efforts are complementary to EBRD’s engagement and financing package in Egypt, which aim at advancing municipal projects including through increased private sector participation.

It is in this context that the authorities have approached the EBRD to help them implement a capacity building programme for the PPP Central Unit housed in Egypt’s Ministry of Finance.

All PPP projects in Egypt are managed, to varying degrees, by the PPP Central Unit and therefore the capacity of the Unit to support the involved parties is key in ensuring that value for money, improved services and quality contracts are negotiated. The current proposal is to build sustainable capacity within the PPP Central Unit to design, structure and implement PPP projects in the municipal infrastructure sector. It is hoped that, as a result of this project, the PPP Central Unit will be better prepared to coordinate the PPP programme in Egypt and will have the capacity and knowledge and skills to provide support and assistance to the involved Ministries.

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The EBRD is fully supportive of this initiative and we would be pleased to act as the Implementing Support Agency for the project. The proposal submitted to the Steering Committee for approval was prepared in accordance with EBRD’s policies and procedures, which have been followed to the point of finalisation of project preparation, as required by Paragraph 53 of the Transition Fund Operations Manual.

We take this occasion to thank the Steering Committee Members for their consideration of this project, and the Government of Egypt for their continuous support and cooperation in the context of the MENA Transition Fund.

Yours sincerely,

Camilla Otto
Director, Donor Co-Financing