

Egypt



In terms of land area, Egypt is the second biggest of the Arab countries (after Algeria). Only 4% of Egypt's area is inhabited and cultivated territory, mainly situated along the Nile river which crosses the country from South to North. The remainder of the country is mainly desert.

Over the past ten years, Egypt has invested considerable efforts in land reclamation. The main problem is supplying water to desert areas. Recently, Egypt has placed more emphasis on infrastructure development, improving water and electricity supplies, and expanding transport and telecommunication networks.



Egypt's President Hosni MUBARAK is one of the longest-serving leaders in the Arab world. He succeeded Anwar SADAT in 1981 after his assassination, and was re-elected to four six-year terms subsequently. He is expected to run for a fifth term in 2005.

President MUBARAK's sudden announcement of direct presidential elections in February 2005 is on the face of it a bold gambit that could energize the moribund political scene. However, unless the regime accompanies the reforms with other measures - relaxing controls over the formation of political parties and the media, and reeling in emergency laws- the decision will have little significance.

On the basis of the article 189 of the Egyptian Constitution and in the interest of advancing the course of democracy and inspired by the wish that the selection of the President takes place in a manner that develops and supports the democratic system and ensure the participation of the people. Accordingly President MUBARAK requested the amendment of article 76 of the Constitution. In addition, there is currently a debate on the possibility of discontinuing the application of emergency laws during the election period, which may lead to its elimination in the future. The Ministry of Justice is in the process of submitting a new law to abolish the imprisonment sentence of journalists because of publishing related crimes. Instead, the focus will be on fines.

The president has always pursued friendly relations with the West.

Rulership succession has become a hot topic in the region. Reports that President MUBARAK's younger son Gamal is being groomed for office have angered the opposition and have been denied by both the President and his son.

Egypt has the second largest economy (after Saudi Arabia) in the Arab world. The economy is dominated by the service sector, which includes public administration and accounts for almost half of the GDP. Tourism and the Suez Canal represent an important income for the country. The Government of Egypt places also great importance to the agricultural sector recognizing its significant role in the national economy. It accounts

for about 20 percent of both GDP and total exports, and about 34 percent of total employment. The agricultural sector contributes to the overall food needs of the country and provides the domestic industry with agricultural raw materials. It promotes industrial development through expanding the market for industrial goods such as pesticides, chemical fertilizers, equipment and machines. Also, agriculture helps in financing economic and social development through the net capital outflow from agriculture to other sectors of the economy.

There is also a large informal sector, which is estimated to account for as much as 30% of the economic activity. Heavy reliance on income from the informal sector has created circumstances conducive to the spread of corruption at many levels of society and government. There were no reports however of such incidences in the Egyptian Drug Control Agency.

Lack of substantial progress on economic reform since the mid 1990s has limited foreign direct investment in Egypt and kept annual GDP growth in the range of 2-3 percent in 2001-03. Egyptian officials in late 2003 and early 2004 proposed new privatization and customs reform measures, but the government is likely to pursue these initiatives cautiously and gradually to avoid a public backlash over potential inflation or layoffs associated with the reforms. Monetary pressures on an overvalued Egyptian pound led the government to float the currency in January 2003, leading to a sharp drop in its value and consequent inflationary pressure. Egyptian officials increased subsidies on basic foodstuffs, helping to calm a frustrated public but widening an already deep budget deficit. Egypt's balance-of-payments position was not hurt by the war in Iraq in 2003, as tourism and Suez Canal revenues fared well. The development of an export market for natural gas is a bright spot for future growth prospects, but improvement in the capital-intensive hydrocarbons sector does little to reduce Egypt's persistent unemployment.

The new economically liberal cabinet, appointed in mid-2004, which inherited a number of testing economic challenges, has embarked on reform with vigour and imagination, slashing customs duties and announcing plans for sharp reductions in income and corporate taxes. Crucially, the President has so far identified himself closely with the reform programme. However, socially controversial measures such as privatization and lowering subsidies will prove a sterner test of the President's resolve.

Egypt ranks number 120 in the Human Development Index (2004), and has still large sectors of society which live in dire poverty: 16.7% (2000 est.) of the population lives under poverty line. The unemployment rate is 9.9% (2003 est.) The macro-economic progress has had only a limited benefit for the population at large. Observers noted the widening income gaps between the poor and the affluent.

The Second Country Millennium Development Report calls for increased efforts to reduce regional disparities, it identifies Egypt's population growth as one of the main challenges to achieve the MDGs. Egypt ranks as the 16th most populous country in the world and the annual population growth rate is around 2%. If this growth rate persists, Egypt's population is expected to reach 83 million by 2015, thus putting a considerable strain on the country's ability to sustain progress towards achieving the MDGs.



Overview of Drug Control Situation

Egypt is party to the 1961, 1971 and 1988 international drug control conventions. Its national drug control laws are generally assessed as adequate. The lists of scheduled drugs are regularly updated according to developments in drug trafficking and illicit consumption.

Counter-narcotic efforts are controlled by the Anti-Narcotic General Administration (ANGA), which is part of the Ministry of Interior. ANGA is the oldest drug control agency in the world established in 1929. It is headed by an Assistant Minister (currently General Ahmed Samak) and has branch offices in all major cities, airports and ports. It conducts year-round cannabis eradication and an annual opium poppy eradication campaign. ANGA has been both a regular and an active participant in the Arab Office for Narcotic Affairs which is part of the Arab Interior Ministers Council (AMIC) of the League of Arab States. ANGA is also regularly attends CND meetings.

The Government of Egypt continues to aggressively pursue a comprehensive drug control strategy that was developed in 1998. ANGA, the Egyptian Ministry of Interior, the Coast Guard, the Customs Service, and select military units all cooperate in task forces designed to interdict narcotics shipments. Government and private sector demand reduction efforts exist but are hampered by financial constraints and logistical challenges.

A 2003 study conducted by the Government of Egypt showed that the narcotics problem costs the Egyptian economy approximately \$800 million annually, including the amounts spent on illegal drugs and what the government spends to combat the problem.

Egypt is considered a transit point for Southwest Asian and Southeast Asian heroin and opium moving to Europe, Africa, and the US; transit stop for Nigerian couriers; concern as money-laundering site due to lax financial regulations and enforcement.

According to the US State Department 2005 report, late in 2004, a joint DEA-ANGA investigation uncovered an MDMA laboratory located in a small apartment building in Alexandria, Egypt. ANGA raided the laboratory, arresting four individuals and seizing chemicals, paste, and equipment. This was the first known discovery of an MDMA laboratory in Egypt, and according to DEA, the first in the Middle East, and may represent a new trend toward shifting artificial drug labs to the region due to the region's relatively lax regulation of commercial chemical products. With the passage of the first anti-money

laundering law in 2002, which criminalized the laundering of proceeds derived from trafficking in narcotics and numerous other crimes, seizures of currency in drug related cases has amounted to over 3,000,000 Egyptian Pounds (\$485,000).

In 2004, ANGA opened a new office dedicated to financial investigations and combating money laundering.

According to the US State Department 2005 report, cannabis is grown year round in the northern and southern Sinai and in Upper Egypt, while opium poppy is grown in the southern Sinai only from November through March. Rugged terrain means that plots of illegal crops are small and irregularly shaped. ANGA combats this production by using aerial observation and confidential informants to identify illegal plots. Once the crops are located, ANGA conducts daylight eradication operations that consist of cutting and burning the plants. ANGA has yet to implement a planned herbicide eradication program.

Since there is agreement that cannabis and opium poppy are cultivated in the Sinai and that there is potential for expansion. There seems to be a trend to increased cultivation in more remote districts, which are more difficult to reach. At the same time, there is an increase in the total number of districts where illicit cultivation has been detected.

Poverty, low economic growth, lack of income alternatives and high unemployment rates combined with lack of awareness have provided the perfect breeding ground for the illicit crop cultivation in Sinai. Most of the Bedouins situated in the Sinai Peninsula earn their living from limited and subsistence agriculture and animal husbandry, and a few from other economic industries (oil, mining and tourism).

Eradication data point to a ballooning effect with illicit cultivation swinging between neighbouring districts to evade law enforcement efforts. There seems to be a trend to increase cultivation in more remote districts, which are more difficult to reach by law enforcement personnel. At the same time, there is an increase in the total number of districts where illicit cultivation has been detected.

Based on the ANGA report for the year 2004, in the general framework of the Ministry of Interior to face the narcotic drugs cultivations in Sinai peninsula, ANGA prepared a comprehensive plan in cooperation with the Central Security Forces, and the Armed Forces to fulfil the following objectives: (i) Destroying illicit cultivations in rigid and remote areas; (ii) Arresting cultivators and tools used for cultivation; (iii) Attacking storage places of bango after collecting it; (iv) Imposing tight control on all outlets, and smuggling areas from Sinai to other governorates.

ANGA has started recently to measure the illicit cultivation on the ground. Data for previous years are based on aggregate totals of eradicated and seized plants, which are then converted into hectare estimates.

**Cannabis and Opium Poppy Eradication in the Egyptian Sinai
(in hectares, ANGA data 2004)**

Type	2000	2001	2002	2003	2004
Cannabis in Feddan (4200	571	470	407	471+	409 +

meters)				10388180 tree	433426 tree
Opium Poppy in Feddan	86	58	36	80	154

Seizures

Type	2000	2001	2002	2003	2004
Marijuana in kg (Bango)	30397	50376	59282,80	84818,60	80249
Cannabis in kg	524	486	1080	1198	1868
Opium in kg	75	40	33	44,5	114
Heroin in kg	37	38	55	26,66	31
Cocaine in kg	14,200	0,720	4,070	0,550	2,03
Psychotropic Pills in units	57,076	12,213	85,064	9,856	2,858
Ecstasy Pills in units	3372	7080	785	3725	6194

Cases and Convicted Criminals

Type	2000	2001	2002	2003	2004
Number of Cases	27898	27498	26955	32488	32506
Number of Convicted Criminals	29612	29140	28602	34638	34415

Borders: In June 30, 2003, with the cooperation between ANGA in Egypt and Libya, a seizure of Cannabis weighing 1150 kg in the port of Masrata in Libya was seized before smuggling it to Egypt.



Egypt's location makes it a potential transit point for trafficking of heroin and cannabis from major production areas in South East Asia to European markets. On an international scale, the most vulnerable points in Egypt with regard to trafficking are the ports, airports and the Suez Canal for transit trafficking, mainly for heroin and cannabis. However, the average amounts seized are moderate, due to lack of interdiction capacity, particularly at the Cairo airport, which is assumed to be a transit hub for trafficking to Europe. Egypt may, therefore, play a significant role in the emerging southern trafficking gateway to Europe.

There have been alarming trends with regard to seizures of cannabis herb (Bango) within Egypt. Seizures of cannabis herb in Egypt in 2004 have increased significantly by 40% than 2003.

According to ANGA 2004 report, and according to the provisions of article 12 of the UN

Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988, for assigning a national authority to implement national control on precursors and chemicals, issue import and export permits, control distribution and prevent their infiltration to the illicit use, the Egyptian Government appointed:

1. The Ministry of Health and Population (Central Administration for Pharmaceutical Affairs – Narcotics Section).
2. The Ministry of Interior (Anti – Narcotics General Administration)

The main drugs of abuse in Egypt are Bango (cannabis herb) and hashish (Cannabis). Drug abuse is mainly a male problem between 20 and 30 years of age although female abusers are increasing. The age of abusers of Bango is reported to be decreasing. The total number of heroin addicts is frequently estimated at 20,000 to 30,000 although the source of these data is unclear.

UNODC is, therefore, undertaken several Rapid Assessment Studies in Egypt in cooperation with the Ministry of Health the latest in August 2004.

First results of the study confirmed the upsurge of cannabis herb (Bango) abuse, which is corroborated by seizure and cultivation data and identified the main age group for onset of drug abuse to be the 15-25 year old. The study also indicated a worrying trend towards needle sharing. Many of the abused substances in Egypt are solved in liquids and injected.

The final results of the RAS of August 2004 in Greater Cairo showed that there is a significant community of problematic drug users exists in Greater Cairo, and that these individuals are at serious risk of HIV infection.

Knowledge of HIV transmission and prevention modes is poor. The majority of interviewees report having shared needles. The bulk of those who share do so frequently. While this group does not seem to have a particularly large number of sexual partners, their sexual activity is of significant risk. Almost half of the sexually active portion of the sample has had previous experience with commercial sex work (CSW) and the vast majority had never used a condom. Very few interviewees had ever received treatment for drug use, and virtually none of the sample had ever been tested for HIV.

The potential for rapid dissemination of blood-borne virus (BBV) infections within injecting drug user (IDU) populations is well documented. The conditions necessary for such spread are clearly evident within the problematic drug using community in Greater Cairo. Furthermore, an epidemic of HIV among IDU in Greater Cairo could easily spread to the general population through unsafe sexual relations. The aggressive pursuit of harm reduction strategies is urgently required in order to prevent such an epidemic.

Problematic drug users clearly need to be educated on how to avoid BBV transmission, such as, for example, through effective peer-based outreach services. Furthermore, IDUs in Cairo should be discouraged from using contaminated injecting equipment by reducing barriers to the access of sterile injecting equipment. This could be achieved through awareness-raising of IDUs on the importance of not sharing injecting equipment, the education of pharmacists of the merits of providing IDUs with sterile equipment, and the establishment of needle and syringe programmes, either through fixed sites, or in conjunction with outreach services.

Drug users should be encouraged to seek treatment by increasing the range of treatment

services available to problem drug users, including Opioids substitution therapies, and education of the availability and benefits of treatment.

Rates of HIV testing among drug users must be increased. This could be facilitated by educating drug users of their risks of HIV, the benefits of early detection, and where to go to be tested for HIV; establishing a network of voluntary HIV counselling and testing centres, and; increasing access to anti-retroviral treatments for people diagnosed with HIV, as an incentive to test.

Finally, there is a clear need for improved surveillance of HIV-risk behaviours among problematic drug users. This could be through the establishment of an integrated drug information system, sero prevalence surveys and further systematic behavioural surveys.

UNODC Regional Office is also co-operating with ANGA at a Subregional level. In the Palestinian Autonomous Territories, the UNODC programme supported the improvement of the overall national drug enforcement and interdiction capacity of existing drug law enforcement agencies. One of the main activities implemented towards this objective was the starting of a law enforcement training series. This series is implemented by the Egyptian Anti-Narcotics Administration and has trained 120 officers from the Palestinian Anti-Narcotics Administration in 1998/99. In addition, an advanced special session for training of trainers involving 6 Palestinian officers was held.

In 1995 Egypt participated in a UNODC organized technical consultation on sub-regional drug control, together with Israel, the Palestinian Authority and Jordan. Egypt also participated in the UNODC Subregional Technical Consultation on Drug Control in the Middle East (Track I), held in Amman in February and 1999 was the host country for the Track II meeting (Syria, Lebanon, Saudi Arabia, Jordan and Egypt) in Cairo on 13/14 July 1999.

UNODC Regional office has excellent relations with the government of Egypt, and has a number of ongoing projects in Drug Demand and Supply Reduction; in the field of Crime Prevention and Criminal Justice we have several activities with regards to combating corruption, terrorism, and illegal migration. Also, there are strong ties and cooperation with our counterparts: the Ministries of Justice (MOJ), ANGA and the Ministry of Interior (MOI), Health and Population (MOHP), and Education (MOE) as well as National Council for Childhood and Motherhood (NCCM). Besides several activities with governmental and non governmental organizations.



Crime Prevention and Criminal Justice

Convention against Corruption

Despite Transparency International's 2004 Corruption Perception Index rating, where Egypt was ranked number 77 and the Corruption Perception Index (CPI) ranked 3.2 out of 10 (*1 = most corrupt and 10 = least corrupt*), Egypt has emerged as a leader in the Middle East and North Africa region to promote reform in this area. In 2002, 48 senior Government officials were convicted of influence peddling, misappropriation of funds and abuse of office. The prosecution of these corrupt officials was a positive step toward promoting the rule of law and demonstrating good governance to the citizens of Egypt and to the countries of the region. Despite these efforts, corruption is still pervasive in the public and private sectors in Egypt.



The People's Assembly of Egypt voted to ratify the Convention against Corruption in December 2004. Egypt deposited the instrument of ratification on 25 February 2005, to be the 18th country to ratify the convention.

To further enhance Egypt's participation in implementing the requirements of the Convention against Corruption, the Ministry of Justice (MOJ) is jointly organizing, with the UNODC and the French Embassy, an anti-corruption awareness and training workshop for criminal justice officials in the summer of 2005. Awareness and cooperation are an integral part of fighting corruption.

Another essential component to fighting corruption is by implementing and strengthening national anti-money laundering laws; to avoid illicit financial transactions being made through various channels among public and private officials, and make asset recovery more feasible in the event of funds stolen from the national treasury.

Egypt is neither a regional financial center nor does it have an offshore financial sector. The Government of Egypt (GOE) implemented changes in late 2004 to streamline cumbersome financial regulations, but the changes have not affected the level of financial crime. Egypt is still largely a cash economy, and many financial transactions do not enter the banking system at all.

In 2001, the Central Bank of Egypt (CBE) and other financial regulatory bodies issued a number of anti-money laundering instructions, including "know your customer" and "suspicious transaction reporting" (STR) requirements. Nevertheless, the Financial Action Task Force (FATF) placed Egypt on its non-cooperating countries or territories (NCCT) list in June 2001, citing inter alia, the country's lack of a law specifically criminalizing money laundering. Egypt has continued to make substantial reforms and progress toward developing an effective money laundering and terrorist financing regime, incorporating the FATF recommendations, which culminated in the FATF's removal of Egypt from its list of Non-Cooperative Countries or Territories (NCCTs) in February 2004.

In May 2002, Egypt passed the Anti-Money Laundering Law (Law no. 80 of 2002). The law criminalizes the laundering of funds from narcotics-trafficking, prostitution and other immoral acts, terrorism, antiquities theft, arms dealing, organized crime, and numerous

other activities. The law also requires banks to keep all records for five years, places suspicious transaction reporting (STR) requirements on the full range of financial institutions, and prohibits the opening of numbered or anonymous financial accounts. The law did not repeal Egypt's existing law on secrecy of bank accounts, but provided the legal justification for providing account information to responsible civil and criminal authorities.

The law also provides for the establishment of the Money Laundering Combating Unit (MLCU) as the Financial Intelligence Unit (FIU), which officially began operating on March 1, 2003. The MLCU is an independent entity with its own budget and staff, and has full legal authority to examine all STRs and conduct investigations with the assistance of counterpart law enforcement agencies, including the Ministry of Interior. The MLCU cooperates with all supervisory and law enforcement authorities.

Presidential Decree No. 164/2002, issued in June 2002, delineates the structure, functions, and procedures of the MLCU. The unit handles implementation of the anti-money laundering law, including publishing the executive directives. The MLCU takes direction from a five-member council, chaired by the Assistant Minister of Justice for Legislative Affairs. Other members include the chairman of the Capital Market Authority (CMA), the Deputy Governor of the Central Bank of Egypt (CBE), a representative from the Egyptian Banking Federation, and an expert in financial and banking affairs. In June 2004, the MLCU was admitted to the Egmont Group of FIUs.

In June 2003, the administrative regulations of the Anti-Money Laundering Law were issued as Prime Ministerial Decree no. 951/2003. The regulations provided the legal basis by which the MLCU derives its authority. The regulations spell out the predicate crimes associated with money laundering, establish a board of trustees to govern the MLCU, define the role of supervisory authorities and financial institutions, and allow for the exchange of information with foreign competent authorities. The introduction of the regulations, among other things, lowers the threshold for declaring foreign currency at borders from the equivalent of approximately \$20,000 to \$10,000, and extends the declaration requirement to travelers leaving as well as entering the country. However, the authorities have yet to enforce this provision.

On the administrative side, the Executive Director of the MLCU is responsible for the operation of the FIU and the implementation of the policy drafted by the Council of Trustees. His responsibilities include proposing procedures and rules to be observed by different entities involved in combating money laundering, and presenting them to the Chairman of the Council of Trustees; reviewing the regulations issued by supervisory authorities for consistency with legal obligations and to ensure they are up to date; ensuring the capability and readiness of the Unit's database; exchanging information with supervisory entities abroad; acting as point of contact within the GOE; preparing periodical and annual reports on the operational status of the Unit; and taking necessary action on STRs recommended to be reported to the office of the Public Prosecution. Since its inception, the MLCU has received 850 STRs from financial institutions (an increase of about 560 STRs in 2004).

In March 2004, the CBE issued instructions requiring banks to establish internal systems enabling them to comply with the anti-money laundering laws. In addition, banks are now required to submit quarterly reports showing the progress made with respect to their anti-money laundering responsibilities. The CBE has undertaken compliance examinations of all banks operating in Egypt, carried out by a special anti-money laundering (AML) team consisting of five CBF examiners. The assessments consist of questionnaires issued by the

CBE and on-site visits, to check that systems and procedures are in place. On the basis of the examinations, banks are divided into three categories: fully compliant, partially compliant, and non-compliant. To date, only one bank has been found to be non-compliant. Where deficiencies are found, the banks are notified of corrective measures to be undertaken, with a deadline for making the necessary changes, and a follow-up program of visits is undertaken to reassess compliance. In addition to the special examinations, AML compliance by banks will also be assessed as part of the comprehensive periodical examinations undertaken by the CBE. The CBE also monitors closely bureaux de change and money transmission companies for foreign exchange control purposes, with close scrutiny of accounts with transactions above certain limits. The CBE sanctions include issuing a warning letter, imposing financial penalties, forbidding banks to undertake certain activities, replacing the board of directors, and revoking the bank's license.

The Capital Market Authority (CMA), which is responsible for regulating the securities markets, has also undertaken the inspection mission of firms under its jurisdiction. The inspections were aimed at explaining and discussing AML regulations and obligations, as well as at evaluating the implementation of systems and procedures, including checking for an internal procedures manual and ensuring the appointment of compliance officers.

Money laundering investigations are carried out by one of the three law enforcement agencies in Egypt, according to the type of predicate offense involved. The Ministry of Interior, which has general jurisdiction for the investigation of money laundering crimes, has established a separate AML department, which includes a contact person for the MLCU and who coordinates with other departments within the ministry. The AML department works closely with the MLCU during investigations. It has established its own database to record all the information it received, including STRs', cases, and treaties. The Administrative Control Authority (ACA) has specific responsibility for investigating cases involving the public sector or public funds. It also has a close working relationship with the MLCU, depending on the nature of the investigation. The third law enforcement entity, the National Security Agency (NSA), plays a more limited direct role in the investigation of money laundering cases, where the predicate offense is more serious or threatens national security.

Egypt was one of the founding members the Middle East and North Africa Financial Action Task Force (MENAFATF), a FATF-style regional body that promotes best practices to combat money laundering and terrorist financing in the region. In November 2004, Egypt was elected to a one-year term as the first Vice-President of MENAFATF, which was inaugurated on November 30 in Bahrain by 14 Arab countries.

Egyptian national anti-money laundering legislation which is in effect includes the following:

1. The Law No. 80 of 2002 and was amended with Law No. 78 of 2003;
2. The Central Bank Law No. 88 of 2003.



Implementing International Action against Terrorism

Egypt is active in combating international terrorism at the national, regional and international levels. Domestic and international terrorism have afflicted Egypt for decades. Terrorist attacks, terrorist financing and other connected illicit activities have hindered economic growth and human security in the country. The 1997 terrorist attacks in Luxor, the 2004 terrorist-bombing in Taba, and the 2005 terrorist bombing in Cairo have shown that the terrorism is still present and has resulted in the strengthening of the national security apparatus. These attacks demonstrate the need for further international cooperation to combat the Transnational terrorist network phenomenon.

Religious extremism has, in some cases, developed into terrorism and is still a problem for Egypt. These movements tend to be most active in Upper Egypt, the southern-most part of the country.

The Egyptian National Committee on Combating Terrorism of the Ministry of Justice have been playing a crucial role in implementing and monitoring compliance of the United Nations International Instruments related to the Prevention and Suppression of International Terrorism. Moreover, the Egyptian National Committee on Combating Terrorism assists Member States with mutual legal assistance and extradition issues pertinent to the prosecution, investigation, detection and arrest of terrorists. This Committee works jointly with the UNODC to implement the Regional Action Plan on Combating Terrorism by attending, organizing and participating in anti-terrorism conferences, seminars and workshops to educate, train and build capacity among national, regional and international partners dealing with combating terrorism.

Because of its own historical problems with domestic terrorism, the GOE has sought closer international cooperation to counterterrorism and terrorist financing. The GOE has shown willingness to cooperate with foreign authorities in criminal investigations. It has acted promptly on asset freezing requests from the United States, and continually monitors the operations of domestic non-governmental organizations (NGOs) and charities to forestall funding of terrorist groups abroad. In 2002, the GOE passed the Law on Civil Associations and Establishments (Law No. 84/2002), which governs the procedures for setting up NGOs, including their internal regulations, activities, and financial records. The law places restrictions on accepting foreign donations without prior permission from the proper authorities.

In April 2004, citing the importance of the role that the Financial Intelligence Unit (FIU) plays in fighting serious financial crimes, the GOF, pursuant to Prime Minister Decree

No. 676/2004, decided to grant representatives from the Money Laundering Combating Unit (MLCU) membership in the Egyptian National Committee for International Cooperation in Combating Terrorism, which was established in 1998. The other members of the Commission are the Ministry of Justice, Ministry of Foreign Affairs, Ministry of Interior, and the National Security Agency. The GOE is considering the establishment of a national committee for coordinating issues regarding anti-money laundering, which will go into effect in 2005.

The Egyptian Government attended the Arab Regional Symposium on Combating Terrorism at the League of Arab States on 16-17 February 2005. Egypt reaffirmed its support of United Nations and regional efforts to combat terrorism in the Middle East and North Africa.

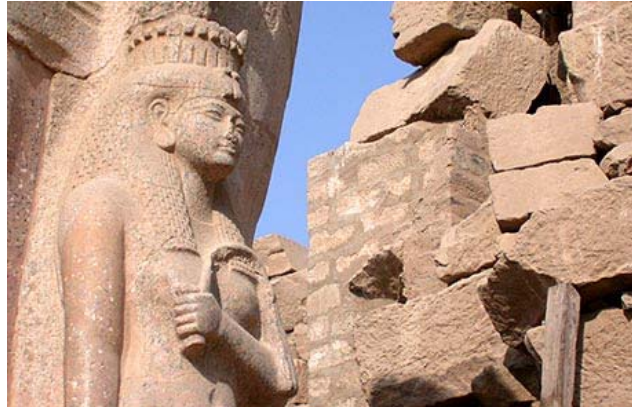
Egypt has ratified ten of the twelve United Nations International Instruments for the Prevention and Suppression of International Terrorism. Pursuant to United Nations Security Council resolution 1373, the Counter-Terrorism Committee (CTC) requires States to become party as soon as possible to the relevant international conventions and protocols relating to terrorism. The Terrorism Prevention Branch of the UNODC acts in coordination with the CTC to assist Egypt in the implementation and ratification process through technical and operational assistance.

The following ten anti-terrorism instruments have been ratified by Egypt:

1. Convention on Offences and Certain Other Acts Committed On Board Aircraft;
2. Convention for the Suppression of Unlawful Seizure of Aircraft;
3. Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation;
4. Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents;
5. International Convention Against the Taking of Hostages;
6. Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, supplementary to the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation;
7. Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation;
8. Protocol for the Suppression of Unlawful Acts Against the Safety of Fixed Platforms Located on the Continental Shelf;
9. Convention on the Marking of Plastic Explosives for the Purpose of Detection;
10. International Convention for the Suppression of the Financing of Terrorism.

Despite Egypt's high level of ratification of the United Nations anti-terrorism instruments, two very important Conventions remain to be ratified:

1. Convention on the Physical Protection of Nuclear Material; and
2. International Convention for the Suppression of Terrorist Bombings.



Convention against Transnational Organized Crime and its three Protocols

Mounting evidence points to the growing nexus between terrorism, corruption and organized crime. Since the 1990s organized crime has manifested into and operates in fluid networks, thus producing a Transnational network of organized crime around the globe. Drug trafficking is a core activity of organized crime networks, but the trafficking in human beings, firearms, illegal migrants, protected species, cultural property and other illicit commodities have quickly become extremely profitable for these networks, and has produced an alarming global trend threatening international security. Egypt has been afflicted by the manifestation of such organized crime networks. Existing drug trafficking patterns in Egypt, a gateway and transit point from South-East Asia to Southern Europe and onward, shed light on the trafficking patterns that exist for other illicit commodities and human beings in the country. Moreover, Egypt may not be a destination country for these illicit commodities, but provides the transit of these illegal goods into other regions propelling socio-economic and political destabilization.

The United Nations Convention against Transnational Organized Crime and the Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, supplementing the United Nations Convention against Transnational Organized Crime was ratified by Egypt and the instrument of ratification was deposited on 5 March 2004. Egypt ratified with acceptance the Protocol against the Smuggling of Migrants by Land, Air and Sea, supplementing the United Nations Convention against Transnational Organized Crime on 1 March 2005. The Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts and Components and Ammunition, supplementing the United Nations Convention against Transnational Organized Crime has not been signed or ratified by Egypt.

An in-depth assessment will be carried out by the UNODC Regional Office on the extent of the trafficking in human beings and illegal migrants in the Middle East and North Africa region in 2005-2006.

For the moment, Egypt has not ratified the Illicit Manufacturing of and Trafficking in Firearms Protocol. Mounting evidence points toward the role of the trafficking and manufacturing of firearms in propelling conflicts and the curtailing of sustainable development. Further progress needs to be made in this area if Egypt is going to combat Transnational organized crime in a holistic manner.

Egypt



Full country name: Arab Republic of Egypt

Area: 1,001,450 sq km (386,660 sq mi);

Population: 76,117,421 (July 2004 est.);

Capital city: Cairo;

People: Eastern Hamitic stock (Egyptians, Bedouins, and Berbers) 99%, Greek, Nubian, Armenian, other European (primarily Italian and French) 1%;

Language: Arabic (official), English and French widely understood by educated classes;

Religion Muslim (mostly Sunni) 94% (official estimate), Coptic Christian and other 6% (official estimate);

Ports and harbours: Alexandria, Al Ghardaqah, Aswan, Assiut, Bur Safeway, Danita, Marisa Mattrouh, Port Said, Suez and Ein Sukhna;

Life expectancy: 67 years (men), 71 years (women);

Monetary unit: 1 Egyptian Pound = 100 piastres;

Main exports: Petroleum, petroleum products and cotton;

GNI per capita: US \$1,390 (World Bank, 2003);

Internet domain: .eg

International dialling code: +20

President: President Mohammed Hosni MUBARAK (since 14 October 1981)

Prime minister: Ahmed Nazif (July 2004)

Foreign minister: Ahmad Ali Abu-al-Gheit

Justice Minister: Mahoumed Abou El Leil

Interior Minister: Habib Al Adly

Health and Population Minister: Mohamed Awad Tag El Din



Important Links:

www.egypt.gov.eg/english/default.asp

www.angaegypt.gov.eg

www.idsc.gov.eg/English

www.nccm.org.eg