

April 9, 2015

H.E. Dr. Ashraf El-Araby
Minister of International Cooperation
Ministry of International Cooperation
Cairo, Egypt
(Transmission by fax: 2390-8159)

Subject: Endorsement of Egypt's Equal Access and Simplified Environment for Investment (EASE) Project

Excellency:

We are, hereby, endorsing the above mentioned project proposed by the Ministry of International Cooperation. The World Bank Group (WBG) is ready to support the implementation of this strategic project as an Implementation Support Agency, in partnership with the Organisation for Economic Co-operation and Development (OECD). The components of the project that will be managed by the WBG have been prepared in accordance to the World Bank's normal policies and procedures. The OECD component, which is complementary to the WBG project design, will focus on supporting the Government of Egypt in formulating its new investment policy by enhancing the institutional and legal framework.

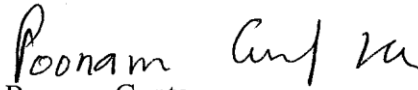
We welcome the transformational nature of this project, which intends to improve the regulatory environment for investors through simplified and more transparent licensing and industrial land allocation processes.

In our view, this project is fully aligned with the overarching goals of the Transition Fund, namely: (i) inclusive development and job creation, by expanding the outreach of services to lagging regions through the automation and enhanced connectivity of the General Authority for Investment's (GAFI) One Stop Shops as stipulated in the new Investment Law; (ii) investing in sustainable growth, which will be achieved by creating a more enabling and conducive business environment, through improving the legal, regulatory, and institutional, framework for industrial SMEs, with the ultimate goal of spurring productive investment; (iii) enhancing economic governance, which will be achieved by supporting regulatory reforms that reduce discretion and enhance transparency and predictability for the private sector by providing support to the Egyptian Regulatory Reform and Development Activity (ERRADA) and the Industrial Development Authority (IDA), as well as

supporting the government in formulating its new investment policy; and (iv) competitiveness and integration through capacity-building to negotiate international investment agreements and the project's overall objective to foster private sector development.

We look forward to our continued cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read "Poonam Gupta".

Poonam Gupta
Acting Director

Egypt, Yemen and Djibouti Country Department

Copy to:

Eng. Mohamed Hammam
Assistant to the Minister in charge of International Organizations
International, Regional and Arab Financing Institutions
Ministry of International Cooperation
(Transmission by fax: 2391 5167)

Ms. Seham Abdel Baki
General Director for International Financing Organization
Ministry of International Cooperation
Cairo, Egypt
(Transmission by Fax: 2391-5167)

H.E. Mr. Mounir Fakhry Abdel Nour
Minister of Industry, Trade and Small and Medium-Scale Enterprises
Ministry of Industry, Trade and Small and Medium-Scale Enterprises
Cairo, Egypt
(Transmission by fax: 2795 5025)

H.E Mr. Ashraf Salman
Minister of Investment
Ministry of Investment
Cairo, Egypt
(Transmission by fax: 2405 5635)

Mr. Hasan Fahmy
Chairman
General Authority for Investment
Cairo, Egypt
(Transmission by fax: 2263 3465)

Ms. Mona Zobaa
Deputy Chairman
General Authority for Investment
Cairo, Egypt
(Transmission by fax: 2405 5619)

Ms. Hala El Shawarby
Head of International Cooperation
Ministry of Industry, Trade and Investment
Cairo, Egypt
(Transmission by fax: 2795 5025)

Eng. Ismail Gaber
Chairman
Industrial Development Authority
Cairo, Egypt
(*Transmission by fax: 26133308*)

Mr. Tarek Hamza
Executive Director
ERRADA
Cairo, Egypt
(*Transmission by fax: 226 3 37751*)

Mr. Merza H. Hasan
Executive Director
The World Bank
Washington, D.C.
(*Transmission by fax: +1 202 477 3537*)

Mr. Karim Wissa
Alternative Executive Director for the Arab Republic of Egypt
The World Bank
Washington, D.C.
(*Transmission by fax: +1 202 477 3537*)

Cl.w& cc. Benhassine (GTCDR); Gupta (MNC03)

cc: Mmes/Messrs. Abudagga, El Hussein, El Gamal, Zaky, Nasr (MNC03); Gupta, James (MNC03); Gonzalez, Fruman, Qiang, Benhassine, Mikhnev, Haggerty, Hamdy, Assaf, Ridenour, Marusic, El Wassimy, Parris, Willie (GTCDR); Shousha, (CMEEC); Makhoulf (CMEDR); ElShabrawy, Abdulaziz, Elkhishin (GGODR); Farid, Ahmed (LEGAM); WBDocs, Project files