

PRESS RELEASE

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SELECTION OF THE EPC CONTRACTOR FOR THE ENGINEERING, PROCUREMENT, CONSTRUCTION, TESTING AND COMMISSIONING (EPC) PLUS FINANCING WORKS FOR THE REHABILITATION AND REINSTATEMENT OF THE ABU TARTOUR-QENA-SAFAGA-HURGHADA CARGO & PASSENGERS RAILWAY TRACK (INTERFACE PACKAGE 4)

WAPHCO (Acting on Behalf of the Project Company – Under Establishment) is pleased to announce that the result of the technical and commercial evaluation has nominated the Consortium of “SAIPEM – SALCEF – EL SEWEDY ELECTRIC” for the award of such EPC + Finance works. This result has been presented to a high delegation represented by the Ministry of Transport (MOT) and the Egyptian National Railway (ENR) on 9th February 2020. The MOT and ENR has approved this nomination officially and accordingly the Consortium is being selected as the EPC CONTRACTOR for the rehabilitation works. The consortium will now start discussing with WAPHCO (Acting on Behalf of the Project Company - Under Establishment) and ENR the next steps to draw a road map for the project from start to completion.



The Abu Tartour Plateau Development Plan has always considered the integration of different projects in a form of a program to realize the ultimate benefit of getting the most out of Abu Tartour natural resources and provide Egypt with the added value of this untapped huge national treasure.

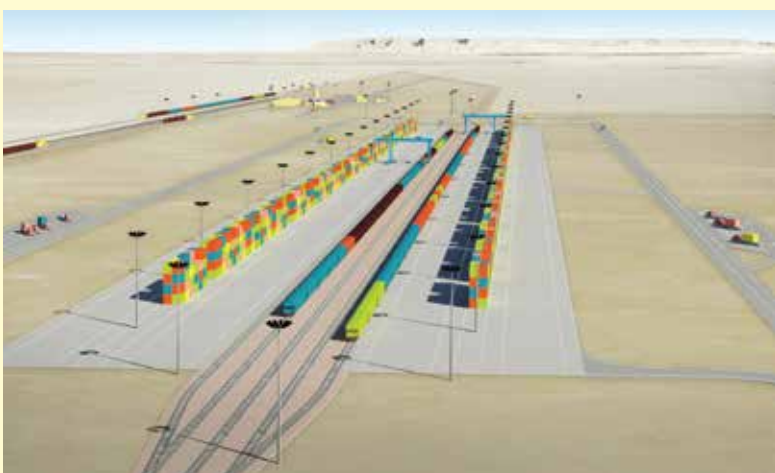
The program has included a railway line connecting the Project's site in the New Valley Governorate down to Safaga port on the Red Sea. Unfortunately this line has been damaged and requires rehabilitation and reinstatement in order to fulfill the transportation requirements of the development plan.

With the establishment of the new phosphoric acid production complex in Abu Tartour and with the increase of exports to different markets through the Red Sea from that region, the rehabilitation of this essential railway line is becoming more and more inevitable.

WAPHCO (Acting on behalf of the Project Company – Under Establishment) conducted a preliminary survey along the alignment of the track from Abu Tartour to Safaga in 2017, in order to acquire an average estimate of the types and quantities of the materials necessary for the rehabilitation of the track. In 2018, WAPHCO assigned Rail Expert Consult (REC), an Austrian/German/Egyptian consultant consortium to conduct a techno-economical study to assess the feasibility of the project based on the information acquired from the preliminary survey, which concluded the feasibility of the same. However, this was subject to different supportive scenarios which can be facilitated through the help of the Ministry of Transportation (MOT), as they could provide the necessary support to boost the economics of the project. At the end of 2018, WAPHCO tendered the EPC + financing works of the subject railway line and has provided a detailed scope of work to EPC tenderers based on an incremental strategy for the execution of the whole railway line.

The selected consortium has also provided the best financing offer for the project as well as the collaboration with Ferrovie dello Stato (FS) (www.fsitaliane.it) for the operation and Salcef (www.salcef.com) for the maintenance works of the track respectively.

The track is being planned to be provided with a state of the art Intermodal Station (IMS) East of the Nile River at Qena to facilitate changing the transport mode from railway to truck and vice versa. In addition to a railway passengers transport between tourist locations from Aswan/Luxor and Safaga/Hurgada for the first time.



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