



Sinai

A new vision for development
2014-2020

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Sinai

A new vision for development
“2014-2020”







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Introduction:

➤ **The Egyptian state post-30 June has been careful to avoid the development problems previous governments had encountered when they focused on the center and ignored the rest of the country. This is why the present government has dedicated a big portion of its short- and long-term allocations to the development of Egypt's corners, particularly Upper Egypt and the Sinai Peninsula, the aim being transforming them into areas that attract residents and investments.**

However, there are more development targets in Sinai than in Upper Egypt, concerning combating terrorism and creating human blocs that contribute to strengthening Egypt's national security in its broad sense. In Sinai, this shift can be discerned on the monetary level by analyzing the public budget's spending in the short term undertaken by the Ministry of Finance to enable government bodies to perform their daily tasks and provide basic services to citizens. The shift is also noted based on the spending on investment in the medium and long terms, which the Ministry of Planning and Economic Development is concerned with to pave the groundwork for the economic environment of Sinai in the future as part of the general investment plan of the state.

As far as development is concerned, the Sinai Peninsula is witnessing radical changes, including in its infrastructure with a huge spending budget exceeding EGP 600 billion. Sinai has been linked to the Nile Valley and the Delta through a network of tunnels built under the waters of the Suez Canal. This is supplemented by a new network of bridges and roads that connect the peninsula's corners. In Sinai, several seawater desalination plants were built to provide water that serves development purposes and prepares the area to receive new residents. In tandem, a number of renewable energy stations were established to provide the driving force for the many economic activities being born in the industrial, touristic, and agricultural fields. And since man is both the driving force and goal of development, it was imperative to increase the number of schools and hospitals in the peninsula to preserve people's health and educate the new generations.

In an attempt to monitor the deep changes taking place in Sinai, the Egyptian Center for Strategic Studies is presenting this special edition to document some of the significant developments the peninsula is witnessing.

Separating planning from implementation

A new approach to finance development in Sinai

➤ Sinai has suffered for long from negligence and marginalization when it came to humanitarian and economic development (1). To overcome its stumbling blocks, the peninsula's financial allocations in the public budget had to be increased. And because spending alone is not enough to drive growth, the state resorted to a new kind of funding, where financing planning is separated from financing the implementation phases. This was done to separate planning at the strategic level from changes in executive posts. This new approach is more visible when tackling spending in the public budget in the short and long terms.

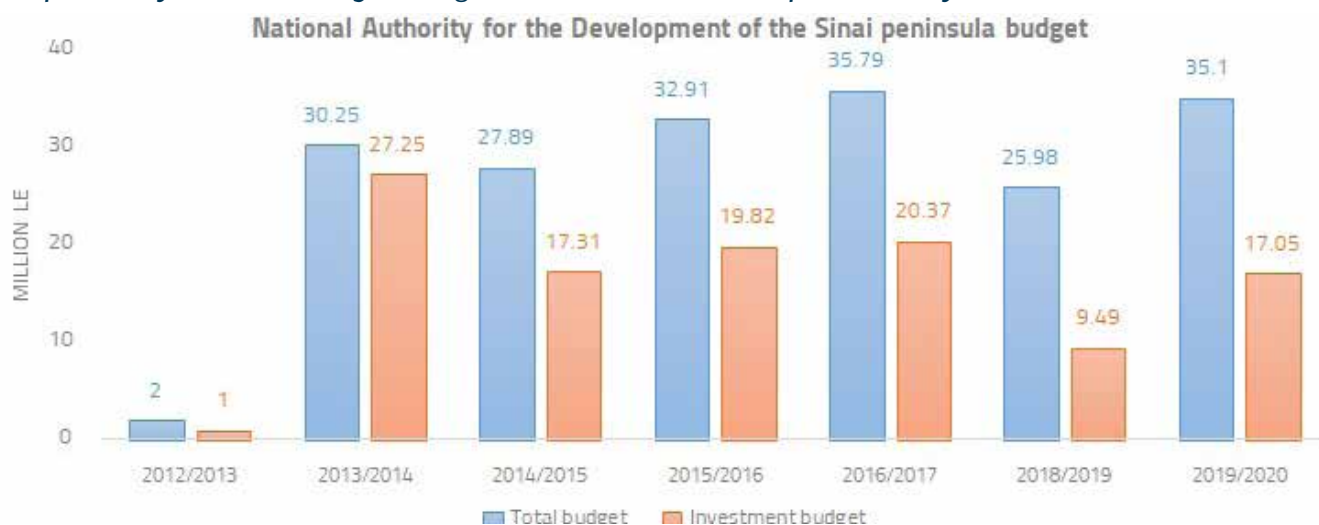
First: Short-term public spending

The government allocates its expenditures for the Sinai Peninsula through the National Authority for the Development of the Sinai Peninsula and the executive bodies of the peninsula's two governorates.

1- The National Authority for the Development of the Sinai Peninsula:

This is a general economic body working under the prime minister. It was established to separate planning, supervision and follow-up operations the authority is responsible for from the implementation process carried out by ministries and governorates.

Article 8 of Law 14/2012 on Sinai's comprehensive development defines the authority's 16 missions (2). The authority's budget has evolved since the body's establishment in a manner that shows the growing interest in developing the peninsula. *The figure below shows the development of the authority's budget and the allocated expenditures for investment*(3).



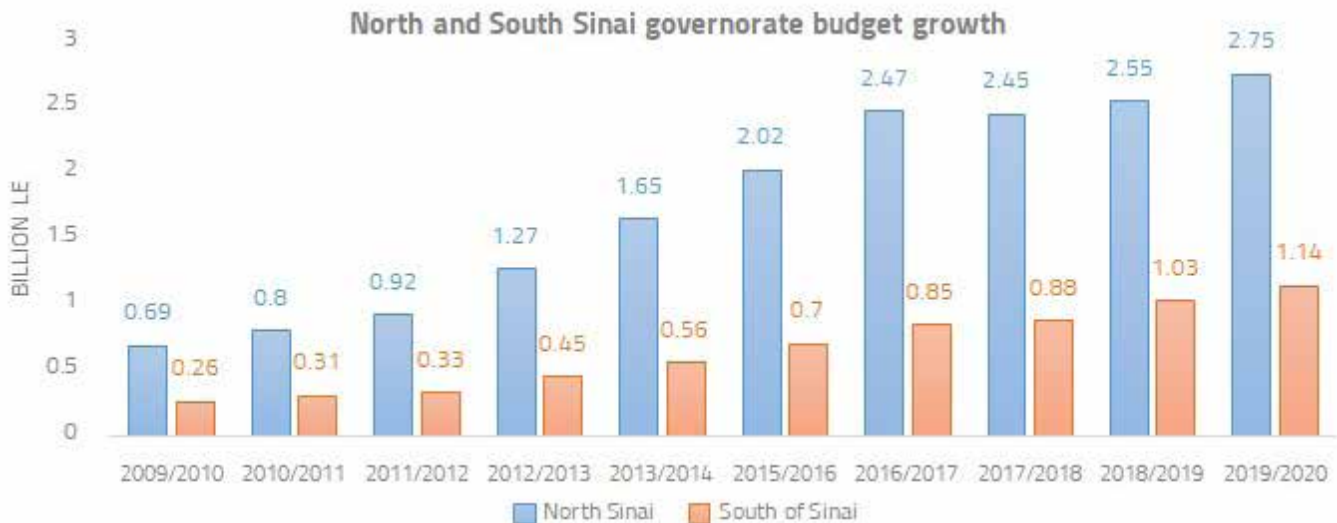
The figure shows the authority's budget at its establishment at EGP 2 million, EGP 1 million

of which was allocated for capital expenditure in 2012/2013. The budget increased to EGP 30 million the following year, of which about EGP 27 million were allocated for capital expense. Allocations reached their highest in 2016/2017 with a total EGP 35.7 million, of which EGP 20 million were allocated for spending on investment. The authority's allocations during the previous fiscal year amounted to about EGP 26 million, of which approximately EGP 9.5 million were dedicated for capital expenditure. In the current fiscal year, allocations amounted to EGP 35.1 million, of which EGP 17 million were allocated for investments. These figures reveal that the authority's allocations over the seven years since its establishment amounted to about EGP 190 million, dedicated to create the appropriate investment climate in the Sinai Peninsula.

Similar authorities were established in the Upper Egypt and Suez Canal regions, the main aim of which is to push development forward.

2- The two governorates' allocations

The state established the National Authority for the Development of the Sinai Peninsula for planning. But for the authority to do its job, the executive authority has to develop as well. This is the reason the state developed the performance of North Sinai and South Sinai governorates, which is evident in the fast increase in the allocations for domestic expenditure. *The figure below shows the development of the two governorates' allocations from 2009/2010 to 2019/2020(4).*



The figure shows allocations hiked from EGP 690 million in 2009/2010 to EG 2.75 billion in 2019/2020 for North Sinai, with an increase of approximately 300 per cent during the aforementioned period. South Sinai governorate's allocations were raised from EGP 260 million in 2009/2010 to EGP 1.14 billion in 2019/2020, a development of 330 per cent. The increases are indicative of the extent to which the state focuses on the peninsula and its efforts to link the planning and implementation aspects.

Second: Long-term investment spending

Long-term investment spending is the projects established in all fields with the aim of pushing the rates of development, whether in the productive sectors of industry, agriculture and tourism, or healthcare and education services, as well as infrastructure and energy projects. These may be the most important sectors, but there are other projects in construction and urban development for low-income groups, among others. Here, the projects are listed on a geographical basis:

1- North Sinai projects:

In North Sinai governorate, 18 projects varying in size and sector are taking place. The building of the New Rafah City is a mega national project being implemented at the cost of EGP 1.38 billion. In tandem, schools are being constructed. The Martyr Amr Farid School is being built for EGP 3.2 million. There are also other projects in the industrial sector, a complex of marble factories in Jafjafa being one example of these projects⁽⁵⁾.

2- South Sinai projects:

With the same diversity, 38 projects are being implemented on the land of South Sinai, varying from mega projects such as the Ras Sedr International Airport at a cost of EGP 3 billion, and the development of dangerous areas such as the Rowaysat at a cost of EGP 317 million, to the health sector, such as the upgrading of the Ordis Hospital at a cost of EGP 70 million⁽⁶⁾.

The diversity in boosting funding and sectors comes to cover the development gap that was created and widened in light of the desertion Sinai witnessed before 30 June 2013. It was necessary to implement a large number of projects in all sectors to bridge this gap as much as possible in order for the peninsula to stand on an equal footing with the rest of the country. Below we review some of the significant projects in the most prominent sectors being developed in Sinai.

Infrastructure

Development on both sides of the road

➤ The importance of infrastructure lies in facilitating the production and transportation of goods and raw materials to factories, as well as the distribution of products in the markets. Infrastructure plays an important role in all economic, political and social life activities, especially in civilized societies(7). From this standpoint, we can monitor the state's efforts to change the shape of Sinai by first connecting it with the Nile Valley and the Delta to turn it into an attractive area for investments and people.

First: The most important tunnels

1- Suez Canal tunnels

These are five tunnels that extend below the Suez Canal at a total cost of EGP 12 billion. Some 2,500 Egyptian engineers, technicians and workers constructed the tunnels in less than three years, starting from July 2016 until 2019. The project comprises the two Ismailia tunnels that connect to Sinai in 15-20 minutes, the two Port Said tunnels, which connect the cities east and west of the canal with each other to facilitate trade in the Suez Canal region, and the tunnel of the Martyr Ahmed Hamdi in Suez(8).



The tunnels also aim to link Sinai with the Nile Delta to end the suffering of the public who commute on a daily basis, in addition to constructing a number of floating bridges aimed at facilitating the movement of citizens and transport of goods while eliminating the problem of congestion due to ferries, and to facilitate the transport of goods between the cities east and west of the canal. The speed limit in the tunnels is 60 km/h. The tunnels comprise two lanes in each direction, and they extend for 5,820 meters. They also pass below the surface and the Suez Canal waterway at a depth of 70 meters and 53 meters, respectively. Moreover, there are emergency rooms along the tunnel every 250 meters.

2- The Martyr Ahmed Hamdi tunnel

The tunnel was inaugurated on 22 April to connect Sinai to the rest of the country. It comprises two lanes, each 3.6 meters wide. The inner and outer diameters extend for 11 meters and more than 12 meters, respectively, while the net height of the tunnel stands at 5.5 meters. The tunnel is 4,250 meters long, extending 70 meters below the surface, and 53 meters below the canal. The lengths of the tunneling and open drilling are 3,400 and 850 meters, respectively⁽⁹⁾.

Second: The most important roads and flyovers

1- The Middle Road in Sharm El-Sheikh

The road is located between South Sinai and Sharm El-Sheikh. It was inaugurated in December 2015. It includes the service road, the cycling road adjacent to it and the sidewalks with concrete slabs. The road was designed according to the latest international standards with a length of 12 km, a width of 33 meters, and a total cost of EGP 120 million⁽¹⁰⁾.

2- The New Sharm El-Sheikh Road

The New Sharm El-Sheikh Road passes through several cities, including Ras Sedr, Abu Zenimah, Abu Redis and Tor all through Sharm El-Sheikh. The road comprises three lanes in each direction, the width of each direction is 25 meters. There are 14 fueling stations along both sides of the road, the distance between each is 50 km. The road, extending for 342 km, was constructed at a total cost of EGP 3.5 billion⁽¹¹⁾.

3- Wadi Siaal-Saint Catherine Road

The first stage of this road was completed in October 2019, which included paving, developing and raising the efficiency of the 75 km road at a cost of EGP 300 million. After paving the road, warning and traffic safety signs were installed⁽¹²⁾.

4- The 30 June Axis

Some 150,000 workers constructed the 30 June Axis Road from February 2015 to November 2019 at the cost of EGP 5.212 billion. The road is one of the projects planned by the Egyptian Housing Ministry's Sinai Urbanization Authority as part of the road plan of President Abdel-Fattah Al-Sisi's pro-

gram. The road is 95 km long and 80 meters wide, and includes 17 main bridges and 18 tunnels⁽¹³⁾.



5- The Galala Road

This road is five km long, ranging in height from 90 to 210 meters. It is the easiest road to reach Hurghada. The road was also constructed with the aim of developing Ain Sokhna and the new international city of Galala at an estimated cost of EGP 4.523 billion⁽¹⁴⁾. The Engineering Authority of the Armed Forces succeeded in finishing the construction of the road in only two years in July 2017.

6- The Ain Sokhna-Zaafarana Road

The road has three lanes in each direction. It extends from south Port Said until the kilo 92 mark on the Ismailia Desert Road. The road cuts through the Suez and Ain Sokhna road in the Wadi Hagoul area, and extends south to the Beni Sweif-Zaafarana Road. The speed limit on the road is 120 km/h. The road also connects with the 30 June Axis Road to facilitate trade between Egypt and African countries.

Third: Airports

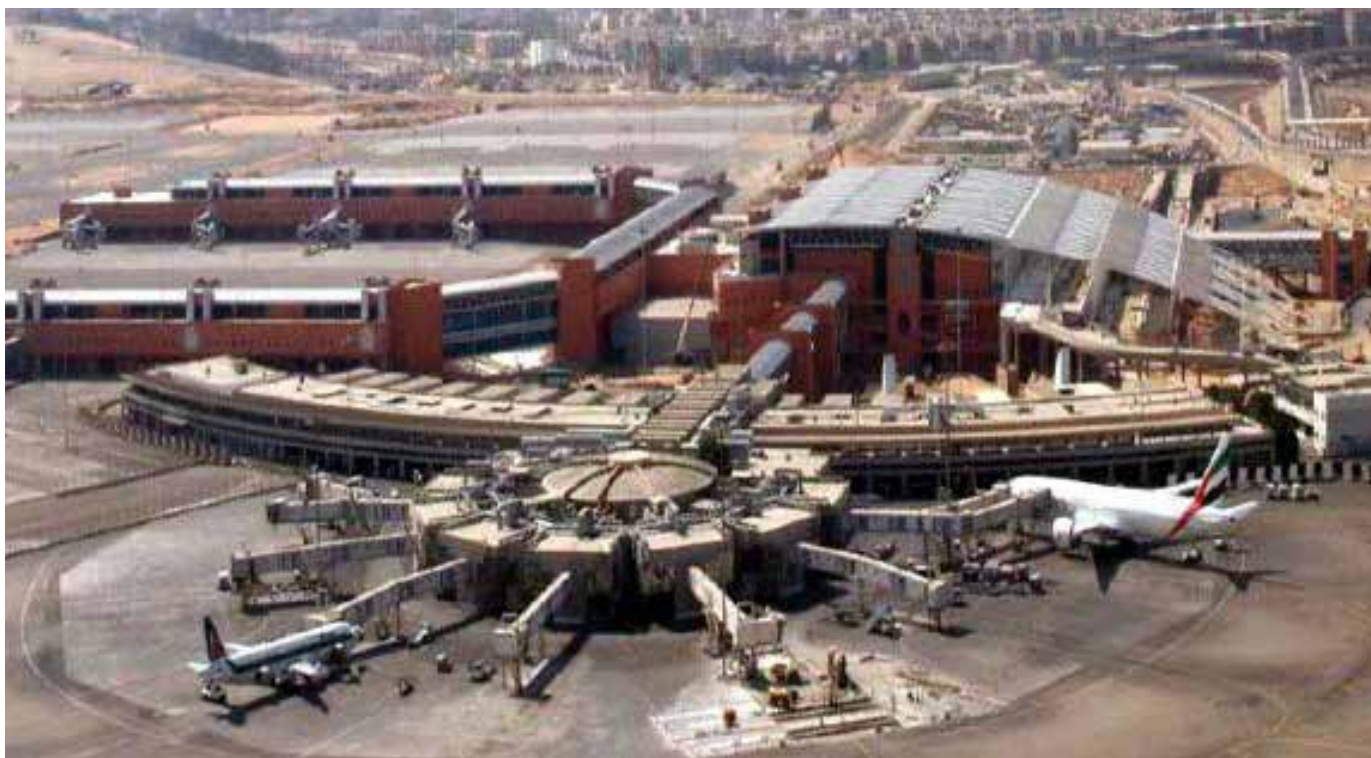
1- Bardawil Airport

Construction of the Maliz-Bardawil Airport began in February 2018. It includes the construc-

tion of a runway for civil aviation extending for 3,350 meters, a width of 60 meters, and the re-construction of the auxiliary runway that is three km in length and 40 meters wide. The plan also includes the construction of three sub connections to connect the civil and military aviation runways at the lengths of 683 - 996 - 1209 meters, a width of 30 meters, and two tarmacs for aircraft, with a capacity of 22 airbus planes and a passenger terminal 4,200 square meters in size to serve 200 passengers per hour⁽¹⁵⁾.

2- Saint Catherine Airport

The Saint Catherine Airport development project aims to expand the existing runway, raise the efficiency of the main runway from 36 meters to 45 meters, while increasing the bearing capacity of the asphalt pavement for the runway. The airport cost EGP 1 billion. The project includes expanding the existing passenger building to accommodate 650 passengers per hour and the construction of a parking lot in front of the passenger terminal that can accommodate 300 cars⁽¹⁶⁾.



3- The International Ras Sedr Airport

A new airport will be established in Ras Sedr at the cost of EGP 3 billion on an area of 34 million meters, in addition to the establishment of a marina and developing a touristic area surrounding Ras Sedr and Oyoun Moussa on an area of six million square meters to attract people's attention to that area and make it an extension to Sharm El-Sheikh⁽¹⁷⁾.

Basic services

Restoring normalcy



First: Water desalination plants

➤ The Engineering Authority has been assigned to build 73 water desalination plants in all coastal governorates since 2014, including 20 stations in Sinai. Approximately 65 per cent of the mission has been completed with a production capacity of 600 million cubic meters annually and the cost of EGP 13 billion. Some of the most important plants include⁽¹⁸⁾:

1- Abul-Goloud water plant

The plant was built in North Sinai in April 2019 at the cost of \$1.5 million to operate at a capacity of 250 cubic meters per day. It serves seven villages and clusters in the areas of Dabaa, Al-Hamisa and Qattiya. The plant consists of three surface wells, a desalination unit, operating tanks and buildings, and a mechanism to treat high-salt water to be used in agriculture.

2- Seawater desalination plant in Masaaid district

The desalination plant in Masaaid in Arish, North Sinai governorate, was inaugurated in

April 2019, with a capacity of 5,000 cubic meters per day, for a total cost of EGP 98 million.

3- Desalination plant in Tor city

The plant was built in December 2018 on an area of 4,800 meters at a cost of EGP 0.5 billion, and a production capacity of 30,000 cubic meters per day to boost the water system in Tor city. The plant uses the latest technology in seawater desalination.

4- Seawater desalination plant in Dahab

The construction of the plant started in October 2019 at the cost of 18 million euros, with a production capacity of 15,000 cubic meters per day. It includes two tanks with a capacity of 7,500 cubic meters.

5- Desalination plant in Nuweiba

The plant, costing EGP 330 million, aims to permanently eliminate the water crisis in Nuweiba. It contains two water tanks with a capacity of 10,000 meters per tank, and its capacity is 15,000 cubic meters per day.

6- Water desalination plant in Galala city

The plant was constructed in two years in November 2018 at the cost of EGP 2 billion. It operates with a capacity of 150 cubic meters per day. The project was implemented by more than 100 Egyptian national companies, over 80,000 workers, technicians and engineers, and more than 10 consulting offices. Mechanical filters were used to remove impurities and plankton.

7- Sewage water treatment plant in Mahsama in Serabium

On 22 April, President Al-Sisi inaugurated the wastewater treatment plant in “Mahsama in Serabium”, east of the Suez Canal, to re-use wastewater in agriculture. The plant has a capacity of one million cubic meters per day. It was built at the cost of EGP 15 billion. The plant was constructed on an area of 10 acres using the vertical system, which saves half the required space compared to conventional plants.

8- Bahr Al-Baqar plant

Work is underway to finish the Bahr Al-Baqar plant in Sinai, which is considered the largest in the world to treat wastewater and agricultural waste thrice. The production capacity of the plant is 5.6 million cubic meters per day, enough to grow 400,000 acres east of the canal.

Second: Energy

1- Gabal Al-Zeit wind power farm

The farm at a capacity of 580 megawatts is one of the largest wind power farms in the world in terms of area, capacity and the number of turbines. The farm is located on an area of 100 km sq south of Ras Ghareb, and includes 300 wind turbines of different capacities.



The project was implemented in three stages at a cost of more than EGP 12 billion, and it contains a state-of-the-art monitoring system for bird-watching through 12 control points to stop the turbines during bird migration. The site was chosen after environmental studies determined that Egypt has enormous capacities of wind energy and speeds of up to 13 m/s and even more in some locations. The Gulf of Suez transformer substation was built with a voltage of 220/500 kv, with a capacity of 500 MFA, at a cost of EGP 757 million, to accommodate the electricity produced from the Gabal Al-Zeit wind power farm⁽¹⁹⁾.

2- Ras Ghareb wind power farm

The state encourages investment in renewable energy projects. The Ras Ghareb wind farm in the Gulf of Suez was built with a capacity of 250 megawatts through 125 wind turbines by the private sector as part of the alliance of Orascom, Engie and Toyota at the cost of \$400 million to be linked to the national grid in September 2019. The farm's transformer station contains three main transformers with a capacity of 100 MVA⁽²⁰⁾.

3- Abu Gharaqed solar power plant

The solar power plant is located in the village of Abu Gharaqed, which is affiliated to the city of Abu Redis, South Sinai governorate. The plant is one of the important development projects that changed the shape of life in the village. It feeds the valley with electricity day-round and provides light to the model Abu Gharaqed farm. The plant also feeds the village with continuous electricity through an integrated solar energy system consisting of 55 kW photovoltaic cells, eight inverters, 48 deep-charge batteries, a system of continuous and variable voltage protection, 24 Mobyia searchlights, and 10 solar street lights⁽²¹⁾.

4- Projects to develop and upgrade the electricity network in North Sinai

The efficiency of the electricity network in North Sinai governorate was developed and upgraded, and electrical current reached 22,000 subscribers, bringing the total number of subscribers to 159,000. Transformer capacities were increased by about 396 MVA, bringing the total transformer capacities on the extremely high and high voltages and inside the generating stations to about 2,000 MVA. The lengths of aerial lines and ground cables were increased by about 793 km, bringing the total lengths of networks on various voltages to about 11,778 km.

5- Projects to develop and upgrade the electricity network in South Sinai

The generating capacity reached about 1,072 MW, and the electrical supply was connected to 38,000 subscribers, bringing the total number of subscribers to about 92,000. Transformer capacities on the extremely high and high voltage and inside the generating stations reached about 3618 MVA, and the lengths of the aerial lines and ground cables were increased by around 826 km, bringing the total lengths of networks on various voltages to about 5,667 km. A total of 332 km of isolated conductors were established, replaced, and upgraded instead of open conductors, bringing the total isolated conductors to about 1,049 km with an increase of 66.9 per cent.



Services sector

People the aim and driver of development

First: The education sector

➤ The state focuses on investing in education in Sinai through implementing the projects that work on increasing the efficiency of schools and education directorates in the peninsula. In the pre-university education, the number of classes in Sinai were increased to 5,021 classes in 2019, up from 4,983 classes in 2018 and 4,793 classes in 2017, bringing the total increase in classes to 228(22).

The increase in the number of classrooms in Sinai in 2019 is higher than their growth rate in Cairo. This is an indication of the state's interest in improving the quality of education in Sinai. The number of students in class, standing at 28, is approximately 30 per cent less than the number of students per class in Cairo, which is 40 students per class. It is worth noting that the number of schools in Sinai was 818 in 2018, and 840 in 2019. *The figure below shows the number of classes, students, and students per class in Sinai and Cairo.*

	Sinai				Cairo			
	2016	2017	2018	2019	2016	2017	2018	2019
Classes	4793	4927	4983	5021	51809	52658	53906	53556
Students	134239	140062	141942	147757	2048034	2102771	2182785	2265194
Students per class	28	28	28	29	40	40	40	42

These are the projects that Egypt is implementing in the education sector in Sinai:

- The inauguration of **the Official Al-Wadi Public School for Languages** in North Sinai, in Arish, in July 2019 at the cost of EGP 6 million.
- The opening of **the School of the Martyr Major Amr Khaled Hussein for Basic Education** in Al-Hasana, North Sinai, in May 2019. The school comprises six ground-floor classes on an area of 340 m sq.
- The opening of the extension to **the Martyr Major Amr Farid Abdel-Zahir Preparatory School** in Al-Karama Village in Bir Al-Abd, North Sinai, in May 2019. The school was built by the Engineering Authority of the Armed Forces in six months at a total cost of EGP 3.2 million.



- **Sinai University in Arish** is a highly successful model. It includes a number of faculties that are being expanded. There are private institutes with 4,000 students. Work is underway to develop the area by providing lands to establish private universities in Sinai governorates, especially in Sharm El-Sheikh, which will represent a qualitative transformation in this region. Some 5,478 students registered in the Sinai University in 2018, and 9,938 students in 2019.
- **The Salman bin Abdulaziz University** has three branches in Tor city with six faculties, Sharm El-Sheikh with two faculties, and Ras Sedr with three faculties, providing 10 acres for students' housing, in addition to providing the lands necessary for the various development and service projects in the governorate, and coordination is underway with a foreign university to run twinning programs with Salman University⁽²³⁾.

Second: The healthcare sector

Sinai is distinguished nationwide for its healthcare services. The Armed Forces established a number of major hospitals in Arish and Sharm El-Sheikh. The national project to develop Sinai targets increasing the number of hospital beds to 6,000 to be in line with the anticipated increase in the population through the establishment of 55 hospitals affiliated to the Ministry of Health and 23 private-sector hospitals⁽²⁴⁾.

New and upgraded hospitals:

1- Upgrading Abu Redis Hospital

The hospital is highly equipped with material and human resources. It has a radiology department with X-rays, sound navigation and ranging, cross-section, endoscopy, a laboratory, a pharmacy, a blood bank, in addition to a nursery section with four incubators and two operating rooms and nine outpatient clinics, including for gynecology and obstetrics, dental, general, children, skincare and ophthalmia. The hospital was upgraded at the cost of more than EGP 70 million to provide quality medical services for the people of the cities of the Gulf of Suez, not only Abu Redis. A new building was constructed to include outpatient clinics, housing for doctors and administrative offices, and an old building was developed, including its reception, and emergency and other departments⁽²⁵⁾.

2- Constructing the Central Hospital of Bir Al-Abd

The central hospital is a huge medical edifice that serves the people of North Sinai through indoor and outpatient clinics and emergency departments. It employs doctors of various specialties and fields to provide distinguished medical services. The hospital was built according to advanced standards in design and medical equipment. The older hospital, 15 years ago, had 20 beds.

The hospital includes the reception, emergency, outpatient clinics, laboratories, radiology, central sterilization, physiotherapy, and hemodialysis departments in addition to a department for operations that has five operating rooms, seven recovery beds, an intensive care unit with 29 beds, nurseries with a capacity of eight incubators, and a central care unit for infants with a capacity of four beds, surgical endoscopes, obstetrics and gynecology, and internal departments⁽²⁶⁾.

3- Building the New Central Nakhel Hospital

The hospital is the newest medical facility in North Sinai. It serves the public and travelers with its high technical and medical equipment. According to the data of the official health directorate in North Sinai, the hospital is staffed with doctors in all specialties from the governorate, and a team of critical and urgent care doctors, medical convoys and university doctors.

The hospital consists of a building equipped with 15 beds in the reception and emergency department, 23 beds in the internal department, 26 intensive care beds, eight incubators, four infant care beds, five operating rooms, the gynecology and obstetrics department, the dialysis department and 15 outpatient clinics⁽²⁷⁾.

4- Upgrading the General Arish Hospital

The development of the Arish hospital included the modernization of the building, the es-

establishment of an upgraded reception department on the first floor, magnetic resonance and cardiac catheters. The second floor is dedicated to the gynecology and obstetrics department, burns treatment and chemotherapy. Its headquarters will be used as a university hospital for the benefit of the Faculty of Medicine at the University of Arish until the completion of the establishment of the Arish University Hospital. The hospital is affiliated to the Ministry of Health and will be used in training students of the Faculty of Medicine at the University of Arish. The hospital is equipped with detection devices for heart diseases and is preparing education halls and venues to receive doctors from the Faculty of Medicine.

The figure below shows the upgrade that took place in the number of hospitals and beds in the North Sinai and South Sinai governorates. Beds in public-sector hospitals were increased from 709 beds in 2016 to 932 beds in 2018.

Governorates	The government sector		The private sector	
	Number of beds	Number of hospitals	Number of beds	Number of hospitals
North Sinai	346	7	95	6
South Sinai				
2016				
North Sinai	518	7	59	3
South Sinai				
2018				
North Sinai	414	8	76	3
South Sinai				



Production sectors

Gears of development

➤ The state targets narrowing the development gap between Sinai on one hand and the Nile Valley and the Delta on the other. It was this gap that rendered Sinai's residents among the poorest in Egypt after the peninsula entered the vicious cycle of not having enough people to encourage investment as a result of the shrinking market, which drove its inhabitants to head to the Nile Valley and the Delta to look for job opportunities. This loophole grows deeper the wider the development gap.

This is the reason the state worked towards stimulating and creating production sectors that benefit from Sinai's huge resources to break the vicious cycle and attracting investments that not only keep Sinai's residents in their lands but also attract other people. Among the most significant sectors are:

First: The industrial sector

The country's 2030 plan focused on industrial development in Sinai by placing it on the industrial map of Egypt and establishing a number of factories that allow benefiting from the abundance of its natural resources⁽²⁹⁾. The first concern was to integrate Sinai into the economic entity of Egypt through the development works taking place at the axis of the Suez Canal. Among the most important industrial projects implemented are:



1- The complex of marble factories in Gafgafa:

Constructing the complex included the establishment of a factory on an area of two million square meters comprising three production lines for the operation of marble, a factory for technical operations, a recycling and circulation area, an administrative area that includes administrative and technical offices, and training halls. The complex created more than 700 direct job opportunities, and most of the workers came from Sinai and Canal cities⁽³⁰⁾.

2- Phosphate and compound fertilizers complex in Ain Sokhna:

The compound was established in three years. It includes nine factories on a vast area of 400 acres to participate in producing the Egyptian market's needs in the agricultural and industrial sectors. The surplus is exported to more than 46 countries. The complex includes two factories for the production of concentrated sulfuric acid with a capacity of 1.25 million tons annually, two factories to produce commercial phosphoric acid with a capacity of 800,000 tons annually, and two factories to produce pure phosphoric acid for the first time in Egypt with a capacity of 250,000 tons annually.

A new unit for treating fluorocarbic acid with a capacity of 600 tons per day was established, in addition to a granulated dap fertilizer plant and ammonium diphosphate with a capacity of 400,000 tons per year, a three-super phosphate granulated fertilizer production plant with a capacity of 250,000 tons annually, and a fully-soluble crystalline fertilizer production plant in the sea for the first time in Egypt, with a capacity of 100,000 tons annually. The complex also includes industrial sewage treatment plants, water and electricity stations, gas pipelines, a 20 km road network, and a housing city to serve the engineers and workers in the complex.

Also established were a medical unit and an integrated system for fire protection, a channel to protect against the risks of torrential rain that extends for 1,500 meters, a seawater desalination plant with a capacity of 32,000 cubic meters per day, and a private marine pier to store and export the products of the complex to different countries. Moreover, six new factories for the production of nitrogenous fertilizers are being built ⁽³¹⁾.

3- The third steel rolling factory in Suez

The factory was designed according to the highest international standards on an area of 310,000 square meters and a production capacity of 1.4 million tons in cooperation with the Italian company Danly and many Egyptian companies. The project was completed in one year⁽³²⁾.

4- Various projects

Four projects were implemented in various fields, including the infrastructure of the north-

western quarter, the service area in Bir Al-Abd industrial zone, the second stage of developing the Arish Cement Factory by constructing the third and fourth production lines of the factory, with a production capacity of 3.7 million tons annually, bringing the total production capacity of the factory to 6.9 million tons annually.

Second: The tourism sector

The Egyptian state worked towards reviving the tourism sector, particularly in South Sinai governorate.

The sector had been suffering due to insecurity and instability which reflected negatively on the occupancy rates in hotels in 2015 and 2016, down from the 2014 rates. Following the state's efforts, occupancy rates increased in 2017 by 13 per cent on the year before, as *illustrated in the figure below.*

	2014	2015	2016	2017
South Sinai	7.61	43.5	30	43

The state took a number of decisions and established projects that aim at reviving the tourism sector in Sinai, such as:



- Operating the new airline between Sharm El-Sheikh and Luxor starting from 20 February, and operating a direct line from Gatwick Airport to Sharm El-Sheikh once a week, after agreement was reached with the Ministry of Civil Aviation within the framework of the

British government's decision to lift the flight ban to Sharm El-Sheikh to operate a direct line from Gatwick Airport, which is an international airport located in Crawley in West Sussex County, to Sharm El-Sheikh. The choice of the airport came as a result of a market study and the targeted tourists in this region of southern England, which affects the increase in the occupancy rates in Sharm El-Sheikh hotels, which plummeted when tourism came to a halt. Sharm El-Sheikh is boosted with a large number of hotels, topping all other tourist destinations with more than 185 hotels and 70,000 hotel rooms.

- Training 400 workers at Sharm El-Sheikh hotels, resorts, and restaurants on hoteliering through the Technical Education and Vocational Training Support and Development Program of the Ministry of Trade and Industry in coordination with the Ministry of Tourism, in addition to training the workers on the means to provide a distinguished service for tourists to create a luring environment for tourism by developing of the skills of the people working in the business, being a primary ingredient for the success of the tourism sector strategy.

National projects

Equality in development

➤ Egypt tries to spread its mega national projects across all governorates to revive all of its regions and benefit everyone. The Sinai Peninsula is no exception, and among these projects are:

1- New Rafah City

Developing the New Rafah City, in North Sinai, aims to accommodate all the residents of the old city of Rafah at a cost of EGP 1.38 billion. The total area of the city is 535 acres, and the size of the housing units ranges between 120 and 300 meters⁽³³⁾.

2- The Galala Mountain

The Galala Plateau development project includes eight main axes: the international city of Galala, a tourist resort overlooking the Gulf of Suez, King Abdullah bin Abdulaziz University, the Galala University of Science and Technology, the new industrial zone, utilizing flood water, the Ain Sokhna-Zaafarana Road, and the construction of a seawater desalination plant ⁽³⁴⁾.



3- Al-Beida Dam in Dahab

The project aims to protect the entire Al-Asla area from the dangers of torrential rains with the construction of a dam seven meters high, 155 meters in length, and an artificial lake with a capacity of 70,000 cubic meters and extending for 120 meters at a depth of seven meters, and a width of 80 meters to store rainwater and torrential rains and benefit from them for agricultural purposes. The project costs EGP 7 million.

4- The protection of Taba's land port and Wadi Al-Mahash

The two projects to protect the land port of Taba and Wadi Al-Mahash from the dangers of torrents were completed in 2016 at a total cost of about EGP 80 million. These two projects are part of the largest project implemented by the state to protect the city of Taba from the dangers of torrents.

The Suez Canal region

Concerted development

➤ Development as a process succeeds only when it involves all. Success in one part of the country can't be perpetual unless the remaining parts witness similar development. Perhaps the example of development in Cairo is telling. The capital's development, without developing its neighboring cities led to Cairo turning into a magnet for the labor market. Millions of people flocked to the capital, adding pressure to its infrastructure, be it the roads, water and electricity networks and others. Cairo became no longer able to perform as the capital, leading the government to establish the New Administrative Capital. To avoid repeating the same mistake, a batch of development projects are being implemented in the Canal cities neighboring Sinai.



1- New Suez Canal

The New Suez Canal was inaugurated on 5 August 2015 in a big celebration attended by a number of world leaders. The new canal is Egypt's gift to the world, and it is a leading canal

in offering navigation services and boosts the credibility in the canal being the best navigation waterway in the world.

The main goal of establishing the canal is to facilitate maritime traffic by developing 50 per cent of the length of the waterway to reduce transit time to 11 hours instead of 18 hours, and reduce the waiting time for ships to a maximum of three hours instead of the previous waiting time that ranged between eight and 11 hours. This created the utmost benefit of non-stop two-way flow of vessels in parking areas in the canal, which is reflected in reducing the cost of the journey for ship owners and raises the value of the Suez Canal.

The canal has the capacity to accommodate 97 ships in 2023, which is a record, up from 49 vessels in 2014, by achieving a non-stop direct passage of 45 ships in both directions while allowing ships with depths of 66 feet to pass, which contributes to increasing the economic returns of the canal. Traffic liquidity will contribute to raising the canal's international ranking as a result of increasing the rates of navigational safety during the passage of ships, which will enhance global demand on the canal as a major global shipping lane capable of facing the expected growth in global trade traffic in the future. It is also regarded as a primary step to make the development axis project in the Suez Canal, covering an area of 460 square kilometers, a success. The project also targets creating a commercial and logistical hub that contributed to increasing Egypt's foreign currency sources, generates job opportunities for Egyptian youth, and creates new urban communities around the canal axis⁽³⁵⁾.

2- The economic zone of the Suez Canal Axis

The economic zone of the Suez Canal Axis is one of the most important economic projects for Egypt. It was launched nearly three years ago with an area of 460 square kilometers, which is equivalent to 60 per cent of the area of Singapore, spread over 721 square kilometers. The economic zone consists of six sea ports -- East Port Said, West Port Said, Arish Port, Ain Sokhna Port, Tor Port, and Al-Adabeya Port -- and four industrial zones -- an industrial zone in East Port Said, the Valley of Technology in East Ismailia, and Valley of Technology in Qantara, and an industrial zone in Ain Sokhna.

The canal was constructed due to Egypt's dire need for mega projects that make use of the available resources around the canal axis, such as the existing seaports and the geographical advantage, in addition to the establishment of industrial and logistical areas that depend on the use of goods passing through the Suez Canal, and benefiting from the growth in the global trade movement, especially in light of the presence of giant economic entities such as China, India and Southeast Asia that are expected to overwhelm European and American markets in the coming period. These entities will inevitably run their ships through the Suez Canal, which will contribute to creating thousands of job opportunities for youth in Egypt.

The economic zone was designed to allow investors to benefit from several advantages, starting from benefiting from its geographical location that facilitates access to two billion consumers in the Asian, European and African markets, to making use of the comprehensive infrastructure, ranging from road and railway networks, giant tunnels, floating bridges, power station and water desalination plant ⁽³⁶⁾.

The future of development is “green”



➤ Green economy is defined as an economy that aims to reduce the risks of all kinds of pollution, global warming and scarcity of resources, targeting the activation real sustainable development that prevents environmental degradation. Although the green economy is closely linked to environmental aspects, it focuses on being more economically applicable on the political level⁽³⁷⁾.

The recent path the Egyptian state is adopting is heading in this investment direction, as is evident in its various national projects in the past years and those planned in the near future. Moreover, Egypt's Vision 2030 for sustainable development set the general goals towards which the government and the various state institutions will aim to achieve on the environmental, social and economic levels, especially with projects specialized in the renewable energy sector, the development of shanty towns, new cities, infrastructure, and providing alternative water resources nationwide.

Despite the serious development efforts over the past decades in the Sinai Peninsula, especially after its liberation, the state took a new approach in developing the region with its various service and economic projects beginning in 2014. The priority was for infrastructure projects that have always been the cornerstone of attracting and facilitating investments. New cities and industrial

areas also had a share of those efforts in an attempt to build a better life for Egyptians residing in the Sinai Peninsula, especially North Sinai governorate, where the Egyptian Armed Forces launched a successful comprehensive operation against terrorism targeting the lives of citizens. The operation was carried out in coordination with local government bodies to provide the needs of the people from food supplies, and healthcare and social services.

Officials in North Sinai and South Sinai governorates give priority to these projects to encourage foreign investors to enter the Egyptian market in this area. South Sinai governorate adopts an approach of strategic planning in defining the integrated future vision for the development of cities and urban communities, in order to achieve the optimal utilization of all available elements, while ensuring their continuity for future generations and creating sustainable, smart and flexible cities that can compete at the level of their local and international peers, and achieve sustainable development goals using indicators of regional sustainability, competitiveness and empowerment of local communities in setting development priorities, agreeing on development strategies and creating new job opportunities in cities. This is all being done to contribute to developing the local economy, enabling societies to better manage change and seeing the future, stimulating broad participation from all development partners in the city, developing action plans with results, goals and timed programs, with the distribution of roles, responsibilities and budgets, and encouraging partnership between the government and the private sector.

South Sinai governorate is also currently seeking to transform Sharm El-Sheikh into a smart, sustainable, green city, in which the individual gets a large share of the open spaces to meet the needs of Egyptians and tourists recreationally, culturally, socially and environmentally. This is currently being done by the General Authority for Urban Planning, affiliated to the Ministry of Housing, in cooperation with the United Nations Human Settlements Program, by laying out the city's strategic plan.

In addition, the Suez Canal Authority and the canal's economic zone aim to establish wind farms to produce renewable energy such as solar and wind energy, in light of the state's target to generate 20 per cent of the electricity needs from renewable energy sources in 2020. The area indeed has the available, huge space for bioenergy projects. The aim of this plan is to produce 7,200 MW from wind farms established in the region, especially as the government aims to produce 12 per cent of the its electricity needs from wind farms and 20 per cent from other renewable sources of energy.

In conclusion

➤ The construction and development Sinai is witnessing is unprecedented in its history and will result in achieving the target of the state to place the peninsula on an equal footing with the rest of the country after it had suffered from marginalization. This will take place within the new, comprehensive vision for developing Sinai which will be completed by the end of Egypt's long-term strategy expressed in the Vision 2030 that aims to reformulate the entirety of Egypt, presenting it to the world in a new form. This will only take place when Sinai is reborn.

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