

Siemens Mobility Signs Historic Contract for Turnkey Rail System in Egypt worth USD 3 bn

- 660 km of modern, safe, and integrated rail system to link the Red and Mediterranean Sea for people and goods
- First ever high-speed and electrified main rail line in Egypt
- Siemens Mobility to provide high-speed and regional trains, locomotives, rail infrastructure and related services
- To complete all aspects of the project the consortium will create more than 15,000 local jobs
- Contract covers the initial 660 km out of the 1800 km rail network planned

Siemens Mobility is honored to announce that it has signed a contract with the National Authority for Tunnels (NAT), in witness of the Egyptian Prime Minister and Minister of Transport, as well as the German Ambassador in Egypt to deliver a comprehensive rail system that will feature the first ever high-speed, electrified main and freight rail line that will transform transportation in the Arab Republic of Egypt. Together with partners Orascom Construction S.A.E. and The Arab Contractors, Siemens Mobility will provide its comprehensive turnkey services to design, install, commission, and maintain the systems for 15 years. The total contract value is approximately USD 4.5 billion, of which Siemens Mobility's share is around USD 3 billion. The vast majority of the order intake is expected to be booked in 2022 after financial closing. It is the first contract to be signed from the MoU agreed upon between NAT and Siemens Mobility, Orascom Construction and The Arab Contractors in January 2021.

The contract signed today covers the initial 660 km out of the 1800 km rail network planned. Additionally, it was agreed to discuss and finalize the agreements on the two other high-speed railway lines including rail infrastructure and trains, and maintenance in the coming months.

“This high-speed train will strengthen the infrastructure of the areas it passes through and help achieve urban sprawl, in addition to linking the New Administrative Capital and new cities to the railway network for transporting passengers and goods,” said H.E Lieutenant General Kamel El-Wazir, Egyptian Minister of Transport. “The project will also help promote tourism through a fast, modern, and safe means of transportation characterized by the highest levels of efficiency and safety to meet the needs and expectations of all Egyptians across the country which is considered a major leap in the field of rail transport. For its part, Siemens will provide its latest smart technology solutions, along with its continuous support to local skills development.”

“We are proud to support the Egyptian government’s ambition to transform its transport sector by building its first high-speed electrical rail network. This landmark project will create jobs, boost economic growth, and improve quality of life for millions of people, by creating a more efficient, safe and sustainable transport system,” said Roland Busch, President and Chief Executive Officer of Siemens AG. “As a long-standing partner to Egypt, we are committed to providing the most advanced technology and to supporting local skills development.”

“We are honored and proud to become Egypt’s partner in constructing a state-of-the-art rail system that will transform the everyday travel for millions of Egyptian people. Our world class trains will provide an enhanced passenger experience, and combined with our digital leadership in rail infrastructure, we will deliver a safe, reliable and efficient transportation system,” said Michael Peter, CEO of Siemens Mobility.

In addition to benefiting passenger travel, the first fully electric mainline rail network in Egypt will create thousands of local jobs and open up huge possibilities for freight transport.”

For this project, Siemens Mobility will deliver its Velaro high-speed trains, Desiro high-capacity regional train sets, and Vectron freight locomotives. A safe and reliable signaling system based on the latest computer-based interlocking technology and European Train Control System (ETCS) Level 2 will be installed, as well as the power supply system that delivers efficient and continuous energy. Furthermore, Siemens will provide and integrate the latest communications, safety and security systems that will create a pleasant passenger experience. The trains as well as all subsystems are based on the most modern and proven products and platforms. Siemens Mobility's consortium partners will install the tracks, while the customer will build the bridges and facilitate the sub construction.

A Suez Canal on tracks

The 660 km line will connect the port cities of Ain Sokhna on the Red Sea to Marsa Matrouh and Alexandria on the Mediterranean, creating a Suez Canal type of link on the tracks. The Egyptian government has an ambitious plan to invest heavily in a reliable and sustainable 1800 km state-of-the-art high-speed rail network, that will provide efficient, safe, and affordable transportation for all Egyptians, as well as goods across the country. The two additional lines will connect the Greater Cairo region from 6th October City along the Nile River with Aswan, and Luxor via Hurghada to Safaga. The entire network will re-establish Egypt as a regional leader for transportation. It will impact different economic sectors, empowering both smaller and midsized businesses, and will provide an overall boost to the economy.

High impact on society, environment and economy

Already the first line will be very beneficial for Egypt's society and environment. The consortium will directly create more than 15,000 jobs in Egypt, with an additional 3,800 at Egyptian suppliers and indirectly through the wider Egyptian economy. It is anticipated that many more jobs will be created as soon as the other lines are ready for implementation. In addition to jobs, the project will also contribute to a significant local, technical training and qualification program that Siemens Mobility intends to support, which will provide the needed skill development to complement the project.

The fully electrified system will reduce primary energy usage and overall air pollution by cutting carbon emissions by 70%, in comparison to the current emissions from car and bus transportation, thereby increasing the quality of life and protecting the environment for Egyptians. The rail system will be based on state-of-the-art technology, proven products, and European standards. The signaling system to be supplied complies with highest safety requirements. Additionally, extensive testing and commissioning and local training will ensure the safety of passengers and staff.

More than 30 million passengers per year

The connection will transport more than 30 million people per year and save up to 50 percent travel time, which will strongly increase the productivity of workforce. It will link Cairo to the new urban communities being developed. Cairo's population has doubled in size since 1980 and today approximately 20 million people call Cairo home. Therefore, to ease the congestion, new cities are currently being developed around the Cairo metropolis. The additional benefit of a comfortable and affordable commuter system around Cairo will reduce travel time from east to west.

Furthermore, the line will connect both sea and dry ports which will improve the overall efficiency of moving freight. Specifically, the total inland freight transported on rails will be increased by 15%.

Siemens Mobility is one of the global leaders in high-speed rail operations and is one of the leading companies in the Egyptian mobility market since the 1960s. The company has also extensive experience in delivering high-speed rail projects and executed many rail projects in the Middle East and Africa region. As a leading global rail turnkey project provider with a proven track record of having successfully delivered more than 50 turnkey projects worldwide, Siemens Mobility integrates its portfolio elements and delivers complete rail systems reliably and from one single source.

This press release, as well as pictures and videos are available at:
<https://press.siemens.com/global/en/feature/moving-egypt>

For animated train footage please see: <https://sie.ag/3tLvLyx>

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Siemens Mobility is a separately managed company of Siemens AG. As a leader in transport solutions for more than 160 years, Siemens Mobility is constantly innovating its portfolio in its core areas of rolling stock, rail automation and electrification, turnkey systems, intelligent traffic systems as well as related services. With digitalization, Siemens Mobility is enabling mobility operators worldwide to make infrastructure intelligent, increase value sustainably over the entire lifecycle, enhance passenger experience and guarantee availability. In fiscal year 2020, which ended on September 30, 2020, Siemens Mobility posted revenue of €9.1 billion and had around 38,500 employees worldwide. Further information is available at: www.siemens.com/mobility.