

## TOSHKHA IN PERPESPECTIVE

Toshka was born from a visionary government program known collectively as Egypt's mega-projects. Strategically oriented throughout the country, these development projects were designed to alleviate population pressure on the Nile Valley and create new, modern communities. Simultaneously, the increase in economic activity enhances Egypt's status as an international trading partner.

One of the results of Egypt's over-populated cities is that the amount of locally produced food is insufficient and the country must depend on imports. In fact, Egypt has a staggering dependence on imported food at a time when the country's financial resources would be better channeled into sustainable development. Aggravating this imbalance, an additional 50-70,000 acres of cultivated land is lost to urbanization each year.

The Mega-Projects Ministerial Committee was formed to oversee the increase of habitable land from 5 percent to 25 percent of the country's total area by 2017. The targeted regions comprise 3.4 million acres of mostly desert land in Southern Egypt, the New Valley and Oases, Sinai, the northern coastal region, and both sides of the Nile Valley and Delta. The Gulf of Suez and Port Said are considered an essential part of the overall plan because of their remarkable strategic locations and importance to Egypt's industrial and trade development.

| <b>POULATION FACTS ABOUT EGYPT</b>            |
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| • 66 MILLION PEOPLE IN 2002                   |
| • PROJECTED TO REACH 71.6 MILLION BY 2006     |
| • PROJECTED TO REACH 90.88 MILLION BY 2021    |
| • MAJORITY OF GROWTH IN URBAN AREAS           |
| • GREATER CAIRO POPULATION: NREALY 18 MILLION |

Based on a carefully designed integrated approach, the majority of the mega-projects entail the cultivation of new agricultural lands and the reclamation fertile desert areas that require water to become productive. Further economic activities will evolve from the resulting agro-industrial development.

The establishment of new cities parallels this expansion, providing all manner of jobs and long-term investment opportunities. Strategies to accomplish these goals include both financial and social incentives to

encourage farming, industrialization, tourism, community building, and infrastructure development.

The largest of the mega-projects, in terms of size and goals, are the Southern Egypt Development Projects, which focus on improving socio-economic conditions in the South and making the best use of its vast natural resources. These projects encompass approximately 1.5 million acres and include the following five areas: Toshka, East Oweinat, the New Valley Oases, and the Nile Valley south of the Delta.

| <b>WHY TOSHK?</b>                                  |
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| • STRATEGIC LOCATION                               |
| • PRISTINE AGRICULTURAL LAND                       |
| • ABUNDANT NATURAL RESOURCES                       |
| • PURE WATER, FREE OF UPSTREAM DISCHARGES          |
| • DIVERSE WORK FORCE                               |
| • ACCESS TO LOCAL MARKET                           |
| • MAJORE ROAB (ASWAN-ABU SIMBEL) LEADS TO THE SITE |
| • PROXIMITY TO INTERNATIONAL AIRPORTS              |

The gem of the Southern Egypt Development Projects, Toshka, will generate arteries of life for the New Valley and Aswan Governorates, which constitute almost 65 percent of Egypt's total area. Toshka will be a virtual lifeline to the heart of the Western Desert.

Toshka is much more than land reclamation. To succeed, the project must provide support for viable communities. This is being accomplished through careful attention to the development of infrastructure and the creation of jobs that are financially rewarding. New schools, hospitals, and homes will be constructed in pollution-free, aesthetically pleasing environment.

| <b>TOSHKHA OBJECTIVES</b>   |
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| • ADD 54,000 ACRES OF ARABLE LAND THROUGH IRRIGATION BY THE NEW CANAL                       |
| • CREATE A BASE FOR THE INTEGRATED DEVELOPMENT OF THE SURROUNDING AREA                      |
| • BUILD SUSTAINABLE COMMUNITIES TO ACCOMMODATE SOME 2 MILLION PEOPLE BY 2017                |
| • ESTABLISH LIVESTOCK, POULTRY, AND FISH BREEDING PROJECTS TO MEET LOCAL AND EXPORT DEMANDS |
| • ENHANCE AGRO-INDUSTRIAL ACTIVITIES  |
| • CONSTRUCT OR UPGRADE TRANSPORTATION SYSTEMS: ROAD, RAIL, AIR, AND WATER                   |
| • DEVELOP TOURIST SITES AND PROMOTE   |
| • EXTRACT METALS AND MINERALS FOLLOWING A CAREFULLY DESIGNED ECOLOGICAL PLAN                |
| • EXPAND OIL EXPLORATION  |
| • CAPITALIZE ON AVAILABILITY OF RENEWABLE ENERGY  |

The greatest capital attraction is predicted to target industrial investments (including oil exploration), tourism, and agro-industry. Agricultural development will serve as the nucleus around which other development activities are based. The Ministry of Tourism has already designated an initial investment of 3.2 billion Egyptian Pounds (LE) (approximately \$ 696 million) to build hotels and tourist villages.

Studies by the Ministry of Agriculture and Land Reclamation to determine the most appropriate location for a large-scale agro-industrial development have been on going since the 1960s. In 1998, research performed by the United Nation's Food and Agriculture Organization (FAO) confirmed the economic viability of the area. As such, selection of the location for the project was a strategic decision based on decades of careful research and planning.

All of these factors suggest numerous lucrative long-term investment opportunities and Toshka is positioned to capture the attention of the world's financial community.