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Funding for the Environmental Compliance of the Small- and Medium-Sized Enterprises

The Environmental Compliance Office at the Federation of Egyptian Industries Signs Two Agreements of Cooperation with the National Bank of Egypt and the Industrial Development Bank

Stemming from its firm belief in the necessity of assisting industrial enterprises in attaining suitable funding for the implementation of Cleaner Production (CP), compliance with the environmental laws and legislations, and the introduction of modern technologies in production processes, ECO (the Environmental Compliance Office), presided by Dr. Sherif El Gabaly – Board Member of the FEI (Federation of Egyptian Industries) – signed two agreements of cooperation with the NBE (National Bank of Egypt) represented by Mr. Mohamed Mourad Abdel Fattah – Consultant of the Credit Marketing Group, NBE – and with the IDB (Industrial Development Bank) represented by Mr. Chahine Seragel Din – Chairman, IDB – on Wednesday, February 21st 2007 at noon in the FEI headquarters.

The cooperation agreements aim at outlining an action plan to enable the industrial enterprises – especially the small- and medium-sized enterprises (SME), where ECO is active in providing technical and environmental assessment studies, to comply with environmental laws and regulations and to implement CP options.

The agreements qualify enterprises to funding for environmental investment, selecting a funding mechanism that meets the actual capacity of each enterprise individually.

Dr. Gabaly stated that the event compliments the role of the FEI in advancing the Egyptian industry by assisting the SME to environmental compliance; ECO offers a number of advantages including providing latest CP options, promoting environmental and CP investment, and supporting environmental management systems within the industrial enterprises. This is done by offering soft loans to fund the implementation of CP options at a maximum value of L.E. 3 million, payable over a period ranging from one to five years and including a one-year grace period at an interest rate of 2.5% per annum.

So far, 37 enterprises have benefited from these loans making the value of disbursed loans reach L.E. 39.5 million for the funding of CP equipment and machinery. 74 enterprises have also benefited from the technical services and support provided by ECO.

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