

# CGC Egypt – Country Case Study Future Planning

EMGN Autumn Academy  
October 2021



# CGC 2020 at Glance – YEAR OF CHANGE

## EXCEPTIONAL YEAR SURGE IN BUSINESS 2019/2020



**CREDIT**  
**95 B.**

PORTFOLIO  
**DOUBLED**  
**+120%**



**GATEEE 61 B.**

**42%** Market Share

MSME % Portfolio

**+80%** Market Outreach

Programs Managed Funds **+333%**

# CGC Main Development Activities

## CGC shaping its Future Growth & Beyond plan ...

### COVID 19 PANDEMIC SUPPORT

Guarantee **is the main policy makers tool** to mitigate the unprecedented credit-risk faced by all market. Protect firms & jobs by securing lending flow.

### POST COVID 19

**Extended role for GSs** for reallocation of capital & labor by enabling flow of credit to the productive sectors.

### GUARANTEE SCHEMES NEW BUSINESS MODEL

To **be able to generate the expected impact** while remaining operationally sound and financially sustainable.

### CENTRAL BANK OF EGYPT (CBE)

### VISION FOR CGC

CGC to be the largest institution in the economy **responsible for enabling financial market stability & economic growth**

## TRIGGERS

For  
enhanced role  
for  
Guarantee schemes  
during  
&  
after pandemic

## CGC Main Development Activities

CGC shaping its Future Growth & Beyond plan ...

## **CBE** - SUPPORT- CGC Strategy towards Revolutionary Transformation TO CREATE

### (CGC NEW NORM)

- Comprehensive role (Finance + non-Finance)
- Start-ups & job creation bridge enabler for FIs
- Products diversification
- (Credit + investment) - Export Gateee – Green Finance - Supply chain
- Advisory service establishment – Market Place
- Optimal institution set-up & ultimate digital transformation
  - (New structure - New Business Model – New culture )

## CBE Post-Covid Strategy

- Recovery strategy
- Ctd. Fin. Support
- MSMEs Support
- Diversify Fin. patterns
- Job creation mission
- Gov support phase-out plan
- Max. utilization of resources
- Bridge to normal
- Enabler to the NEW
- Non-finance support

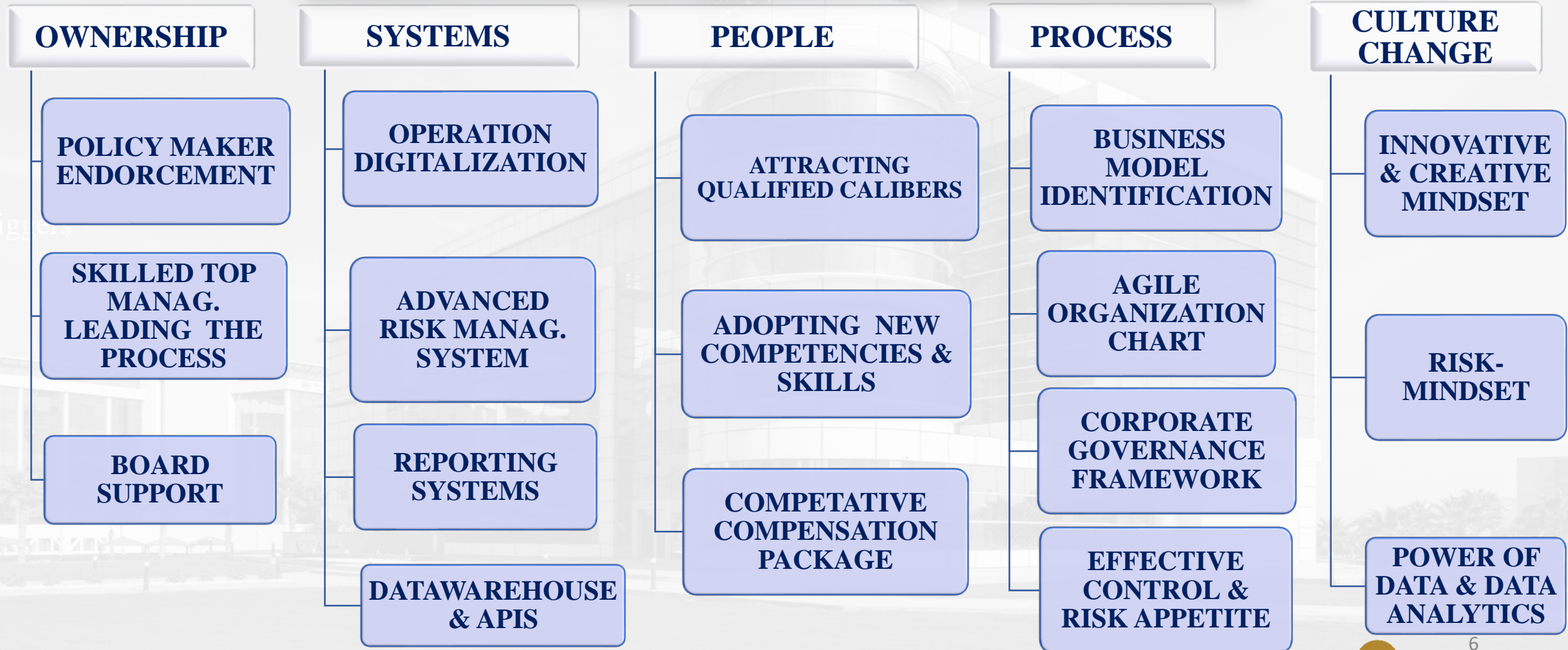
# TRANSFORMATION STATEMENT

**CGC** is in the make-or-Break year.  
The time is **NOW** to shift to the **ULTIMATE**  
**GUARANTEE MODEL** capable of serving the  
big market of **EGYPT**



# CGC NEW NORM - TRANSFORMATION .....MAIN REQUIREMENTS

## INNOVATIVE-BASED BUSINESS MODEL



## CGC MAIN NEW FOUNDATIONS



| NEW FOUNDATIONS |                                | Description  |
|-----------------|--------------------------------|--|
| 1               | Multiple-focus segment         | No limitation on served groups   |
| 2               | Tailored product offerings     | Wider range of products: credit + leasing + factoring + export (G&I) + Equity & Quasi Equity + bond securitization ..... |
| 3               | Differentiated Market Approach | Direct & indirect guarantees   |
| 4               | Digital Empowerment            | Digital platforms are core enablers + Market place   |
| 5               | Risk-based pricing             | wider price variation  |
| 6               | Advisory Services              | SMEs Advisory Service & Coaching entrepreneurs   |

# CGC 2021 ONWARD – NEW NORM **GO DIGITAL** Mandate

**AGILE &  
INNOVATIVE  
Approach  
2021**

**DIGITALTRANSFORM  
-ATION STRATEGY**  
Concluded  
2020-2021

**ADVANCED  
systems & RMS  
OCT 2021**

**NEW DIRECT  
Gateee product JOB  
CREATION &  
Untapped MSMES  
Launch 2021**

**NEW STRATEGIC  
PLAN  
2022 – 2024  
STARTED...OCT 2021**

**Advanced MARKET  
ORIENTED  
Products  
2021**

**NEW GUARANTEE  
Business Model  
2021-22**

**NEW  
ADVISORY  
SERVICES arm  
2022**



### Enhance core business

1

#### Business intelligence



**Data focus** as critical for customer journeys and advanced analytics

**Create automated dashboards** for tailored reporting to stakeholders & partners

**NOV 2021**

2

#### Portfolio Guarantee Journey 1



**Streamline workflow** simplified cycles & less time

**Automate communications** with banks

**SEP 2021**

3

#### Individual SME Journey 2



**Streamline workflow** to shrink time for processing gate by more than 80%

**Develop automated integration** with banks to enable seamless data-sharing

**Automate data validations, processing**

**AUG 2021 –  
AUG 2022**

4

#### Micro processes



**Create interface for direct clients** cutting timing by 50-70%

**Establish dashboards** of segment gate info.

**Automate communications** with stakeholders & customers

**2022**

### Innovate beyond core

5

#### Credit underscoring



**Develop advanced analytics model** based mostly on non-financial data

**Optimize model's forecasting power** to enable variation risk-based pricing

**NOV 2021**

6

#### Direct guarantee journey – 3



**Design and develop customer journey** on digital channels

**Define and launch roll-out strategy** at partners' branches

**Integrate Advanced Analytics credit-scoring model**

**Develop online Market place** for segment & stakeholders

**DEC 2021 –  
AUG 2022**

7

#### Advisory Services



**New skills building Training**

**On-line training programs**

**Coaching**

**Networking**

**MID 2022 -23**

CGC Egypt – New Norm.....

NEW STRATEGIC PLAN GO DIGITAL JOURNEYS (2021 -2024).....**STARTED**

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## CGC STRATEGIC PLAN – GO DIGITAL HIGHLIGHTS

4 MAIN DIGITAL JOURNEYS .....IMPLEMENTATION **STARTED AUG 2021**

STRATEGIC PLAN – GO DIGITAL (2022 – 2024)  
DEVELOPMENT ..... **STARTED OCT 2021 –**  
IMPLEMENTATION TO START JAN 2022



JOB CREATION + MSME UNTAPPED..... **BY 2023 X8 (2021 Nos)**

# Thank you

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شركة ضمان مخاطر الائتمان ش.م.م  
CREDIT GUARANTEE COMPANY S.A.E