



## East Cairo Attorney General announces return to bench

*Mostafa Khater responded to decision to transfer him by saying he would return to work as a judge*

By Basil El-Dabh

Attorney General of East Cairo Mostafa Khater says he will step down from his position and return to the bench and end his work "on behalf of the public," according to state-owned MENA.

The decision came the same day General Prosecutor Talaat Abdallah issued a decision to transfer Khater to the Court of Appeals in Beni Suef for six months.

Abdallah's decision came after the release of 137 defendants under Khater in the aftermath of clashes at the Presidential Palace last Wednesday, when the prosecution cited lack of sufficient evidence for trials. Twelve remained

in custody for possessing weapons that included firearms and knives.

During his press conference last Saturday, Supreme Guide of the Muslim Brotherhood Mohamed Badie said that those released should be rearrested and prosecuted.

In his address on 6 December, before the detainees were released, President Mohamed Morsy had called them "hired thugs" who had confessed to committing crimes. Prosecutors released the detainees shortly after the president's address.

Abdallah was appointed by President Morsy following his 22 November constitutional declaration, dismissing Abdallah's predecessor Abdel Meguid Mahmoud from his

post, a polarising decision across Egypt's political spectrum.

Khater was involved in a number of major investigations over the past year examining the deaths of protesters during last year's uprising.

He was also involved in the investigation into the killing of Lebanese singer Suzanne Tamim.

The Judges' Club called an emergency meeting following Abdallah's decision to discuss the General Prosecutor's call to move Khater and decide how to proceed.

Prosecutors have announced that they will demonstrate in front of the High Court building in downtown Cairo on Thursday in support for Khater.

## Saber sentenced for blasphemy

*Three years in prison for questioning religion*

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Saber is accused of contempt of religion for making a video a year ago, in which he asked people to think for themselves and not follow religious authority figures.

He was initially arrested after a mob gathered outside his building and threatened to break into his house. Meseeha called the police for protection but they arrested Saber instead.

The prosecution initially accused him of spreading the film *The Innocence of Muslims* on his Facebook account but this accusation was later proven false. The charges were later changed to spreading extremist views through social media.

Saber was attacked in Al-Marg police station following his initial arrest. Inmates cut his throat with a razor blade after police officer Mina Shenouda told them Saber had insulted religion.

Meseeha was forced to leave her home after her son's arrest. Threats were made against her.

to the effect that her house and a nearby church would be burned.

"I expected this verdict. The police and prosecution were very biased against Alber from the start," said Mohamed Farouk Saad, another lawyer on Saber's defence team and member of the Arab Network for Human Rights Information.

Saber is a political activist who participated in the 25 January Revolution and was the coordinator of street action and protests for the National Association for Change, led by Mohamed ElBaradei, of which Saber was a founding member in 2010.

His friends suspect his opposition to the ruling Muslim Brotherhood is related to his arrest and ill-treatment.

"My son has lost the years of his youth, he will come out of prison at 30 years old! He wasted a year dodging State Security, another on the revolution and now they want to lock him up for three more? If this is what the revolution brings I don't want it," said Meseeha.

## Police move in to protect Suez governorate building

*Protests call for the resignation of the governor*

By Joel Gulhane

Police have secured the governorate building in Suez following demonstrations calling for the removal of the governor.

A Daily News Egypt correspondent in Suez reported that 200 people marched on the governorate building in Suez on Tuesday morning.

The group began a sit-in which culminated on Tuesday night.

They were protesting against the referendum on the constitution and they demanded Governor Samir Ajlan be replaced, arguing that he only represents the Muslim Brotherhood, reported state-owned Ahram Gate.

On Wednesday police forces moved in to protect the governorate building.

Ajlan has insisted that he will go to the building tomorrow to continue his duties. He confirmed that everybody has the right to protest peacefully, according to Ahram Gate.

The DNE correspondent reported that protests are planned for Wednesday night.

## Tahrir Doctors file complaint against FJP dentist

*Tahrir Doctors' Society has accused an FJP member of torture*

By Hend Kortam

Tahrir Doctors' Society, made up of doctors who actively support the revolution, accused Freedom and Justice Party member, Hazem Farouk, of torturing citizens.

Hazem Farouk is the Chairman of the Dentists' General Syndicate and a former member of the dissolved People's Assembly. The statement, which was backed by a video, states that Farouk apprehended citizens and tortured them mercilessly. It added that victims were tortured in order to obtain confessions saying they worked for security forces.

The video accompanying the statement shows incidents of torture. At one point a shirtless man, whose hands are tied behind his back, is asked to lie on the floor. He is told that his hands will not be untied until after he has confessed.

The doctors said they feel mortified that someone involved in such a crime belongs to their profession.

The society filed a complaint against Farouk to the prosecutor general and demanded immediate investigations into the incident. It also demanded that Farouk be investigated by the Ethics Committee of the Dentists' Syndicate. The Dentists' General Syndicate could not be reached for a comment.

The society also demanded that the Freedom and Justice Party investigates Farouk and clearly states its stance on the crime. Ahmed Sobei, a spokesperson for the party said that such complaints are made to destroy people's reputations. "I had a complaint filed against me," he said.

Sobei said that Farouk is a good person and that even if he were present at the clashes he would not do something like that. "If they have videos and witnesses, let them present them," Sobei said. "Even if there is a video, it is not real," he added.

Sobei said that the accusations are not worth replying to and are an "insult to the revolution."

There are allegations that Freedom and Justice Party and Muslim Brotherhood members tortured anti-Morsi protesters during violent clashes which took place outside the Presidential Palace, last week. The clashes left at least eight dead and over 700 injured.

Human Rights Watch released a report on Wednesday calling for investigations into the "detention and abuse of several dozen anti-government protesters in Cairo by Muslim Brotherhood members." The human rights group called on the general prosecutor to investigate the deaths, injuries and the failure of security forces to intervene.

## Al-Sadat Metro attacked

*Masked men attempt to close down Metro station*



Hassan Ibrahim

Sadat Metro station during rush hour (File photo)

By Fady Salah

On Wednesday a group of masked men attempted to close down Al-Sadat Metro station, before being stopped by station security personnel.

State-owned news agency MENA reported that 20 masked individuals entered the station on Wednesday morning throwing rocks on the Metro tracks, in an attempt to stop the trains.

Spokesperson for the Metro authority, Ahmed Abdel Hady, said the

masked men entered the station at 6am and stood on the tracks in an attempt to stop the carriages. He added that the men had been apprehended by station security personnel and handed over to metro police.

Major General Mostafa Tamam, director of Metro police, refused to comment on the incident.

State-run Al-Ahram reported that the attackers were Tahrir Square protesters, who tried to close down the station to express their refusal of

holding the referendum on the draft constitution on Saturday, as scheduled.

Four windows and four gates of one of the metro carriages were destroyed as a result to the attack.

Tarek Zaghloul, member of 6th of April Youth Movement, who was in Tahrir during the time of the attacks, said he did not see the attackers. "Accusing Tahrir Square protesters of carrying out such actions is a shameful attempt to distort our image. We are peaceful protesters and we would never do that."

## Al-Hosseini Abu Deif dies of injuries

*Al-Fajr journalist was shot in the head as he filmed clashes by the presidential palace last week*

By Ahmed Aboul Enein

Journalist Al-Hosseini Abu Deif died of his injuries on Wednesday following a week-long coma.

Abu Deif received a shotgun shell to the skull as he covered clashes outside the Presidential Palace last week.

A funeral was held on Wednesday afternoon from Al-Qasr Al-Aini hos-

pital through to the headquarters of the Press Syndicate and finally to Omar Makram Mosque in Tahrir Square.

Forensics specialists from Zeinhom morgue made their way to the hospital to conduct an official autopsy.

Abu Deif was a reporter for Al-Fajr newspaper as well as being an independent video journalist.

He was shot as he filmed last week's clashes between supporters of President Mohamed Morsy and opposition demonstrators outside the Presidential Palace.

His friends claimed on Sunday that he was "assassinated" by the Muslim Brotherhood for documenting the groups' assaults on protesters during the clashes.



### The Cabinet Office case files

#### What happened a year ago outside the Cabinet Office?

On 16 December, it will be a year since soldiers tried to forcibly disperse a three-week-old peaceful sit-in outside the Cabinet Office in central Cairo. Five days of clashes followed, during which 17 protesters were killed and nearly 1,000 injured. Each day this week we bring you the story of one of the victims and a recommendation to the authorities.

#### Case #5 - torture targeting doctors

On 19 December 2011, Dr. Ahmed Hussein Abdel Salam received a phone call from someone at the field hospital in Omar Makram Mosque. The army had surrounded the hospital as they chased protesters in Tahrir Square. Ahmed Salam set off for the hospital to help, but the army stopped him. After he said he was a doctor, he was beaten on the spot and arrested.

He was taken to the Cabinet Offices building. There, during up to 12 hours, he was beaten, given shocks with electric batons, kicked and burned with cigarettes. At one point he passed out. When he regained consciousness he was alone with two soldiers and an officer. They continued kicking him and insulting him for treating what they called "paid thugs", referring to the protesters. Before releasing him, the officer threatened him with death if he would speak about what had happened.

Two days after he was released, Dr. Ahmed Hussein Abdel Salam filed a complaint with the Public Prosecution against the head of SCAF, the head of the military police and the Minister of Interior.

#### Amnesty International's recommendation # 5

In order to deal with this legacy of human rights abuses, the Egyptian authorities should, among other things:

Ensure that the new constitution guarantees that military forces are subject to civilian oversight and can be held accountable for human rights violations.

Amnesty International is a global movement of more than 3 million supporters, members and activists in over 150 countries and territories who campaign to end grave abuses of human rights.

## Armed forces cancel national meeting

CALL FOR DIALOGUE MEETING POSTPONED SHORTLY AFTER BEING SCHEDULED

By Heng Kortam

A "dialogue" meeting called for by the armed forces on Tuesday night was cancelled Thursday after insufficient interest.

The Minister of Defence, Major General Abdel Fattah Al-Sisi, had called on national and political forces to attend a meeting which would not tackle political issues but would be a "family gathering."

Before the public had the time to understand the implications of the call, the meeting was postponed indefinitely.

According to state-run media, the meeting was postponed because the reactions from political groups did not meet the army's expectation.

Before the meeting was postponed, the National Salvation Front (NSF) said Amr Moussa, Mounir Fakhry Abd el Noor and possibly Mohamed El-Baradei would represent the front, the largest opposition bloc in the country. The NSF boycotted a meeting called for by the president on Saturday.

Yousry Al-Azabawy, political expert in Ahram Centre for Political and Strategic Studies (ACPSS) said the army's invitation was strange. "It indicates that state institutions are floundering" Al-Azabawy said.

He believed the invitation was no more than a "slip of the tongue" of the minister of defence. "The proof is

that there was no agenda," he said. "It is also an indicator that the government is weak."

Al-Azabawy believed the invitation should have come from the president, not the defence minister. He added that the invitation sends the message that the army is willing to take responsibility, should things spiral out of control.

"The question we should ask right now is, is the army returning to the scene?" he said.

Mohamed Ezz Al-Arab, another political expert in ACPSS, felt the army's invitation was a genuine attempt by the army to resolve the crisis. "Why else would they have done it? For power?" he asked.

Ezz Al-Arab did not think the army was trying to return to politics. "The army's return, if it happens, will be under new conditions and new rules," he said. He believed the army wanted to prevent chaos and was trying to help the Islamists reach an agreement with the opposition.

"But it appears that there were pressures from the presidency to not hold the dialogue," he added. "I think the pressures were exercised from outside the presidency onto the presidency. I think they came from the Muslim Brotherhood," he said.

The army's invitation came less than a day before the start of the referendum for expatriates on the constitution.

## State human rights body to observe referendum

National Council for Human Rights to oversee vote, demands all organisations willing to observe the referendum to sign up for permission

By Rana Muhammad Taha

In preparation for the referendum due to be held on Saturday, the National Council for Human Rights announced Wednesday it was tasked by the Supreme Electoral Committee (SEC) with managing the process of observing the referendum.

"The SEC has passed this responsibility over to us since it's extremely busy preparing for the referendum," Abdel Moneim Abdel Maqsood, NCHR member and Muslim Brotherhood leading figure, said in a press conference held Wednesday. "That doesn't mean that only observers affiliated with the Council get to observe the referendum."

Abdel Maqsood stated that time is what pushed the SEC to take such a decision. He promised that during the next parliamentary elections due to take place shortly after the referendum, should the constitution be passed, would witness a much bigger role for human rights organisations.

An Elections Support Committee has been established within the NCHR to oversee the referendum, Mohamed Al-Damaty, NCHR member said during the press conference. The committee includes Al-Damaty, Abdel Maqsood and Hoda Abdel Moneim.

"The committee hereby vows to observe the elections with integrity and neutrality," Al-Damaty said, adding that they shall stand at an equal distance between those who shall vote for or against the referendum.

The NCHR refused to acknowledge any organisations which already received permission from the SEC to supervise any previous elections. "Any organisations intent on observing the referendum shall approach us right away for permission," Al-Damaty said.

"The council has notified all organisations which had observed pre-



The National Council for Human Rights has been tasked by the Supreme Electoral Committee with observing the constitution referendum

vious elections with this decision to give them enough time to sign up for new permissions," Abdel Maqsood said. "I expect that we shall give out around 15,000 observation permissions. We have given out seven permissions already."

Abdel Maqsood added that holding the referendum in two stages has given the NCHR more room in terms of providing permissions. Having to submit new permissions could complicate the observers' mission.

"This is such short notice," Mustafa Hegazy, official spokesperson of Shayfeenkom elections watchdog, said. "How can you ask me to find the time to collect copies and IDs in a period of two days? It is nonsense."

Hegazy stated that at least a ten-day notice was needed for the observers

to be ready. As far as Hegazy knows, Shayfeenkom has received no notification from the NCHR as regards getting permission to observe the referendum, though it had observed the 2012 presidential elections.

The NCHR has witnessed the departure of eight of its members during the past two weeks. Those who departed, none of them from an Islamist background, criticised the way in which the council dealt with President Mohamed Morsi's latest decisions.

Al-Damaty stated that the council doesn't only comprise Islamists.

"I neither belong to the Muslim Brotherhood nor to the Freedom and Justice Party," Al-Damaty said. "As a matter of fact, I spent 20 years in the leftist Al-Taggum party." Al-Damaty added that negotiations are under-

way with the resigning members in an attempt to bring them back into the council.

Seif Al-Islam Hammad, human rights lawyer who resigned from the council over a week ago, confirmed the negotiations and said his decision to leave the council was final.

The Shura Council appointed new staff for the NCHR in September. Its head, Hossam El-Gheriary, is also the head of the constituent assembly which drafted the constitution. At least seven of the 20 members appointed are from an Islamist background. Since its establishment in 2003, the NCHR has often been viewed as being closely affiliated with the regime, a matter which has cost it much of its credibility among other human rights organisations.

## Al-Ahly lose to Corinthians in Club World Cup semi-final



Al-Ahly defender Ramy Rabia kicks the ball during their Club World Cup semi-final football match against Brazil's Corinthians in Toyota

AFP Photo / Toshifumi KITAMURA

By Peter Hutchison

Toyota, Japan (AFP) - Brazilian giants Corinthians overcame Egypt's Al Ahly 1-0 in the last four of the Club World Cup in Japan on Wednesday to set up a likely final against European champions Chelsea.

A solitary goal from centre-forward Paolo Guerrero was enough to see the Copa Libertadores winners progress, but it was nowhere near a convincing performance.

Much had been expected from the South American champions, including Chelsea transfer target Paulinho, and the Brazilians dominated possession in the first half with Al Ahly happy to let their opponents knock the ball around.

However, they were unable to turn possession into chances and goal-scoring opportunities were few and far between during the opening period.

Corinthians' midfielder Douglas was the first to go close, the number ten's shot from the edge of the box creeping past goalkeeper Sherif Ekramy no chance and sending the upwards of 20,000 Corinthians fans into raptures.

The left-footed player floated an inch-perfect cross into the box that

Guerrero headed across goal into the bottom corner, giving Ekramy no chance and sending the upwards of 20,000 Corinthians fans into raptures.

Corinthians pressed for a second

as midfield dynamo Paulinho started

to make inroads into the opposition

half, but a second goal inside the first

45 minutes was not forthcoming.

In the second half it was all Al Ahly

as the Egyptians surged forward, desper-

ately looking for an equaliser.

Midfielder Ahmed Fathi wasted the

best chance for the seven-time Afri-

can champions with a low shot into the side netting as the Corinthians

defence started to look increasingly

uncomfortable.

As the clock ran down a spirited

Al Ahly began to send the ball into

the opposition's box at every op-

portunity but they were unable to

level the game.

"I am frustrated that we lost. The

players performed very well and I was

hoping we could win," said Al Ahly

coach Hossam El-Badry.

## Referendum split

Continued from page 1

Zeyada said that President Morsi previously refused to postpone the referendum, using the March constitutional declaration as the basis of his argument, but "now they are going against the March declaration."

A disadvantage of the two-stage decision, Zeyada said, is that the results of each stage will be announced separately. "So the results of the first stage would be announced before the second stage begins. This could influence the decision of the voters in the second stage."

And if the results of the first stage are withheld until the second stage is com-

plete, Zeyada's concern is that this would affect the integrity of the entire process.

Cairo University professor and constitutional expert Ra'fat Fouad said "this referendum is void." He said that calling for a referendum is within the president's jurisdiction, but not within the jurisdiction of the SEC. "Morsi called for a referendum for 15 December; he didn't mention that it would be held in two stages."

Egyptian expatriates have already started voting on the referendum Wednesday. The Judges club in Cairo announced on Tuesday that its judges would boycott the supervision of the referendum.

Additional reporting by Ethar Shalaby

## Egyptian Expats vote on referendum

Egyptian citizens living abroad submit ballots to 150 embassies around the globe.



Egyptian expatriates vote on their country's draft constitution at the Egyptian consulate in Dubai

By Basil El-Dabb

The first ballots for Egypt's constitutional referendum were cast today.

Egyptian citizens living abroad began voting in elections on Wednesday, choosing whether or not to accept the country's proposed draft constitution.



An Egyptian man living in Oman casts his vote on the draft constitution at the Egyptian embassy in the Gulf sultanate's capital Muscat



Supporters of Egyptian President Mohammed Morsi shout slogans as Egyptian expatriates gathered at the embassy in Amman to vote on the draft constitution

AFP Photo / Khalil Mazraawi

Approximately 586,000 Egyptians living abroad are eligible to vote in the controversial referendum.

The Egyptian Ministry of Foreign Affairs stated that Egyptians living abroad had the option of either going to their embassies to cast their ballots in person or by post.

Those posting their ballots are required to print a copy from the website of the Elections Commission and send it with a copy of their Egyptian identification cards. Citizens who had been registered for the last presidential elections are the only eligible voters for the referendum, as the minis-

try cited a law saying new voters could not be registered for the referendum.

Many Egyptian embassies will extend hours of operation from 8am-8pm in order to enable the maximum number of voters to participate in the referendum.

Voting at Egyptian embassies and missions throughout the world will

continue until 15 December, on the same day citizens in Egypt will cast ballots to determine the future of the proposed constitution.

In the first round of the presidential elections in May 349,006 voters submitted ballots abroad while 301,720 participated in the second round.

Eventual winner Mohamed Morsi decisively won aggregate expatriate support in both rounds, gaining strong backing from high numbers of voters in Saudi Arabia and Gulf States.

Expatriate voting was originally scheduled to commence on Saturday, but was postponed to Wednesday.

## Minister of Foreign Affairs attends Friends of Syria meeting

FRIENDS OF SYRIA EXPECTED TO RECOGNISE SYRIAN NATIONAL COUNCIL AS LEGITIMATE REPRESENTATIVES



Delegates at the conference of the Friends of Syria group meeting of Arab and Western states in Marrakesh

By Joel Gulhane

The Friends of Syria recognised the Syrian National Coalition in a draft declaration before the meeting in Morocco on Wednesday, according to Reuters.

Minister of Foreign Affairs Mohamed Amr attended the meeting, which includes over 130 representatives from different countries and international organisations such as the United Nations and the Arab League.

In his speech at the meeting he said, "the struggle of the Syrian people... has entered a crucial stage requiring all to join forces in order to support and ensure its unity," state-owned MENA reported.

Amr also emphasised the need for regional and international efforts to assist with the reconstruction of Syria after Bashar Al-Assad's regime falls, according to MENA.

Amr was expected to meet with some of his counterparts on the

sidelines including William Hague (Britain), Laurent Fabius (France) and Villy Søndal (Denmark), according to MENA. They are expected to discuss how to strengthen bi-lateral relations and the current developments in the Middle East including the situation in Palestine and Syria.

This is the fourth meeting of the Friends of Syria group and the first since the formation of the Syrian National Coalition.

Many countries have recognised

the coalition as the legitimate representative of the Syrian people since the six countries of the Gulf Cooperation Council did so on 12 November. The European Union announced its recognition of the group a few days ago.

United States President Barack Obama announced that his country recognises the coalition as the legitimate representative of the Syrian people just before the meeting in Morocco.

## Iraq 'Al-Qaeda' inmate in prison suicide bombing bid

Baghdad (AFP) - An alleged Al-Qaeda inmate in a Baghdad prison detonated explosives in an attempted suicide bombing on Wednesday, wounding four people and badly injuring himself, officials and a prisoner.

An interior ministry official said an inmate belonging to Al-Qaeda blew himself up in the prison in central Baghdad.

The prisoner was able to gather the explosives over a number of days and apparently formed them into an explosive belt, the official said, without providing details on the source of the explosives.

A police officer confirmed that the bomber survived the blast and was taken to Al-Kindi hospital.

An inmate told AFP by telephone from inside the jail that the bomber

tried to approach guards but was unable to do so and blew himself up anyway.

Justice ministry spokesman Haidar al-Saadi said in an emailed statement that the bomber, named as Ahmed Majid Hamid al-Shammary, had been sentenced to death under Iraq's anti-terrorism law, and that he used fuel from cigarette lighters in the attack.

The bombing came a day after families were allowed to visit prisoners, Saadi said, without specifying if Shammary's family had visited him, or if it is suspected that materials used in the attack had been smuggled in that way.

Prisons in Iraq are periodically hit by escape attempts, uprisings and other unrest.

## Darfur funding in jeopardy without aid access: US envoy

Khartoum (AFP) - Funding for the recovery of Sudan's war-ravaged Darfur region is in jeopardy unless the government eases restrictions on international aid personnel, a senior US envoy said on Wednesday.

Dane Smith, the American administration's senior adviser for Darfur, also said militias are "seemingly out of control" and have been implicated in attacks on peacekeepers, yet the government shows little interest in prosecuting the culprits.

Darfur, in Sudan's far west, has endured nine years of conflict since ethnic African rebels rose up against the Arab-dominated Khartoum government in 2003.

Although violence is largely down from its peak, more than one million people remain displaced in camps,

villages have been razed, and overlapping conflicts continue including rebel-government fighting, banditry, inter-Arab and tribal disputes.

An international conference to raise funds for Darfur's recovery is planned for early next year in Doha.

But it comes as donors, including the United States, face an "increasingly difficult" time getting staff into Darfur to assess and supervise their aid projects, Smith said.

"This issue of access to Darfur must be resolved. It jeopardises the Doha donor conference that is planned now for next year," he said, speaking during his final visit to Sudan, at the end of a two-year appointment.

"The issue must be resolved favourably. You can't have it both ways."

## IAEA says hopes for Parchin access in Iran visit

Vienna (AFP) - The United Nations atomic agency's chief inspector said he hopes Iran will grant his team access to the Parchin military base during talks in Tehran on Thursday.

"We also hope that Iran will allow us to go to the site of Parchin, and if Iran would grant us access we would welcome that chance and we are ready to go," Herman Nackaerts told reporters at Vienna airport on Wednesday on his way to Tehran for the meeting.

The International Atomic Energy

Agency (IAEA) says it has evidence suggesting Iran conducted explosives research at Parchin that would be applicable in making nuclear weapons.

Iran denies seeking or ever having sought nuclear weapons and has denied the IAEA access to Parchin, saying that as a non-nuclear site the agency has no right to conduct inspections there.

Teheran also says that the IAEA has already visited the site near Tehran twice, both times in 2005. The agency counters that since then, it has received ad-

ditional information about work there that makes it want to go back.

The IAEA says "extensive activities" have been spotted by satellite at Parchin, such as the scraping and removal of earth over a 25-hectare area, leading to western accusations that Iran is destroying evidence.

The alleged nuclear work at Parchin is part of a range of suspected activities summarised in a major IAEA report released in November 2011.

The report said the alleged evi-

dence was "overall, credible" and that it indicated that until 2003, and possibly since, Iran carried out work "relevant to the development of a nuclear explosive device".

Because the bulk of the information in the report comes from foreign intelligence agencies, Iran has said it is either forged or related to non-nuclear work.

Thursday's meeting between Nackaerts' team and Iranian officials is the latest in a string of fruitless talks this year between the Iranians and the IAEA, which has pressed Iran to address the claims and grant access to Parchin and other sites and individuals.

The United States has warned that it will push for the board of the Vienna-based agency to refer Iran to the UN security council if Tehran displays no "substantive cooperation" by an IAEA board meeting in March.

Watching the talks closely will be six major powers keen to restart diplomatic efforts to resolve the decade-long and escalating crisis over Iran's nuclear programme.

Those efforts are focused more on Iran's current activities, in particular its expanding ability uranium enrichment to fissile purities of 20 per cent.

This is close to the level needed for a weapon but which Tehran says is for nuclear medicines. Multiple UN security council resolutions have called on Iran to suspend all enrichment.



International Atomic Energy Agency Deputy Director General and Head of the Department of Safeguards Herman M.G. Nackaerts (right) speaks to journalists with his team as he leaves to another trip to Iran at Schwechat Airport, near Vienna

## POLITICS

### Fresh Libya request for Niger to extradite Gaddafi son

Niamey (AFP) - Libya on Wednesday reiterated its call for the extradition of slain Libyan dictator Muammar Gaddafi's son Saadi from Niger, which has granted him asylum since September 2011 on "humanitarian" grounds.

"The Libyan party has noted the threat posed by the presence in Niger of members of the former Libyan regime," said a government statement issued after a visit to Niamey by Libyan Prime Minister Ali Zeidan.

Libya "renewed its request for the extradition of those wanted people... and stressed that their trial in Libya would comply with international law."

The statement said that Libya has insisted that the former regime officials not be extradited to any third country.

"So far, we have not decided anything, consultations should continue, based on the terms of the Libyan request and existing provisions in international law," Niger's foreign minister Mohamed Bazoum told AFP.

Three of Gaddafi's sons were killed in the 2011 uprising that brought down Gaddafi's 42-year rule, including Mutassim, who was murdered by rebels on the same day as his father.

Several key members of the Gaddafi clan have survived however, in-

cluding Gaddafi's erstwhile heir apparent Saif al-Islam, who is wanted by the International Criminal Court but detained in Libya.

Former Libyan Olympic Committee chief Muhammad, and Hannibal who made headlines with his scandal-packed European holidays, are believed to be in Algeria, as is the fallen tyrant's daughter Aisha.

Saadi Gaddafi, who found shelter in neighbouring Niger when his father's regime was crumbling, was best known as the head of Libya's football federation and a player who paid his way into Italy's top flight.

Niger justified the move as motivated by "humanitarian" reasons, arguing it had insufficient guarantees Libya's new rulers would give Gaddafi's son a fair trial.

Around 30 senior regime officials are believed to have crossed into Niger at the same time but the authorities in Niamey have not said how many remain on their soil.

Interpol had issued a "Red Notice" for Saadi Gaddafi for "allegedly misappropriating properties through force and armed intimidation when he headed the Libyan Football Federation."

### Yugoslav war crime judgement



Former high-ranking Bosnian Serb general Zdravko Tolimir, crosses himself as he waits for the Yugoslav war crimes tribunal to deliver its judgement. The UN court sentenced Bosnian Serb general Tolimir to life in prison for genocide charges for his role in the 1995 Srebrenica massacre.

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## Delay of IMF deal presages economic deterioration

Anxiety due to possible downgrading of Egypt's credit rating and the collapse of the Egyptian pound

By Nasser Youssef

Economic watchdogs have expressed anxiety about the possibility of further downgrading in Egypt's credit rating and the devaluation of the Egyptian pound.

President of the Middle East Rating and Investors Services (MERIS), Amr Hassanin, stated that Egypt's decision to postpone acceptance of the IMF loan could lead to yet another downgrading in the country's credit rating.

However, he added, "I don't think any change in Egypt's credit rating will take place until after the referendum on the constitution is held and its results have been made clear." The country's current economic situation is "terrible" and it has become very difficult for Egypt to attract investors. The country, he said, is in a state of "open-heart surgery."

The government's recent decision to raise taxes was done in an attempt to strengthen its position before its meeting with the IMF scheduled for this month. However the subsequent freezing of tax hikes has left the government in a weak bargaining position, leading it to postpone acceptance of the loan.



Prime Minister Hisham Qandil speaks during the last visit to Egypt by IMF Managing director Christine Lagarde (file photo)

"Postponing acceptance of the loan would have a large effect on the country's economy and finances. Any potential downgrade in Egypt's credit rating would also serve as a broader reflection of the country's status quo," said the Head of Research and Chief Economist of Pharos Holding for Financial Investments, Hany Genena.

He stated that postponing the acceptance of the loan could potentially

lead to the collapse of the Egyptian pound, something which could lead to a 20 per cent decrease in imports entering the country. Genena also added that the rate of defaulting among Egyptian producers would increase since the majority of debts and cost structure are in US dollars, while revenues are in pounds.

"The decision to postpone talks regarding acceptance of the IMF loan

represented a desire on part of the fund and its donor countries to reach a deal with the Egyptian government," said Cairo University's economics professor and previous adviser to the IMF, Fakhry El-Fiqi.

He added that postponement of the talks was necessary in order to grant the government ample time to stabilise the country's political and economic environment.

## QNB in final stages of NSGB acquisition

By Mohamed El-Bahrawi

Qatar National Bank (QNB) Group announced that it is in "definitive agreement" with the French bank Societe Generale concerning the acquisition of its entire stake in National Societe Generale Bank Egypt (NSGB).

Societe Generale owns 77.17 per cent of NSGB.

QNB Group will launch a mandatory tender offer (MTO) for 100 per cent of the share capital of NSGB upon the approval of the Egyptian Financial Supervisory Authority (EFSA).

The offer totals \$2,558 million. The price to be offered to all shareholders will be converted into EGP at the time of the filing of the MTO with EFSA.

QNB intends to use its own funds for the acquisition of NSGB and is expected to remain capitalised after the transaction with a core tier I capital ratio of almost 15 per cent. NSGB would then represent 10 per cent and 8 per cent of combined total deposits and loans respectively and 10 per cent of the combined net income.



QNB entered into a definitive agreement with Societe Generale to acquire NSGB

"This transaction is in line with QNB Group's international strategy, which has become an integral part of our growth and commitment to diversify revenue sources. The Egyptian financial sector represents a significant growth opportunity with its combination of growth potential, increased future

penetration of banking services, young and dynamic population to be served and the core links of Egypt within the Middle East and North Africa. We look forward to the addition of NSGB into QNB Group's global network," said QNB Group's Chief Executive Officer Ali Shareef Al-Emadi

## Adidas takes its pioneering campaign to Alexandria

Moving forward with its campaign entitled "Here for the Youth of Egypt, Here for the Champions of Tomorrow", adidas has selected the city of Alexandria to carry out the 2nd phase of its campaign.

The 3-year campaign, launched by adidas last year, aims at supporting youth sports in Egypt through renovating public youth centers in various underprivileged areas. The first phase of the campaign began at the "Ein Shams Youth Center" in Cairo.

The newly renovated Ein Shams Youth Center, located in Matteria, one of the most densely populated urban areas in Egypt, has opened its doors to benefit over 3000 members from surrounding neighborhoods.

To fulfill its promise, for the second consecutive year of its CSR campaign adidas has chosen "Al-Shalat Youth Center" located in the city of Alexandria for this year's renovation process.

The renovation of the Al-Shalat Youth Center involves maintenance of its ground facilities, which protect

the football field and give children a safe area to play their favorite sport.

Mechanical and electrical upgrades have also been planned in order to ensure that youth can access the facilities throughout the day. In addition to the large-scale renovation, adidas has also committed to providing maintenance for basic facilities, such as seating areas for both players and fans.

This on-going campaign demonstrates adidas' commitment to enriching the lives of the young people in areas that have been adversely affected, providing them the opportunities for participating in and enjoying sport, social and cultural activities.

"The campaign involves the transformation of one public youth center each year for 3 consecutive years," said Kamal Hodroge, General Manager, adidas Egypt. "We selected this year's center from a pool of potential centers in Alexandria using criteria based on center needs, area accessibility and

number of community members benefiting from the initiative."

Mr. Hodroge added, "Driven by our strong belief in sport as a great vehicle for change, this campaign fits properly with adidas' instrumental role as a leading sports brand in inspiring participation in sports both globally and locally."

"I'm so proud to be part of this ambitious initiative for the second year," Wael Gomaa, a player in Al Ahly club and Egypt's National Football Team, expressed his pleasure for participating in this CSR campaign. "I was so delighted to see firsthand its dramatic impact last year through the appreciation and happiness on the faces of the youth of Ein Shams."

Mahmoud Fathalla, a player in Zamalek club and Egypt's National Football Team said, "I'm extremely pleased to join adidas in this pioneering CSR initiative which sets a great example of how companies can improve the quality of life in disadvantaged communities."

### Daily EGX30 index performance

Company Name	Reuters Code	Sector	Last Price	Close Price	Returns		Daily Performance		Turn Over (EGP Mill.)	Volume Trade	Market Cap (EGP Mill.)
					Daily	YTD	12-Mths.	Max. Price			
Commercial Bank	COMI	Banks	34.45	34.14	1.64%	82.57%	58.28%	34.50	33.58	61.70	1,807,513
NSGB	NSGB	Banks	40.00	39.35	5.02%	93.75%	67.59%	40.00	37.99	5.554	141,154
Ezz Steel	ESRS	Basic Resources	9.35	9.00	5.14%	141.29%	87.89%	9.35	8.64	15.64	1,738,542
ELSWEDY ELECTRIC	SWDY	Industrial Goods and Services and Automobiles	21.98	21.86	3.50%	5.40%	-1.58%	22.20	21.40	1.029	47,071
MRRIDIVE	MOIL	Industrial Goods and Services and Automobiles	1.06	1.04	2.97%	-13.95%	-21.72%	1.06	1.02	7.74	1,213,893
AIC Contracting	AIND	Financial Services excluding Banks	0.47	0.45	2.77%	-13.46%	-18.18%	0.47	0.44	5.216	11,473,171
Amer Group Holding	AMER	Financial Services excluding Banks	0.73	0.72	2.86%	30.91%	9.09%	0.73	0.70	8.49	11,847,084
EK Holding	EKHO	Financial Services excluding Banks	1.11	1.10	1.85%	12.24%	4.76%	1.12	1.08	4.432	656,023
EFG-Hermes	HRHO	Financial Services excluding Banks	10.6	10.45	3.36%	4.40%	1.46%	10.74	10.14	18.69	1,789,024
Pioneers Holding	PIOH	Financial Services excluding Banks	4.16	4.02	5.24%	81.08%	54.02%	4.17	3.85	9.926	2,472,064
Citadel Capital	CCAP	Financial Services excluding Banks	3.35	3.28	3.80%	28.63%	16.31%	3.39	2.85	15.46	4,713,352
Raya Holding	RAYA	Technology	4.98	4.88	5.17%	40.23%	23.23%	4.99	4.67	2.738	561,485
Telecom Egypt	ETEL	Telecommunications	12.91	12.82	4.14%	-2.95%	-8.23%	13.20	12.40	11.50	896,785
Orascom Telecom Media And Technology	OTMT	Telecommunications	0.54	0.53	1.92%	53.50%	53.50%	0.55	0.51	29.459	55,564,131
Orascom Telecom	ORTE	Telecommunications	3.71	3.66	3.10%	111.76%	111.76%	3.76	3.53	28.57	7,807,724
Sidi Kerir Petrochemicals	SKPC	Chemicals	12.71	12.40	1.39%	4.11%	-0.48%	12.75	12.24	3.123	251,875
Egyptian Financial and Industrial	EFIC	Chemicals	9.22	9.20	3.25%	3.25%	-4.96%	9.37	8.90	3.02	327,997
AMOC	AMOC	Oil and Gas	74.89	73.38	1.19%	9.62%	9.62%	74.89	72.50	0.587	7,998
Juhayna Food Industries	JUFO	Food and Beverage	6.7	6.36	1.27%	63.08%	52.15%	6.75	6.28	1.56	244,852
Orascom Construction Industries (OCI)	OCIC	Construction and Materials	246.50	242.26	2.62%	20.44%	15.56%	247.00	237.00	27.056	111,679
Delta Construction & Rebuilding	DCRC	Construction and Materials	5.99	5.87	3.53%	-23.67%	-31.66%	5.99	5.68	0.83	141,303
Modern Co. For Water Proofing	WATP	Construction and Materials	1.72	1.68	4.35%	-26.96%	-26.64%	1.73	1.62	2.142	1,271,660
Palm Hills	PHDC	Real Estate	2.21	2.13	5.45%	95.41%	73.17%	2.21	2.03	38.37	18,056,634
TMG Holding	TMGH	Real Estate	4.15	4.08	4.62%	37.84%	17.58%	4.20	3.94	26.180	6,420,779
National Real Estate Bank	NRPD	Real Estate	18.25	18.02	3.68%	-8.15%	-19.30%	18.40	17.50	2.76	153,269
Six of October	OCDI	Real Estate	18.50	18.20	3.88%	128.36%	79.84%	18.70	17.60	7.384	405,658
El Kahera Housing & Development	ELKA	Real Estate	5.65	5.56	3.54%	43.30%	30.52%	5.72	5.41	2.73	491,306
Arab Cotton Ginning	ACGC	Personal and Household Products	3.58	3.44	5.20%	63.03%	40.41%	3.58	3.23	11.438	3,329,921
Oriental Weavers	ORWE	Personal and Household Products	23.2	23.00	2.45%	-16.98%	-19.19%	23.20	22.50	0.16	6,747
Egyptian Tourism Resorts	EGTS	Travel & Leisure	0.97	0.95	3.26%	13.10%	1.06%	0.98	0.92	3.774	3,957,127

### Market indices performance

Index	Value	Daily Ch.	YTD Ch.
EGX 30	5,158.38	2.83%	42.40%
EGX 70	457.67	3.99%	10.13%
EGX 100	767.63	3.48%	19.37%
EGX 20 Capped	5,926.53	3.33%	50.98%</

## COMMENTARY

**Disclaimer:** Commentaries published by Daily News Egypt do not reflect the position of the paper, but the independent opinions of their authors.

## Commentaries against the constitution

**Vote "No" but do not boycott**  
Emad Al-Din Hussein  
Al-Shorouk newspaper



Hussein encourages his readers to vote "No" at the constitutional referendum, rather than to boycott the ballot box. He argues that in politics, one is often limited to choosing between the lesser of two evils rather than between what's good and bad. Boycotting the referendum means that Islamist groups will easily be able to pass their desired constitution, without having to mobilise their people to vote "Yes". The Muslim Brotherhood and Salafis are scared of secular groups mobilising and the constitution passing with less than a 60 per cent majority. This fear spurred the Muslim Brotherhood to freeze the recent presidential decree to raise taxes on some commodities.

The columnist argues that if voters boycott the referendum, the constitution will pass, adding more strength to Islamist groups. Salafis will show up saying that Egyptians have chosen this

**As the constitutional referendum is getting closer, columnists have analysed the extent to which Islamist groups are promoting the constitution. Several writers have condemned the idea of moving forward with the referendum, encouraging Egyptians to vote "No" rather than boycotting.**

constitution and that everyone should respect the results of the ballot box. Voting "No", Hussein says, will give Egyptians another chance to rewrite the constitution on much more solid ground. Secular groups will also have the chance to test their mobilisation capabilities if voting "No". The columnist finally states that he wishes to see secular groups mixing their call to vote "No" with a parallel discussion with the presidency to reach an accord on the controversial articles in the constitution.

**Delusional stability**  
Ahmed El-Sawy  
Al-Shorouk newspaper



The ex-presidential candidate Seif Al-Awa, who announced the new constitutional declaration last Saturday, has attempted to beautify

the constitution and appeal to the voters to say "Yes". From El-Sawy's viewpoint, Al-Awa, who was a member of the Constituent Assembly and agreed to all the constitution's articles, badly marketed the idea through sugar-coated statements on stability and reform. Why is this legal expert trying to sell the idea of an unacceptable constitution and drag us into a more aggressive battle than that of the constitutional declaration? If article 60 of the 2011 constitutional declaration was inviolable, the columnist asks why did President Morsy violate it by extending the work of the Constituent Assembly for another two months? El-Sawy criticises Morsy's behaviour in dealing with the recent political crisis that has led to bloodshed. He denounces El-Awa's contribution to a presidential press conference that announced the new constitutional declaration and affirmed the referendum would still move forward as scheduled. The upcoming constitution, according to El-Sawy, will divide Egyptians even more and will most probably lead to "higher waves in Egypt's political ocean". The significance of any constitution is how it unites people. The coming constitution is a sign of greater polarisation, warns El-Sawy.

### EDITOR'S LETTER

## Voting for God

On a 40 minute Metro ride from New Marg station to Saad Zaghloul, trying to avoid the traffic jams across the city caused by anti- and pro-Morsy protests, the political discussions among the passengers are revealing. In Cairo's underground system, in which every carriage is always stuffed with hundreds of average Egyptians, people are constantly engaging in heated discussions in a manner that sometimes amounts to verbal sparring. The Islamist produced referendum definitely appears to be confusing to the average citizen, given the political complications surrounding its overnight production almost two weeks ago.

The general atmosphere during the journey is one of condemnation of the Islamist violence against the anti-Morsy protesters last Wednesday night in front of the Presidential Palace. I believe it is the first time since the beginning of the revolution that the average citizen has had a strong and clear opinion of such political-revolutionary developments stalling the country.

During these loud discussions and debates, a young man in his late teens starts taking responsibility for defending Islamists, Mohamed Morsy, the constitution and playing the overused "stability" card. The kid looks to me like a young Muslim Brotherhood member, who are known as Shabab Al-Ikhwan (Brotherhood Youth). I claim I can spot them sometimes from their appearance and at other times from how they fire off memorised maxims after the other in debates. As far as I am aware, it is a part of their duty to "educate" people through such discussions in the public sphere. At the end of the day, they know how to communicate with the people better than anyone else.

The young brother responds, "why don't you give a Shari'a a chance? What did Shari'a do to you? [repeating the question] Do we know better than Allah?" At this moment the young brother wins the passengers' approval. The kids lose and, taking advantage of the train stopping, quickly leave.

This conversation is a clear example of the complexity of the political sphere at the moment. We're a nation that seems to be largely against radical Islam, yet we have a strong sympathy towards whatever relates to religion, and in such a folkloric way, that we can be easily manipulated. It is always a difficult conversation for the revolutionaries to have with the average Egyptian during election times.

Both Islamists and the average citizen alike seem to ignore the lesson of the disastrous referendum of March 2011, when Islamists lobbied for a "Yes", saying this would please God, while a "No" would be against Islam. The majority took the bait. The result is that we now



**MAHER HAMOUD**

live in constitutional and political chaos that the Islamists themselves were suffering from under the 13-months of absolute military rule, before Morsy came to power.

In an attempt to think like the Islamists, while ignoring their hunger for power, a question always strikes me. Why do they ignore the Medina Constitution of 622? Isn't it an Islamist constitution produced by the Prophet himself? It is actually a document that some historians consider the first "civil" constitution in human history, which in establishing the first Islamic state granted freedoms and rights to people of different faiths and ethnicities. Why don't Islamists re-visit this document and try to find something in it that fits in today's world? They probably need time to figure that out, but why ignore the concept? Was the Prophet Muhammad (PBUH) wrong back then? I don't think so! And of course today's Islamists do not dare to think so either.

Then why is it ignored now in principle? Why do they involve God in a political process of losing or winning? How dare Islamists market such a fascist constitution in the 21<sup>st</sup> century and claim it is what God wants and manipulates the average citizen's respect of Islam in such a cheap way? What will happen if the majority of people vote "No"? Would that mean that God "lost this battle"?

I believe pushing the people to vote "Yes" on such a defective constitution by appeals to God is the biggest sin against him. It is blasphemy, committed by Islamists.

**m.hamoud@thedailynewseypt.com**

## Crisis over constitution shows no sign of easing

Egyptians living abroad headed to polling stations on Wednesday to vote in a referendum over the country's first post-revolution constitution. In Egypt meanwhile, controversy over the proposed constitution deepened. Rival mass protests were held nationwide on Tuesday ahead of next Saturday's vote on the draft document.

Tensions have been running high since President Mohamed Morsy issued a controversial constitutional declaration two weeks ago, giving him absolute powers and shielding him from judicial review. In a televised speech late Saturday, Morsy said he was prepared to annul the article shielding him from accountability. However, he stopped short of cancelling the referendum that has deeply polarised the country. Morsy also called for dialogue with opposition political forces to resolve the political dispute.

Most opposition groups dismissed the president's concessions as "meaningless," calling on Egyptians to take to the streets to protest the referendum slated for 15 December. Meanwhile, only a handful of politicians from smaller political groups responded to the call for dialogue and met on Sunday with the president in a bid to iron out the differences. Judges too are divided over the referendum. While senior State Council judges have announced that they will oversee the referendum, lower-ranked judges with the influential Judges Club insist on boycotting the vote saying "it will deepen the division."

After two weeks of political turmoil and violent clashes last week outside the Presidential Palace in Heliopolis, that left at least six people dead and hundreds injured, opposition activists marched to the palace on Tuesday afternoon to protest the hastily-drafted constitution. Despite the peaceful nature of the rally, the level of anger was high among protesters, many of whom complained that President Morsy was not listening to the people and had chosen to disregard their views.

"Down with the rule of the Muslim Brotherhood Supreme Guide," the protesters chanted. "Erhal! Leave!" they shouted.

Several hundred protesters tried to

break down the concrete barrier erected by the army a few days earlier. The anger at Tuesday's protest was fuelled by a dawn attack by unknown assailants on protesters staging an occupation Tahrir Square. Gunmen fired birdshot at the protesters, wounding nine people. The previous day, the government had announced that it would impose tax increases on a variety of goods, including cigarettes and alcohol, but later that night backtracked on the decision, fearing the price hikes could lead to a major eruption on the streets.

Meanwhile, Islamist supporters staged their own rallies on Tuesday outside the Al-Rashdan and Rabaa Al-Adawya mosques in Nasr City to express their solidarity with the president.

"Morsy you are our legitimate leader!" they chanted. "The constitution, freedom and Shari'a!"

Much of this crowd's anger was directed at opposition leaders whom Morsy had accused of siding with former regime remnants to overthrow him. "Hamdeen and Baradei, Morsy was elected by the ballot box," the demonstrators reminded the opposition leaders who in recent weeks, have been fiercely critical of Morsy's policies.

Demonstrators also denounced the independent media which they said had been consistent in its vilification of them and of Islamists in recent months. Supporters of former Salafi presidential candidate Hazem Abou Ismail have protested outside the Media Production City for several days to protest what they described as an anti-Islamist bias in the media.

On Tuesday, the military called for dialogue between opposition forces and Morsy to defuse the political crisis, the second such call in less than a week. In a statement posted on the armed forces official Facebook page, Minister of Defence Abdul Fatah Al-Sisi extended an invitation to opposition political forces, the revolutionary youth, representatives of Al-Azhar and the Church as well as labourers and farmers, to meet with the president at Olympic City in a bid to "close ranks and unify the country." Earlier in the week, the military had warned of "disastrous consequences if the crisis was left unresolved."

The military insisted that dialogue was the only way to break the deadlock over the constitution.

The deployment of army tanks outside major state institutions and on street corners in recent days has fuelled concerns that the country may be heading towards a military coup. Morsy's call for the imposition of martial law to restore order and protect state institutions sent a clear message that the army had chosen to side with the Islamist president. The call drew harsh criticism from rights groups. Human Rights Watch said Morsy should have banned military trials for civilians instead of allowing their arbitrary arrests and detentions by the military.

Despite the political turmoil, it is certain that the controversial referendum will take place as planned on the scheduled date of 15 December. Opponents fear the draft, if endorsed, will undermine the rights of women and curtail civil liberties and religious freedom. If the result is a majority "No" vote, a new constituent assembly will be elected by the people. Whatever the result of the referendum, it appears likely that the rift it has created will have long lasting effects. The repercussions of what liberals, leftists and opposition political groups describe as "presidential oppression" and the recent violence will be felt for a long while to come.

**Shahira Amin** is an award-winning freelance journalist and former deputy head of Nile TV. She quit her job at the height of last year's uprising in Tahrir Square in protest at state TV's biased coverage of the revolution. Amin is also a longtime contributor to CNN International.

**SHAHIRA AMIN**

Photo: AP

### REBEL ECONOMY WRAP

## Egypt delays IMF loan deal - the big impact

These are the five best stories on the repercussions of Egypt's delay of a \$4.8 billion loan from the International Monetary Fund:

1. The Wall Street Journal's report uncovers rifts and miscommunication between the presidency and the prime minister's team. An interview with Abdallah Shehata, a former IMF fiscal policy analyst and the chairman of the economic committee in the Brotherhood's Freedom and Justice Party revealed that confusion over the tax decree, which was subsequently postponed, "stemmed from cracks in the delegation of executive power."

President Morsy's prime minister announced the decision without consulting the presidency, he said, forcing Morsy to reverse the decision hours later.

2. Bloomberg's summary of events illustrates Morsy as a man focused on defusing a resurgent protest movement rather than the economy. Most importantly, the inability to implement vital reforms including additional taxes shows a weakness in the Egyptian government, analysts told Bloomberg reporters.

"Even if an IMF deal does go through, Morsy's U-turn on taxes suggests it will be hard for his government to stay with the programme," said Raza Agha, chief regional economist for VTB Capital Plc in London. IMF loans typically set conditions for the disbursement of each tranche of cash.

Achieving "targets and reform measures in the current political environment will be extremely difficult," Agha said. "This could well threaten the programme itself."

3. The IMF loan is inherently linked to other loans to Egypt. The African

Development Bank has been the first to say its \$500 million loan is contingent on the country's negotiations with the IMF. Bloomberg reported. This situation also applies to other loans from the European Union.

4. Egypt's finance minister, Moustaz El-Saeed, told Reuters:

"Of course the delay will have some economic impact, but we are discussing necessary measures [to address that] during the coming period," he said. "I am optimistic ... everything will be well, God willing."

It doesn't fill you with confidence.

5. Finally, the Financial Times' report offers a glimpse of what could happen in the next round of negotiations. Analysts say that when Egypt goes back to the fund it will have to renegotiate the terms of the deal because its macroeconomic outlook will have changed.

Alia Moubayed, senior economist at Barclays, said, "the agreement was based on particular targets to be met before going to the IMF board and plans for meeting other targets in the future. Given the worsening economic and investment climate, achieving these targets is not feasible anymore, so they will have to set new ones."

The loan, which is likely to be delayed by (at least) a month, is a catalyst for economic reform in Egypt and a vote of confidence for foreign investors.

Egypt's decision to delay is its best chance of recovering from a balance of payments crisis which is also likely to be putting pressure on Morsy's most loyal supporters.

The president's backing of some high-ranking Muslim Brotherhood officials is not necessarily contingent upon his reaction to protests, or



**FARAH HALIME**

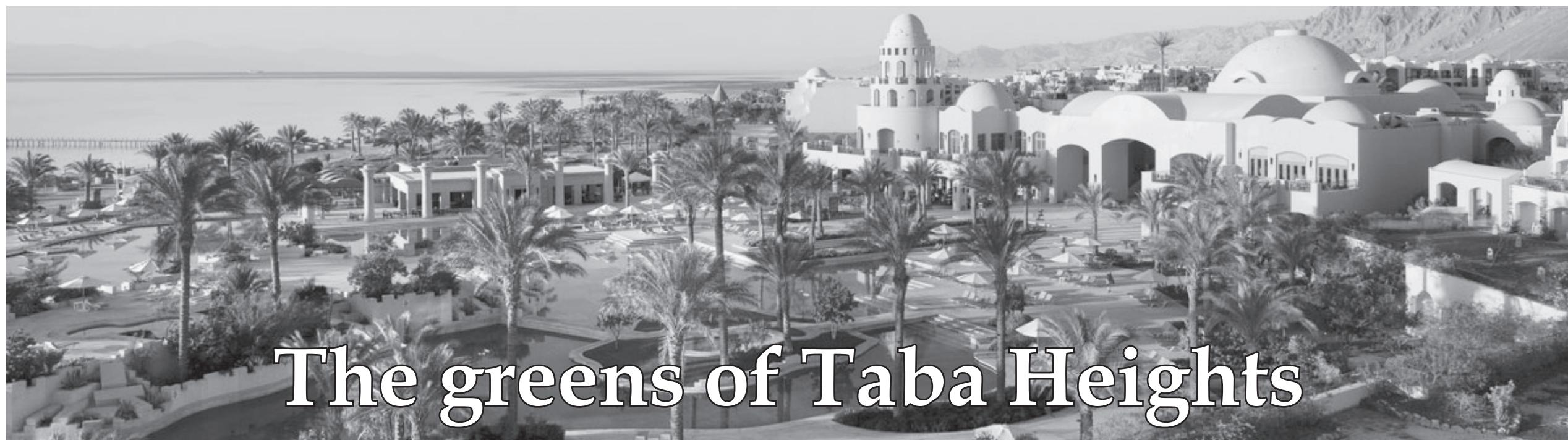
even getting a new constitution, but on setting down the economic pillars of recovery, such as the IMF loan.

These Brotherhood advisers and businessmen are the main channel of communication between the secular and business community in Egypt and abroad. But as Morsy turns his back on loan negotiations, the loyalists may be questioning his motives and simultaneously attempting to smooth over ties with foreign investors and diplomats keen to see Egypt back to business. That could be straining the relationship between Morsy and his advisors, as he focuses on political motivations ahead of the referendum on Saturday, when Egyptians vote on the draft constitution.

It is, after all, very rare for a nation to postpone a deal with the IMF so soon after it has made a public announcement.

That raises the question of whether the delay was really the Egypt government's decision or whether the IMF was actually unwilling to lend at such time of political crisis.

**Farah** is a business journalist and founder of Rebel Economy, a blog focused on how regional economies are rebuilding after the Arab Spring.



Taba Heights overlooks the sea and is surrounded by mountains

By Adel Heine

Taba Heights' championship golf course recently hosted the annual Pro Am Invitational Golf Tournament. Daily News Egypt went to have a look.

On the northern tip of the Red Sea, in the Gulf of Aqaba, the resort town of Taba Heights nestles against the imposing mountains of the Eastern desert. The resort has several high class resorts grouped around a world class 18-hole golf course, a purpose-built watersports centre and the picturesque Uptown that encompasses a hotel, shops, restaurants and apartments and villas for those working in the small town.

The resort's soft colours merge beautifully with the surrounding desert mountains. The orange, ochre and beige domed buildings of the hotels are interspersed with waving palm trees and flowering shrubs, creating the feeling that you have just arrived at a desert oasis. At night the sparkling lights of Jordanian coast just across the Red Sea vie with the multitude of stars in the sky, while during the day the combination of the arid desert on one side and the turquoise waters of the Red Sea on the other create a unique vista.

Taba Heights is purpose built and makes an effort to safeguard the environment that surrounds it. The resort is kept impeccably clean and all hotels and venues recycle their waste as efficiently as possible. The recycling centre in the town separates the garbage and an onsite recycling plant transforms plastic water bottle caps into coat hangers while the rest is sent on to large recycling centres in Cairo. Clean ups of the surrounding desert and the sea are organised several times a year in an effort to reduce the impact of the town on the surrounding ecosystem.

A mere 20 km south of the border crossing of Taba, which gives access to Israel and across from the Jordanian town of Aqaba, Taba Heights is ideally located for excursions in the surrounding desert to the wonders of Petra and beyond.

Taba Heights is open all year round and while in the summer sunseekers make up most of the guests, the winter months, from October to May is the favourite time for golf enthusiasts to visit.

#### How to get there

Taba has its own international airport that caters to charter flights from several European destinations and is a mere 30 minutes drive from Taba Heights. Most travel agents will offer packages of flights and hotels combined and over the years the resort town has become a favourite of many golf and sun enthusiasts from all over Europe.

From Cairo it is easiest to take an internal flight to Sharm El-Sheikh, which takes less than an hour. The subsequent drive to Taba Heights takes two and a half hours straight across the Sinai Peninsula. The road, curving around the mountains, is well maintained and as you get closer to the destination beautiful vistas of the glimmering Red Sea shine through the browns and reds of the surrounding desert.

#### Where to stay

Taba Heights is home to several large five star resorts, each offering an array of luxury services, restaura-



The pools form the InterContinental Resort

rants, entertainment and swimming pools. The golf course is never far away and free transportation around town ensures that all the amenities are always within reach.

We stayed in the InterContinental Taba Heights Resort, a large hotel that offers views of the sea on one side and the deep greens of the golf course and the mountains on the other. The first impression is one of space; the lobby is large enough to accommodate busloads of people without ever feeling cramped. A lobby bar leads to a terrace that offers a stunning view over several swimming pools, the beach and the Red Sea.

The rooms are spread out in different buildings connected by walkways, but easy to reach and have everything a five star resort should. Spacious, both the rooms and the bathrooms, well equipped, and all have balconies that offer beautiful views.

Small reminders to not drink the tap water are accompanied by free bottled water and a discreet notice invites the guests to use their towels responsibly to reduce the impact on the environment.

For those who like to swim, the InterContinental Resort has four pools. Several are heated during the winter, and a large, saltwater lagoon has direct access to the Red Sea. Sun loungers are grouped around the pools, the lagoon and the beach and the distance between them offers the guests the choice of either peace and quiet or the entertainment of the animation team who are always on hand to keep the guests busy.

Like many of the hotels and resorts in Taba Heights, the InterContinental Resort offers all inclusive packages. This means that guests are welcome to order drinks and food from most of the outlets without having to pay extra. Breakfast, lunch and dinner is served in buffet style in the main restaurant for the all inclusive and half board guests and there are several à la carte restaurants on the premises, not included in the packages, that offer Thai, Mediterranean and Egyptian cuisine.

We tried the buffet and the quality and variety of the food was excellent. While often these buffets offer many dishes but with little flavour, the chefs at the InterContinental Resort managed to set up a spread that included several meat, chicken and fish dishes, accompanied by rice and different creations of potatoes, a pasta station, an extensive salad bar, soups and a variety of desserts and fresh fruits to end the meal with. The waiters are quick, polite and remember within a day your preferred drink.

Taba Heights has a dine around programme, which means that all

inclusive guests from the different hotels can try out the à la carte restaurants in the different hotels in town and will receive a free starter or dessert.

#### Golf

The main attraction of the resort town is the golf course. The championship, 18-hole course is designed by John Stanford and is 6,450 metres long. Sandy bunkers, lakes and greenery provide interesting challenges to the golfers and the course is known as one of the best in Egypt.

The Golf Club House includes a shop, restaurant, equipment rental and the services of several internationally-accredited golf professionals who offer lessons to improve your game.

The views from the course are stunning, from the mountain ranges to the sea, and the course is the only one in the world where you can see three countries, Egypt, Jordan and Saudi Arabia as you tee off.

#### Waterworld

Unlike other resort towns, Taba Heights has a centralised watersports centre. Located right next to the yacht marina, the centre offers everything from diving, snorkelling, sailing, windsurfing, waterskiing and wakeboarding, to parasailing and ba-



View from the golf course

nana boats. For those who want to enjoy the beauty of the underwater world but do not want to get their feet wet glass bottom boat trips are on offer and a small yellow submarine takes guests for one hour tours to see the corals and fish.

The centre is a certified PADI diving centre and offers courses for beginners and advanced divers. The diving is done by boat and is organised in half day trips, with two dives offered in the morning and one in the afternoon. This allows the guests to enjoy lunch in their hotels, making it easier for those on vacation with non divers to both enjoy their hobby and the company of their loved ones.

While Taba is a perfect location for almost all watersports, the popular kitesurfing is not on offer due to the many variations in the wind caused by the close mountain ranges.

#### Quad Canyon Tours

Starting from Uptown, quad bike tours take you on an adventurous trip into one of the beautiful canyons in the mountains behind Taba Heights. Ten minutes outside of town, a winding desert path takes you through a stunning canyon carved in the rock by wind and water. The rounded shapes in red and bronze hues vie for your attention as you steer your quad over the sandy and rocky trail. A rest at a Bedouin tent where tea and other refreshments are offered will allow you to explore the canyon on foot.

#### Guides lead the tours and helmets with visors and elbow and knee protectors are issued to all participants. It is a good idea to bring a scarf to tie around your nose and mouth under your helmet to avoid the worst of the dust.

#### Uptown

The small town, which incorporates The Three Corners Wekala Gold Resort, has many little shops and outlets to buy those souvenirs that can be found all over Egypt. Supermarkets, telephone shops and restaurants line the small streets.

The Salt Cave is a large room that has a thick layer of Dead Sea salt spread around the floor and is the only such venue in Egypt. Indirect lighting and comfortable chairs are spread out around the large space and soft music adds to the sense of relaxation. Dead Sea salt is thought to have many healing properties and the 45 minute sessions are said to not only relax and replenish your energy, but to be beneficial for a myriad of health problems.

#### Excursions

Taba Heights is ideally located for day trips to the surrounding areas. The Castle Zaman, a medieval fort high on a cliff overlooking the Red Sea is close by and well worth a visit. If you like to hike, several tours are organised to the surrounding mountains where you can climb through the canyons in the mountains and the famous Mount Sinai where Moses is said to have received the Ten Commandments is within reach.

A recently started 30 minute ferry service leaves from the marina in Taba Heights to Jordan and another 130 kilometres will allow you to visit the wonders of Petra. Several tour operators offer excursions to all of Egypt's major cities and trips to Eilat, the Dead Sea and Jerusalem are also possible.

#### The Taba Heights Pro Am Invitational Annual Golf Tournament

Every year the golf course of Taba Heights hosts a Pro Am Tournament during the winter season. Golf professionals from around the world are invited to join the tournament and four rounds of golf are played over four consecutive days. The professionals team up with three avid amateur players and the scores are tallied in several ways. The pros compete for cash prizes and a free stay at the Sofitel Taba Heights in the in-

dividual tournament. The teams as a whole compete for the honour and a trophy and individual feats such as the Magic Two, holing out in two, and a hole in one are awarded prizes.

"This year we had 11 teams in the competition, which is not bad considering the political instability in the country," said Adrian Cafaro, the general manager of the golf course. "During four days the teams play 18 holes each morning and we adjust the golf course to keep it exciting." By changing the placement of the hole, taking elevations on the course and the weather into account, Cafaro and his team set fresh challenges for the competitors each day. Referees keep an eye on how the teams are doing, but as everywhere in the world, the teams keep cards with their scores and the traditional honour of the game ensures the participants are honest.

When asked what makes the golf course in Taba Heights so special Cafaro said, "the variety of the course. Many golf courses are designed with the holes staggered next to each other. Our course is spread out, offers something different on every hole and the surrounding scenery makes it one of a kind. The course is challenging, but that is what makes it so great to play on."

Cafaro has been in charge of the golf course for six months but has been long familiar with it. "I used to have my own golf academy in London and we would come and visit Taba Heights each year. When I was asked to become the general manager here I was thrilled," he said.

Taba Heights used to welcome predominantly British players, but the number of French golfers has increased now Club Med has opened a hotel in Taba Heights. "We get lots of repeater guests here, like I used to be, and from many different nationalities," Cafaro said.

The price for a round of 18 holes is very reasonable. "We charge about half of what people would pay in Europe for 18 holes," Cafaro said, "and the price includes the use of a golf cart." The carts are no luxury on a golf course that is so spread out. "A reasonably experienced golfer can play our 18 holes in 2.5 hours and a group of four, as we have during this tournament, will take around 4.5 hours to complete the course," Cafaro said.

The greens were in impeccable condition and a lot of work is done to ensure the optimal conditions of the course. Cafaro heads a team of 65, from groundsman to several pros who offer lessons.

During the tournament the scores of the day were written on a large board outside the Golf Club House and on the last day of the tournament a gala dinner was held in the Sofitel Taba Heights during which all the winners were announced. All participants had been staying in the same resort and had spent a lot of time together and the atmosphere was friendly and full of laughter. Each winner was celebrated with applause and Cafaro and his staff were thanked for all the hard work that had gone in to making the tournament a great success.

"We had a really good week," Cafaro concluded, "and we hope that next year we will be able to welcome many more teams to the tournament."



Parasailing on the Red Sea

