



Industrial Development Authority

The Industrial Development in

Red Sea



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Chapter 1

- Preface
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- Future plan for Red Sea industrial zones
- Some Features and Financial and Economic indicators for the industrial activity in Red Sea Governorate



Red Sea Governorate

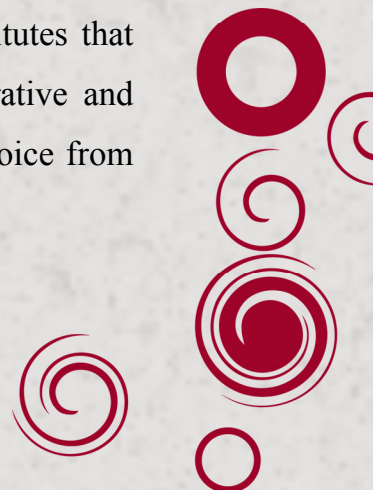
- **Preface**

In the framework of the direction of the state to establish industrial zones in different governorates to achieve industrial development in the Arab Republic of Egypt, the state began to develop the governorates bordering the gulfs of Suez and aqaba, of which the investment promising governorates such as the Red Sea Governorate on which the new industrial areas was established because of the natural resources which the governorate has (such as Phosphate - Tungsten, Gold, Silver, Chromium, Manganese, Emeralds, Petroleum, Marble, kaolin, Glass Sand, Quartz and Feldspar).

The governorate contributes in industrial activity through many industries through Chemical Industries, Woods, Papers and the industries based on mining such as Aluminum, Ceramics and Sulfuric Acid.

Number of **existed and recorded facilities in IDA** reached 59 establishments with estimated investment costs of LE 1.8 billion and employed about 7445 workers, distributed to all industrial activities, mainly activities of crude oil, its refined products and natural gas, followed by basic metal, engineering, electronic and electrical industries.

The industrial zone in Red Sea governorate includes 7 areas: Ras Gharib - Hurghada – Al Kosair – Sudan's Borders - Safaga - Industrial city in Ras Gharib - Marsa Alam. The investment in Red Sea governorate depends on the basic factors which are represented in **the infrastructure** such as Roads, Transportation, Energy, Drinking Water and Sewage. The governorate as well as characterized by South Valley University, which obtain it graduates the highest degree of **university education** and by the specialized institutes that graduate the best skilled manpower in various scientific, administrative and professional disciplines, which provide investors a wide range of choice from the appropriate human skills to their needs.



Red Sea governorate characterized by its outstanding position on the coast of the Red Sea, the main artery linking east and west, which facilitates marketing the products from factories to inside and outside the governorate. Small and proposed projects based on the economic resources include Fish Canning and Fish Oils. The main industries include refractory and sand brick industries, in addition to many **proposed projects** based on white sand such as crystal glass industry.

Based on the above, the research methodology will explain in detail the industry in Red Sea governorate as well as some information about the governorate and the available resources and wealth in it.



Industry of fish canning and fish oils considers one of the major industries in the governorate. Hurghada is famous with refractory and sand brick industries, equipment, hotel furniture and ready made garments while Safaga is well known with Phosphate Refining, Granite Polishing, the chemical industry, wood and paper The Marsa Alam and Al Kosair are famous with the industries which based on mining, such as Aluminum, Ceramic and Sulfuric Acid.

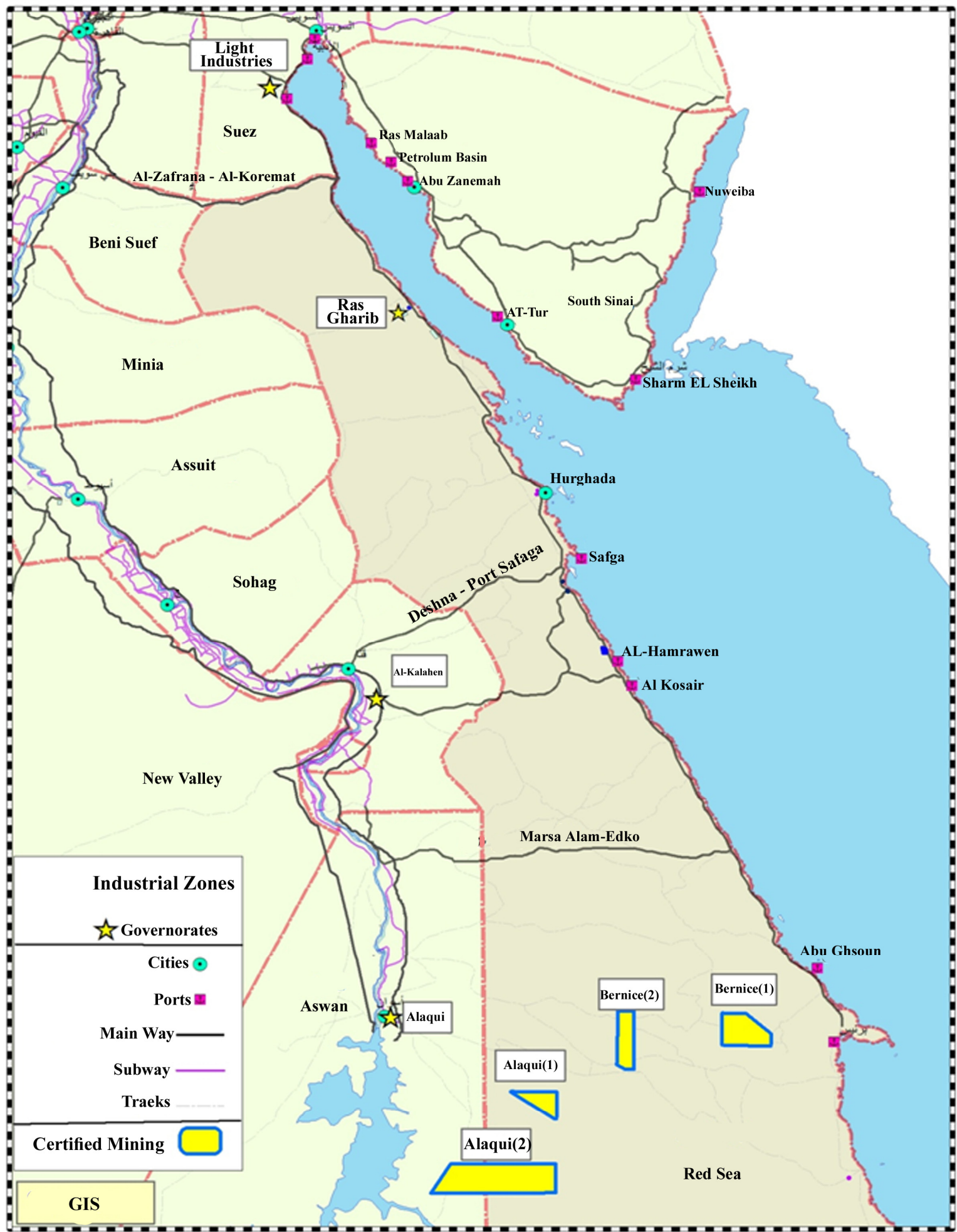
For Ras Gharib, it is well known by Paint Industry, Crystal and Glass which depends on white sand, marble and granite as well as chemical industry which depends on Gypsum, such as sulfuric acid.

Regarding Shalatin, it has number of industries which based on animal products such as leather and wool in addition to agricultural products.





Existing Industrial Zones in Red Sea Governorate



Statement of the Total Number of Industrial Establishments registered in IDA in Red Sea Governorate Distributed according to the Activity in Each City

Value by Thousand Pounds

Activity	Establishments No.	Production Cost	Investment Costs	Labor No.	Total of Fees
Crude oil, its refined products and Natural Gas	1	20392550	20000	1000	200
Extracting Metal Materials	1	112000	37000	100	
Exploiting Mines and Quarries	6	33357	207788	2003	19322
Food, Beverages & Tobacco	19	146112	157031	322	2376
Wood and its products	10	583	504	44	25
Basic chemicals & its products	2	7805	16190	18	264
Building Materials, Chinaware, Porcelain & Refractories	10	41971	36022	2821	32160
Basic Minerals	1	1872000	1254000	1000	4000
Engineering, Electronic & Electrical Industries	8	112	181	20	31
Production & Distribution of Electric Light & Power	1	99273	112314	117	2760
Total	59	22705863	1841029	7445	61137



Statement of the Total Number of Industrial Establishments registered in IDA in Red Sea Governorate Distributed according to the Activity in Each City

Value by Thousand Pounds

Activity	Establishments No.	Production Cost	Investment Costs	Labor No.	Total of Fees
Hurghada District					
Food, Beverages & Tobacco	7	145061	156648	252	2260
Wood and its products	1	530	370	25	-
Basic chemicals & its products	2	7805	16190	18	264
Total	10	153396	173208	295	2524
Al kosair District					
Exploiting Mines and Quarries	2	15380	185672	747	8798
Food, Beverages & Tobacco	4	372	148	18	33
Wood and its products	7	34	92	16	18
Building Materials, Chinaware, Porcelain & Refractories	1	15150	12500	65	216
Engineering, Electronic & Electrical Industries	3	16	33	5	6
Total	17	30952	198445	851	9071
Sudan's Borders District					
Exploiting Mines and Quarries	1	8543	4792	274	2171
Total	1	8543	4792	274	2171



Statement of the Total Number of Industrial Establishments registered in IDA in Red Sea Governorate Distributed according to the Activity in Each City

Value by Thousand Pounds

Activity	Establishments No.	Production Cost	Investment Costs	Labor No.	Total of Fees
Ras Gharib District					
Crude oil, its refined products and Natural Gas	1	20392550	20000	1000	200
Exploiting Mines and Quarries	1	4399	7000	107	2128
Food, Beverages & Tobacco	4	380	105	26	46
Wood and its products	1	7	12	1	4
Building Materials, Chinaware, Porcelain & Refractories	3	12180	15094	114	1937
Engineering, Electronic & Electrical Industries	2	53	40	6	11
Total	12	20409569	42251	1254	4326
Safaga District					
Exploiting Mines and Quarries	2	5035	10324	875	6225
Food, Beverages & Tobacco	4	299	129	26	37
Wood and its products	1	12	30	2	3
Building Materials, Chinaware, Porcelain & Refractories	4	13467	8055	2634	29926
Engineering, Electronic & Electrical Industries	1	18	76	4	9
Production & Distribution of Electric Light & Power	1	99273	112314	117	2760
Total	13	118104	130928	3658	38960



Statement of the Total Number of Industrial Establishments registered in IDA in Red Sea Governorate Distributed according to the Activity in Each City

Value by Thousand Pounds

Activity	Establishments No.	Production Cost	Investment Costs	Labor No.	Total of Fees
Industrial City in Ras Gharib					
Exploiting Mines and Quarries	1	112000	37000	100	
Building Materials, Chinaware, Porcelain & Refractories	2	1174	373	8	80
Engineering, Electronic & Electrical Industries	2	25	32	5	6
Total	5	113199	37405	113	86
Marsa Alam District					
Basic Minerals	1	1872000	1254000	1000	4000
Total	1	1872000	1254000	1000	4000
The Governorate Gross total	59	22705763	1841029	7445	61137





Existing Industrial Zones in Red Sea Governorate

sr	Proposed	Area/Fedden	Nearest Industrial Zone	Space/KM
1	Ras Gharib	3000.00	Light Industries in Suez	160
2	AL Kosair Al-Hamrawen	1800.00	AL-Kalahes-Qena	150



Industrial Zones

★ Governorates

● Cities

■ Ports

— Main Way

— Subway

--- Traeks

Certified Mining

GIS

Red Sea

Future plan for Red Sea industrial zones



Economic and Financial indicators of the Industrial projects in Red Sea Governorate Distributed according to the region

Value by Thousand Pounds

Region's Name	Establishments No.	Production Cost	Investment Costs	Labor No.	Total of Fees
Industrial City in Ras Gharib					
Exploiting Mines and Quarries	1	112000	37000	100	
Building Materials, Chinaware, Porcelain & Refractories	2	1174	373	8	80
Engineering, Electronic & Electrical Industries	2	25	32	5	6
Total	5	113199	37405	113	86
Marsa Alam District					
Basic Minerals	1	1872000	1254000	1000	4000
Total	1	1872000	1254000	1000	4000
The Governorate Gross total	59	22705763	1841029	7445	61137

The previous table shows that total number of the industrial establishments in Red Sea Governorate reached 59 entities, the total value of production 22.7 pillion pounds, the investment cost 1.8 pillion pounds, employing 7445 with total wages 61136 thousands pounds.

What mentioned above clears the following indicators:

- Average worker's annual wage in Red Sea governorate is 8.2 thousand pounds and 684.3 pounds monthly.



Chapter 2

Some information about the governorate:

Red Sea has a strategic significance, where it is the main artery which linking East to the west.

Location:

Red Sea Governorate extends a length of 1080km from Gulf of Suez on latitude 29 degrees north to the Sudan border on latitude 22 degrees north.

Area:

The area of Red Sea Governorate is about 119000km².

Population:

Number of population in Red Sea Governorate reaches in 2010 about 20389 people.

Administrative Divisions:

Red Sea Governorate includes 6 centers.

Education:

The schools spread across the governorate, the total number of schools reach about 165 schools. The number of students about 63 thousand ones, while Azhar education, there are 25 Institutes including 2000 students. For university education, there is the University of the South Valley.

Health:

The governorate contains many general and special hospitals including all specialties



Chapter 3

Primary and Natural Materials in Red Sea Governorate:

The governorate characterized by the presence of natural materials such as:

1. Mineral wealth, mainly: (Oil - Phosphate - Tungsten, Gold, Silver and Chrome).
2. Fisheries: The projects of fishing can take the advantage of Hurghada, Safaga, Marsa Alam, Al Kosair, Ras Ghalib and Shalatin.

Infrastructure:

1) Roads:

Red Sea Governorate contains main roads network linking all parts of the governorate and its centers.

2) Electricity:

Generated electricity in Red Sea Governorate reaches about 1641.9 millions kWh/year.

3) Potable Water:

Number of desalinization plants in Red Sea Governorate is 10 plants.

4) Desalinization plants:

The capacity of Hurghada center's Sewage in 2010 reaches about 24.000 m³/day.

5) Telecommunication:

There are 811 Cabin services, 13 technology clubs, 13 postal agencies, 91,762 users in post offices and 25 governmental post offices.



Chapter 4

Fields of Investment in Red Sea Governorate



Fields of Investment

There are many investments which can be carried out in Red Sea governorate including Chemical industries and the industries based on animal products and others depend on agricultural products in addition to industries stand on fishery wealth.

First: Fields of investment in Red Sea Governorate:

Red Sea shore is 1080 km long and its average width is 240 km. There are fragmented coral free zones that are used as passage areas by fish. Areas that can be used for fishing projects as well as industries which based on fisheries, animal and mining wealth, as follows:

1. Hurghada

Macaria Golf Fish Farm: 4000 feds area. Its production can exceed 250 tons/year.

Dashat Aldabah Fish Farm: 1400 feds area. Its production can exceed 100 tons/year.

Abu suma pay Fish farm: 5000 feds area. Its production can exceed 400 tons/year.

The industries based on fisheries in Hurghada, including fish canning and fish oils as well as refractory and sand brick industries, hotel equipment and furniture, Canned Food (hotel supplies) and ready made garments.



2. Safaga: in the northern part of Safaga

- A farm 150 feds area can be established with a production that can exceed 200 tons/year.
- Industries of Phosphate Refining and Granite Polishing.
- Chemical industries that based on oil mud, such as phenol and ammonia.
- Small Scale industries that serve the free zone such as woods, papers, Canning and packaging.

3. Marsa Alam

- Fish Canning and Fish Oil industry including:

Korat Algabetway: 1200 feds area. Production 300 tons/year

Barnees: 1000 feds area. Production 300 tons/year

As well as, there are many industries that based on mining such as Chemicals, Sand bricks and Ceramics etc.

Crystal and glass industries that based on white sand

Paint Industry that based on oxide of iron ore and marble industries.

4. Alkousir

Industries that based on fish such as Fish Canning, fish oil and others, including:

1- Alkousir port farm: 80 feds area. Production 250 tons/year

2- Sharm Alloly farm: 100 feds area. Production 600 tons/year

There are also many industries which based on mining such as Chemicals, Sand bricks and Ceramics.

5- Shalatin, Halaib and Abu Ramad

This area has the greatest fish resources. Lots of fish farms can be established with estimated production that exceed 2000 tons/year

Projects for raising and broiler animals can be established because of the area containing about 60 spots having ground water with area of 100 square kilometers, which helps to raise cattle, sheep, camels and horses. Many industries such as leather, wool and meat preservation based on the animal industry.



Agricultural products in this region depend on groundwater, especially in Shalatin.

There's an industry based on agricultural products such as Canning, Manufacturing of fertilizers and other.



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