

# The Egyptian Refining Company (ERC)

Factsheet - Sept. 2018

Now more than **98%** complete, ERC is in final stages of preparation to start commercial operation. The refinery is a crucial import substitution project that will bolster Egypt's energy security and provide environmentally friendly fuel for sustainable economic growth.



ERC is a state-of-the-art USD 4.3 billion greenfield petroleum refinery and Egypt's largest private sector in-progress infrastructure megaproject. When complete, ERC will convert lowest value fuel oil into middle and light distillates that will meet domestic consumption needs and eliminate 96,000 tons of Egypt's annual sulfur emissions, almost one third of the country's total.

In June 2012, ERC reached financial close on the equity and debt components of project financing. Qalaa Holdings invested in the project alongside Gulf and international investors, global export credit agencies, and development finance institutions. Construction began in 2014, with the consortium of GS Engineering & Construction Corp. and Mitsui & Co. Ltd acting as the contractor for the project.

The EGPC's Cairo Oil Refinery Company (CORC), the nation's largest refinery with 20% of Egypt's current refining capacity, will provide fuel oil as feedstock for ERC. ERC will have the capacity to produce 4.7 million tons of refined products & high-quality oil derivatives per year, including 2.3 million tons of Euro V diesel, representing more than 40% of Egypt's current imports and 600,000 tons of jet fuel. Liquid stock products will be sold to EGPC at international prices under a 25-year off-take agreement.

As an import substitution project delivering diesel and other high-value products to the EGPC at the heart of the consumption market in Greater Cairo, the ERC is strategically important to Egypt's energy security.

## Financial and Operational Updates

2019: operations scheduled to begin  
2020: first full year of operation

All heavy and major equipment has been installed at the project site



### Trial runs have started in the following areas:

- ✓ Plant Air System
- ✓ Instrument Air System
- ✓ Demineralized Water System
- ✓ Cooling Water System
- ✓ Fire Fighting System

**4.3** <sup>USD</sup> <sub>BN</sub>

greenfield petroleum refinery and Egypt's largest private sector in-progress infrastructure megaproject.

**98%**

complete as of September 2018

**4.7** <sup>MN</sup> <sub>TONS</sub>

total annual production of refined products and high-quality oil derivatives

**2.3** <sup>MN</sup> <sub>TONS</sub>

annual production of Euro V Standard Diesel

**12000**  
**15000**

jobs created at peak construction,  
**700** permanent positions created

**29.1%**

reduction in Egypt's SO2 emissions

**40%**

reduction in Egypt's Diesel imports

**2.9** <sup>USD</sup> <sub>BN</sub>

value of debt package for ERC

**1.4** <sup>USD</sup> <sub>BN</sub>

total equity invested in ERC

**16.9%**

Qalaa Holdings' effective ownership

[qalaaholdings.com](http://qalaaholdings.com)

FOR MORE INFORMATION  
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