

# IFC invests in new Egypt paper mill

CAIRO: IFC, a member of the World Bank Group, is investing to complete the construction of El Motaheda SAE's new paper mill outside Cairo to help create jobs and reduce greenhouse gas emissions in Egypt.

IFC will invest up to US\$10 million in equity and provide a loan of up to US\$15.5 million toward completing the paper plant, which will be located 60km outside Cairo in the Sadat City industrial zone. The plant is expected to use recycled fibre from local wastepaper as the main raw material to produce duplex board, which is used to package many products. The mill will create an estimated 300 direct manufacturing jobs and 550 indirect jobs through the collection and transport of wastepaper.

In addition, the availability of high-quality locally produced duplex will help replace imports and benefit domestic and regional consumer goods companies, local consumers, and the local economy by reducing costs.

## Hub for packaging industry

"Our goal is to transform Egypt into a regional hub for the packaging industry, becoming the primary provider of high-quality packaging materials for multinationals and exporters alike," said Ibrahim El Moallem, chairman of Modern Shorouk for Printing and Packaging, the parent company of El Motaheda, and a key shareholder in the National Printing Company.

Egypt produces an estimated 60,000 tons of solid waste each day, of which around 12,000 tons is paper, yet the country imports wastepaper and pulp for its paper product industries. The new mill and its domestic supply chain promise to significantly reduce the volume of discarded wastepaper and carbon emissions from its decay.

"The jobs created from building this new paper mill demonstrate the importance of the private sector as an economic growth and employment generator," said Rashad Kaldany, IFC VP for Asia, Eastern Europe, the Middle East and North Africa. "Moreover, using locally sourced recycled paper helps fulfil IFC's mandate to support resource-efficient manufacturing and to address causes of climate change in the region."

## Fostering economic development

IFC is committed to fostering economic development in the Middle East and North Africa through an integrated investment and advisory services program, underpinned by the conviction that the private sector plays a key role in reducing poverty and creating jobs, particularly for the region's large population of unemployed youth.

El Motaheda's parent firm, National Printing Company Ltd., is one of the largest converting and printing houses for consumer packaging in Egypt.

Through its two key subsidiaries, Modern Shorouk for Printing, and El Baddar for Packages, its operations include book printing, folded board boxes, corrugated boxes and sheets, laminated packaging, and paper cups and bags.

For more, visit: <https://www.bizcommunity.com>