

# Chinese Direct Investment in Egypt : Reality And Challenges

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*Foreign Direct Investment (FDI) is increasingly popular as a source of external capital for developing countries. The FDI is expected to boost employment, exports, domestic investment and integration of new technologies to the private sector, and thus be a source of growth and productivity gains. Therefore the developing countries are therefore trying to attract FDI.*

*Chinese direct investment (CDI) can play a positive role in Egypt by improving employment opportunities and contributing to economic and technological development of the region. This paper aims to analysis existing data on the extent of CDI in Egypt and reviews the relevant literature on the determinants and effects of FDI, highlighting the impact policies for the area. It will perform further research to accurately assess the contribution of foreign companies established in the region and would determine what policies and programs most likely to make Egypt more attractive to investors .*

**Keywords:** Chinese Direct Investment, Egypt, FDI

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