

THE MINISTER OF PLANNING AND ECONOMIC DEVELOPMENT WITNESSES THE SIGNING OF AN MOU BETWEEN THE SOVEREIGN FUND OF EGYPT AND BIDAYAT MISR TO STUDY TRANSFORMING BAB AL-AZAB AREA IN THE CITADEL INTO THE FIRST FULLY INTEGRATED CREATIVE DISTRICT IN THE MIDDLE EAST AND AFRICA

On September 19, 2021, H.E. Dr. Hala El-Said, Minister of Planning and Economic Development and Chairperson of the Board of the Sovereign Fund of Egypt witnessed the signing of a Memorandum of Understanding (MOU) between The Sovereign Fund of Egypt (TSFE) and BIDAYAT Misr to study the feasibility of the regeneration of the historic Bab al-Azab area in the Citadel. As per the MOU, the area is set to become the first fully integrated creative district in the Middle East and Africa.

Last year, TSFE signed an agreement with the Supreme Council of Antiquities to develop and operate services within Bab al-Azab area in the Citadel. The Supreme Council of Antiquities will be the sole authority in charge of the heritage area, while TSFE will be in charge of operating services for visitors.

The Bab al-Azab project is the TSFE's first investment in the tourism, cultural, and service sectors, in cooperation with the Ministry of Tourism and Antiquities. The project is part of an integrated plan to renovate an under-utilised area of the Citadel, to become the region's first fully-integrated creative district and a new historic, cultural and touristic attraction in Cairo.

The heritage assets at Bab al-Azab will act as the main attraction and host to the different components of the district across the creative value chain giving access to education, both design based and vocational, knowhow and professional development, innovation centres and state of the art facilities, commercial and cultural activities, and access to global networks. The creative district is expected to act as a catalyst to Egypt's creative economy and a platform that connects creatives, artisans and entrepreneurs to global markets.

The MOU was signed by Mr. Amr Elhamy, CEO of TSFE's Sub Fund for Tourism, Real Estate Investment and Antiquities Development, and Mr. Ahmed Shaboury, CEO of BIDAYAT Misr. The signing was attended by Mr. Ayman Soliman, CEO of The Sovereign Fund of Egypt, Dr. Mostafa Waziry, Secretary-General of the Supreme Council of Antiquities, Mr. Rachid Mohamed Rachid, Founder of BIDAYAT International Investment Group, members of the boards of the Sovereign Fund of Egypt and its sub fund, board members of the BIDAYAT International Investment Group, the heads of the consulting firms carrying out the feasibility study, and representatives of Egypt's cultural, creative and business communities.

The Bab al-Azab area lies in the lower enclosure of the Citadel, opposite Al-Rumayla Square, the Sultan Hassan Mosque and Madrasa, and the El Refaie Mosque. Bab al-Azab was the main entrance of the Citadel for hundreds of years, until Mohamed Ali Pacha erected a new entrance, currently located opposite the Hattaba area.

H.E. Dr. Hala El-Said, Minister of Planning and Economic Development and TSFE's Chairperson, stated that "the Bab al-Azab project aims to create a multidimensional ecosystem where creative talent and entrepreneurship can flourish and compete internationally, enabling the development of brands targeting global markets." Dr. El -Said added that "establishing the TSFE is a step towards reaching Egypt's 2030 vision, which entails increasing investment and diversifying the sources of funds. That required the establishment of an economic entity capable of increasing investment, operations and making the best of the country's assets and recourses by forming partnerships with local and international institutions. The TSFE's role will help increase the value of the country's assets, push development efforts forward and preserve the rights of futures generations. The TSFE aims to create unique investment opportunities that will lead to increasing the value of utilised and under-utilised assets and create sustainable financial surpluses." She added that "the study is the first project for TSFE in the tourism, culture and service sectors in cooperation with the Ministry of Tourism and Antiquities. The study will focus on the restoration and regeneration of the historic Bab al-Azab area in the Citadel to prepare it to service visitors. This comes as part of a master plan which targets bringing life to an under-utilised area in the Citadel and opening it to the public. After restoration, the area will be added to the list of touristic, historic and cultural destinations." El-Said expects that "the project will create hundreds of direct and indirect job opportunities for the residents of the surrounding area and attract investment in various creative fields. It will also help preserve and develop many of Egypt's traditional crafts."

Mr. Rachid Mohamed Rachid, the Founder of BIDAYAT, noted that “the Bab al-Azab project will help restore Egypt’s natural position as one of the most important centres of creativity in the world.” He added that “the creative economy is one of the fastest growing sectors globally.”

Dr. Mostafa Waziry, Secretary-General of the Supreme Council of Antiquities, added that “the restoration of all the historic buildings in the Bab al-Azab neighbourhood, will be undertaken under the direct supervision of the Supreme Council of Antiquities.” He stated that “the project will bring new life to the area’s unique historic buildings in a sustainable manner and re-establish the pedestrian flow between the different levels of the Citadel and the surrounding urban area. The Bab al-Azab creative district will also provide a unique experience for international visitors and will provide cultural education, in cooperation with local and international institutions.”

Mr. Ayman Soliman, CEO of the Sovereign Fund of Egypt, stated that “the Fund will work together with BIDAYAT and other private investors through the Sub Fund for Tourism, Real Estate Investment and Antiquities Development, to restore and maintain historic buildings and buildings with unique architecture, while also preparing other buildings in the authorised areas to service local visitors and tourists alike.”

He added that “the sub fund focuses on sustainable economic development through the optimum management of its assets, according to international standards; in order to maximise their value for future generations.” Soliman also stated that “the master plan for the restoration of the entire area will be conducted under the direct supervision of the Supreme Council of Antiquities and will identify the investment components of the project.” He noted that “the project of Bab al-Azab is part of the broader plan of the restoration of historic Cairo, supported by Egypt’s Prime Minister.” He added that “the different components of the project will be undertaken in collaboration with several partners in different fields of specialisation.”

Ahmed Shaboury, CEO of BIDAYAT Misr, noted that “the feasibility study is being conducted by eight Egyptian and international consultancies.” He added that “the study builds on past studies conducted over Bab al-Azab area throughout the past two decades by Egyptian heritage experts and international organisations.”

ABOUT THE SOVEREIGN FUND OF EGYPT:

The Sovereign Fund of Egypt was established in 2018 to attract private investment to Egypt and promote and co-invest in state-owned assets to maximise their value and support the Egyptian economy. Independently managed by senior finance executives, TSFE selects investable assets from public stakeholders and co-invests in them with local and foreign partners. The fund's mission is to increase the private sector's role in the economy and create more jobs for Egypt's young population.

The fund operates under a special law which allows it to establish investment partnerships that offer unique opportunities for investors, to aid the government's efforts to carry out structural reforms in various sectors and diversify Egypt's growing economy.

The fund adheres to best international practices in all areas, operating with transparent and flexible investment rules, which enable diverse co-investment structures and good governance in management. The fund is supervised by a board of directors and a general assembly with the majority of members coming from the private sector.

TSFE was established by Law 177 in 2018. Its charter was issued by the Prime Minister's Decision no. 555 in 2019. The fund is a member of the International Forum for Sovereign Wealth Funds.

www.tsfe.com

ABOUT BIDAYAT MISR:

BIDAYAT Misr was founded by the Egyptian prominent entrepreneur and former Minister of Trade, Industry, and Investment, Rachid Mohamed Rachid. BIDAYAT aims to invest in local companies in creative industries, while utilising its experience and knowledge to create motivating environments for creative talents and entrepreneurs. The goal is to enable such individuals to develop their products and brands and compete in international markets.

BIDAYAT is Founded by Rachid Mohamed Rachid, the prominent Egyptian entrepreneur and the active investor in the luxury goods universe, Founder of Alsara International Investment Group and the Chairman of the international fashion houses Balmain in France and Valentino in Italy.

ABOUT THE SUPREME COUNCIL OF ANTIQUITIES:

The Supreme Council of Antiquities is a national Egyptian organisation established by Presidential Decision no. 82 for 1994, in accordance with the laws of the Arab Republic of Egypt. The council oversees all affairs related to antiquities and is entrusted with the preservation and development of antiquities. The council also is tasked with raising resources to finance projects related to antiquities and museums, in order to upgrade heritage areas. The council is in charge of spreading awareness of Egypt's rich cultural heritage and the importance of its preservation in cooperation with local and international organisations and the Ministry of Tourism and Antiquities.

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