

Community
Reports

21 DECEMBER
2022



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Egypt's New Administrative Capital (NAC) project has become the government's "most-favored project", since it was announced, as it has been imposed as top priority for all institutions, official and unofficial, that it can be described as a manifestation of the government's favoritism. In addition to the evidence of clear military ownership with respect to the NAC, the project highlights dominance of the military institution, and its encroachment on the state's right in all stages of the new administrative capital construction.

Tracking the history of the military institution, especially during the republican era, we can easily identify the major numerous privileges granted to it, most notably the allocation and ownership of land. It is also noted that in the "accumulation"¹ of these advantages was orchestrated deliberately and intentionally in a smart way that secures integration and networking among them.

The New Administrative Capital project is clear evidence of what might be called "integrative accumulating advantages", across multiple administrative, technical and political levels, with the aim of maximizing the value and significance of the armed forces gains and closely connecting them with previous acquisitions.

The advantages of the armed forces with regard to ownership of lands passed through three successive stages: first, the reality established by the Desert Lands Law No. 143 of 1981, which defined desert lands as state-owned private lands; and the Private State Property Law No. 7 of 1991, where the two laws² were the basis on which the empire of the armed forces lands was established, and how it has become in control of ownership and allocation of land in Egypt.

¹ Deliberately accumulating various advantages obtained by the military institution and being constant preparedness for taking advantage of opportunities.

² First: The Desert Lands Law No. 143 of 1981, promulgated by President Sadat, which defined desert lands as state's privately owned lands, located two kilometers after urban communities. Second: Private State Property Law No. 7 of 1991, defined jurisdiction over desert lands, according to two civil and military criteria: two criteria: the first criterion is "military," which defines "strategic areas of military importance", that is the lands that may not be owned or used for any purposes

Second, the stage of the issuance of a set of presidential decrees that consolidated the pillars of that empire, according to which the military moved from ownership of land, as linked to objectives of security and protection, to direct investment in land, after becoming the “guardian” of lands of the Egyptian state, so that no procedures related to land would be carried out without the permission and approval of the armed forces, as they have the right to legally reject or administratively and bureaucratically suspend such procedures.

Third: the stage that came after 2013, which unleashed the hand of the Armed Forces' hand on the disposal and control of Egyptian lands and completed what we called 'integral accumulation of privileges', based on the amendments to the Unified Building Law, which granted the Armed Forces Engineering Authority (AFEA) the right to urban planning and issuance of licenses related to the land allocated or owned by the Army and the national projects that AFEA is implementing.

According to these three phases, the NAC project is exemplary in the integration of privileges and investment of powers. The NAC land belongs to the Armed Forces Land Projects Authority, which used it as an in-kind share in the NAC project, constituting 51% of the project's shares after establishing a joint stock company to manage its planning, implementation and development operations, where these shares are managed based on the investment law, enjoying unlimited advantages.

Evidence of NAC's military ownership

Ownership is an innate act that people are inclined to, and it is a right that is protected by constitutions and regulated by laws. Ownership is inferred by several indicators that are not limited to the legal aspect based on material evidence, including contracts, decrees, or court rulings, nor is it limited to mechanisms of realistic empowerment such as possession and seizure, but It (ownership) is a concept much deeper and broader than that.

other than military ones; The second criterion is “civil”, including the land of "agricultural reclamation, new urban communities, tourist areas, and industrial development areas, where there is a public body is responsible for fulfillment of their purposes, and exercise all the owner's powers. However, these bodies at the same time shall not exercise these powers except after coordination with the Ministry of Defense, based on the conditions and rules required by the latter.

The symbolic sign of the existence of ownership comes above the physical indication, as you may be owner by law, but you lack possession; and you may be owner and possessor, but the moral image of ownership is attributed to others. As for the symbolic meaning of ownership, it means your clear prominence as the owner who enjoys dominance and terms of reference over his property and actions.

Here is some evidence that may support the idea of the "symbolic sign of ownership" enjoyed by the Armed Forces, which distinguishes them from others with regard to ownership of the New Administrative Capital.

1- The ownership decision

The decision to establish the New Administrative Capital considered the land on which the city would be constructed as a share for the Armed Forces in the NAC ownership. Although this may be added to the evidence of physical ownership, yet, it carries a symbolic reference that greatly affects the relationship of the Armed Forces with the project and its adoption. In addition, the Armed Forces' monopoly of the Administrative Capital For Urban Development (ACUD), with a majority share of 51% consolidated this symbolism. Also, according to what is established in the popular custom and the general human heritage, the combination of "land ownership with the majority of shares" is evidence of mastery and establishment of ownership.

2- NAC name and logo

The name and logo are among the strongest indications and manifestations of symbolism. In light of this, the military spokesman for the armed forces announced on his official Facebook account, a competition to suggest a name and slogan for the new administrative capital, stating, "Within the framework of the armed forces' keenness to benefit from the creativity of the Egyptian people in the national projects that it (the armed forces) supervises their implementation, and within the framework of preparations for the inauguration of the new administrative capital, the Armed Forces Engineering Authority (AFEA) organizes a competition in which all the great Egyptian people shall participate with ideas and proposals to choose a name for the city and draft a promotional phrase in addition to

designing an innovative logo and a distinctive visual identity that shall reflect the vision of the state..."³.

In the same context, AFEA organized a competition to design a mural for the Egypt Olympic Games City in NAC, and then announced winners, albeit AFEA was the only body to judge and choose designs, an activity that falls within the scope of the competence of the Ministry of Youth and Sports or the Olympic Committee⁴.

In the above two examples, there is a clear indication of the entity that has got the symbolic ownership of the project, where it not only monopolizes implementation, but also naming, designing the visual identity, and undertaking the general cultural pattern.

3- Field visits

The visits being called for and organized by the armed forces to the administrative capital from time to time, also enhance the symbolic evidence of ownership.

The Armed Forces has organized a visit for the Arab and foreign military attaches in Egypt, where the "unified" media coverage of the event included: "Within the framework of the field observation of the giant development projects that the Armed Forces is supervising, in cooperation with all state bodies and institutions, which are being implemented with Egyptian hands... During their inspection tour of the new administrative capital, the military attaches thanked and appreciated the armed forces for its efforts to complete the project in record time and with international quality standards."⁵

Also, the Popular Defense Forces, affiliated with the Armed Forces, have organized other visits, in cooperation with various university administrations, where the "unified" media coverage included:

³ The military spokesperson, "The Armed Forces Engineering Authority organizes a competition to choose a name, promotional phrase, design, logo, and visual identity for the new administrative capital", Official Account on Facebook, 24 October 2021, [link](#)

⁴ Zaki Al-Kadi, "The Engineering Authority announces names of winners of the competition to choose the mural of the Olympic City of Egypt," Youm7, 1 November 2021, [link](#)

⁵ Mohamed Magdy, The Armed Forces Organizes a Visit for Military Attaches to the New Administrative Capital, Al-Watan, 6 September 2021, [link](#)

“This came in cooperation with the Popular and Military Defense Forces to implement the state’s strategy in participation of university youth, learning about national projects, and developing the spirit of loyalty and belonging among Egyptian youth⁶. In another coverage, “The delegation was welcomed by Maj. General Staff Eng. the Assistant

Chair of the Armed Forces Engineering Authority, and a number of officers responsible for implementing construction projects at the New Administrative Capital. The visit aims to develop a spirit of loyalty and belonging and inform university youth about the national projects carried out by the state on all directions. At the end of the visit, there was exchange of shields, and Tariq Kamal, Director of the Leadership Development Department, thanked Major General Staff Eng. the Assistant Chair of the Armed Forces Engineering Authority, on behalf of the University rector and vice rector for education and student affairs⁷, amid an atmosphere of performance of the military salute and taking memorial photos with the military leaders hosting the visits, which suggests highlighting intended symbolism, without much need for words.

4- Military names

Giving names to important streets and buildings also includes symbolic connotations. In this context, the head of the Administrative Capital For Urban Development's services sector, Maj. General Adel Al-Zemeiti, announced establishment of seven new mosques in the capital, and naming them after martyrs of the armed forces⁸. There are other symbolic indications manifested in engraving names of military martyrs on the NAC memorial monument, and planting 100 olive trees carrying the names of martyrs of the armed forces and the police in the vicinity of the mosque and the cathedral of the

⁶ Mohamed Kamel, Ain Shams University students visit the new administrative capital, Al-Masry Al-Youm, 13 April 2021, [link](#)

⁷ A delegation of Menoufia University students visits the administrative capital, The official website of Menoufia University, 6 June 2022, [link](#)

⁸ Mohamed Zakaria, Naming 7 new mosques in the administrative capital after martyrs of the armed forces,” Cairo24, 10 June 2022 [link](#)

capital⁹, in addition to proposals for naming the main streets and others after martyrs and commanders of the armed forces.

This is some symbolic evidence that clearly indicates the owner's desire to consolidate evidence of his ownership, where observers may also identify more evidence in this context.

Second: Evidence of favoritism

Since it was announced, Egypt's New Administrative Capital (NAC) project has become the government's "most-favored project", since it was announced, as it is imposed as top priority for all institutions, both official and unofficial, that it can be described as a manifestation of the government's favoritism. On the other hand, the project manifests dominance of the military institution, and its encroachment on the state's right in all stages of the new administrative capital construction. In this regard, the state has shifted from its primary function as a protector of the interests of the people and a trustee of the nation's wealth, to a commercial partner that facilitates the escape of this wealth to a parallel economy, that is the economy of the army which benefits from most of the state's potentials.

Here is evidence for this favoritism:

1- Amendments to the Joint Stock Companies Law

In a short period of time, a set of successive legislative amendments were made to the laws of joint-stock companies, starting with granting licenses to public law persons "ministries and official institutions" to establish or participate in joint-stock companies¹⁰, This came in coincidence with issuance of the Presidential Decree/Law No. 127 of 2015 on "licensing public law persons to establish joint stock companies" - which grants the Armed Forces Land Projects Authority the right to establish companies of all kinds alone or in partnership with national or foreign capital, which opened the way

⁹ "Hawaa" launches its initiative in the New Administrative Capital.."The Martyr's Tree," Hawaa Magazine, 7 November 2018, [link](#)

¹⁰ Presidential Decree/Law No. 127 of 2015 on "licensing public law persons to establish joint stock companies", Official Gazette, Issue No. (52) bis (e) on 29 December 2015.

for ministries and public institutions to establish joint stock companies, most notably the Administrative Capital For Urban Development (ACUD) company.

This amendment produced great flexibility in the government's investment transactions, but on the other hand, it deprived the funds invested in those companies of the advantage of being considered public funds as they are governed by a different legal system.

2- The Investment Law

The new Investment Law No. 72 of 2017¹¹ stipulated a significant provision requiring the establishment of companies after its approval in order to obtain its benefits. Although the Administrative Capital For Urban Development (ACUD) was established after issuance of the law, and accordingly would not benefit from it, yet it benefited from the advantages of the new law.

The most prominent of these advantages that the ACUD obtained under the new law, were those stated in Chapter Three of the law under "Special and Additional Incentives", where Article 11 states granting investment projects that are established in geographical areas of priority and maximum need an incentive deducting 50% of the investment costs of projects from the net profits subject to tax; and the priority areas as defined by the executive regulations are "the economic zone of the Suez Canal, the economic zone of the golden triangle, and the areas specified by a Council of Ministers decree after meeting some specifications¹². Therefore, the ACUD projects cannot benefit from this huge incentive, as, first, it was established before the law was passed, and second, it is outside the scope of the areas specified by the law, which prompted the Prime Minister to issue a decree to amend the executive regulations of the law and add the new administrative capital area to the priority areas that enjoy a 50% deduction of investment costs¹³.

¹¹ Investment Law No. 72 of 2017, Official Gazette, Issue (21) bis (c), 31 May 2017

¹² The incentives included another section with a 30% deduction, including projects in areas other than these geographical areas, which are characterized by some of the specifications set by the law and its executive regulations.

¹³ Prime Minister Decree No. 2467 of 2020 on "Amending the Executive Regulations of the Investment Law," Official Gazette, Issue (48), continued (A), 26 November 2020.

With this amendment, the ACUD enjoy advantages not available for others, as it is: first, a joint-stock company that benefits from the incentives of the old and new investment law together; and second, it is an urban community that benefits from the advantages and exemptions of the New Urban Communities Law; and third, it is a priority economic zone that enjoys the special incentives approved by the new investment law.

3- The Nile water

There is a realistic example that indicates the approach of government favoritism, with respect to the administrative capital project, manifested in allocating a share of the Nile water amounting to one and a half million cubic meters per day for the administrative capital¹⁴, which is a large share when compared to the amount of water produced in Egypt per day, estimated at 25.5 million cubic meters, according to a statement by the head of the Holding Company for Drinking Water and Sanitation¹⁵, which is more than 6% of the drinking water produced in Egypt on a daily basis, a number that is not consistent in any way with the area of the administrative capital or its population.

Conclusion

The new administrative capital project is a clear example for the situation of military regimes when they assume power, and how they exploit the weight of their constitutional function in managing allocations, securing benefits, and transferring wealth from the public interest to the private benefits, where they expand the tools of power at the expense of institutional work. In fact, the Egyptian armed forces is skilful and long experienced in "liquefying the roles of the state" and emptying them. In other channels, where the regime moves from its primary function of protecting the wealth owned by the people to the roles of brokerage, mediation, partnership, and protection of the private influence of the ruling figures and their alliances¹⁶.

¹⁴ Afaf Ammar, "Housing begins a project to transport the Nile water to the New Administrative Capital with a capacity of 1.5 million cubic meters per day", Al-Shorouk, 24 November 2019, [link](#)

¹⁵ Ahmed Hassan, "The Water Holding Company: We produce 25.5 million meters of drinking water per day, and the quality of service is our priority." Youm7, 14 April 2022, [link](#)

¹⁶ The views expressed in this article are entirely those of the author's and do not necessarily reflect the views of the Egyptian Institute for Studies