

EGYPT

AT A GLANCE

BRIDGING THE PAST
TO THE FUTURE



EGYPT'S HISTORY

3150BC

First written documents found:

Egypt is unified under Menes, leading to a series of dynasties that rule the country for the next three millennia.

Yet, discovered figurines that date back to Chalcolithic Predynastic Egypt (c. 4000–3000 BC) and a skeleton from more than 27,000 years point that Egypt history is much older and deeper.



EGYPT: FACTS



- Presidential Republic
- Capital: Cairo
- Area: 1,010,408 sq km
- Population: 114,484,252 million
- Language: Arabic, English and French widely understood by educated classes



- Climate: hot dry summers with moderate winters.
- Religions: Muslim, Christian (majority Coptic Orthodox, then, Armenian Apostolic, Catholic, Maronite, Orthodox, and Anglican).
- Life expectancy: 69 years (men) 74 years (women)

POPULATION

Population Egypt is the **most populous country in the Arab world and the third densely populated country in Africa after Nigeria and Ethiopia.**

Companies operating in Egypt benefit from the advantage of the high proportion of the labor force lying in the target age group compared to other segments in the availability of work force in various economic sectors, and this feature support market attractiveness regarding labor-intensive projects on the long term.




ECONOMY

Africa's second-largest economy; 2030 Vision to diversify markets and energy infrastructure; improving fiscal, external, and current accounts.

Real GDP (purchasing power parity)
\$1.912 trillion (2023 est.)

Real GDP per capita
\$17,000 (2023 est.)

An architectural rendering of a modern city skyline. The central focus is a very tall, slender skyscraper with a distinctive, slightly curved top section. To its left and right are several other high-rise buildings of varying heights and designs, including some with curved facades and others with perforated patterns. The background shows a hazy cityscape and a body of water under a clear sky.

Exports

\$76.295 billion (2022 est.)

\$58.339 billion (2021 est.)

\$40.102 billion (2020 est.)

Exports - partners

Turkey 8%, Italy 6%, US 6%, Spain 6%, India 5% (2022)

Exports - commodities

Natural gas, fertilizers, garments, refined petroleum, crude petroleum (2022)

Imports

\$97.144 billion (2022 est.)

\$94.039 billion (2021 est.)

\$72.482 billion (2020 est.)

Imports - partners

China 17%, US 7%, Saudi Arabia 7%, UAE 6%, Turkey 5% (2022)

Imports - commodities

Refined petroleum, wheat, crude petroleum, natural gas, plastics (2022)

New Administrative Capital

Egypt Competitive Advantages

Leading Economic Sectors



Flexible Economy Suitable
for Investment



Large Consumer Market &
Distinctive Distribution of
Population



Legislative Reforms to Attract
Investment, and Competitive
Procedures for Incorporating
Companies



Skilled Labor Force and
Competitive Wages



Various Investment
Regimes and several
advantages and incentives



Distinctive Strategic
Location



Modern and Advanced
Infrastructure



CONCEPT IN BUSINESS

The Egyptian government through adopting a two-phases economic reform program seeks to create an appropriate and attractive climate for investment. The first phase of economic reform aimed to inspire economic growth, rebuild international reserves, reduce the budget deficit, and enhance the role of the private sector.



Through a successful implementation of the first phases of the program, Egypt managed to overcome the negative effects of COVID-19 pandemic where the program strengthened Egypt's ability to face its economic repercussions in addition to the negative impacts of the Russian-Ukrainian crisis that posed high challenges to the entire world.

TRADE AGREEMENTS

Egypt's multiple free trade agreements provides access to **1.5 billion consumers**, of which 100 million consumers are in Egypt. Furthermore, connecting investors with established and emerging markets with **8% of world trade passing through the Suez Canal**. Shipping time and cost are lower from Egypt, **7 days less to the USA** than from China and **50% cheaper** compared to the UAE.

Egypt-EU Association Agreement - free-trade area between the EU and Egypt by removing tariffs on industrial products and making agricultural products easier to trade.

Egypt-EFTA Free Trade Agreement - including Iceland, Liechtenstein, Norway and Switzerland.

Qualified Industrial Zones (QIZ) - a duty-free status with the United States.

Egypt Turkey Free Trade Agreement - a bilateral free trade agreement (FTA) with Turkey.

Egypt-MERCOSUR Free Trade Agreement - allows preferential privileges for the Egyptian exports to enter the Latin American markets.

TRADE AGREEMENTS

Pan Arab Free Trade Agreement/ Greater Arab Free Trade Agreement (GAFTA) - signed by **17 members of Arab League**.

Common Market for Eastern and Southern Africa (COMESA) - **21 Member States, population of over 640 million**, a Gross Domestic Product of \$1.0 trillion and a global export/import trade in goods worth US\$ 383 billion.

AfCFTA - the world's largest free trade area bringing together **the 55 countries of the African Union (AU) and eight (8) Regional Economic Communities (RECs)** to create a single market for the continent.

The Regional Economic Communities (RECs) are the groupings of African states - Arab Maghreb Union (UMA) , Common Market for Eastern and Southern Africa (COMESA), Community of Sahel–Saharan States (CEN–SAD), East African Community (EAC), Economic Community of Central African States (ECCAS), Economic Community of West African States (ECOWAS), Intergovernmental Authority on Development (IGAD), Southern African Development Community (SADC).

TOURISM



The World Travel and Tourism Council (WTTTC) expects Egypt's tourism sector to expand its contribution to the national GDP to nearly LE 988 billion in 2024, constituting 8.1 percent of Egypt's economy.

Jobs supported by the sector also grew, expanding by nearly 10 percent to over 2.5 million – the equivalent of one in twelve jobs across Egypt.

With continued governmental support, the WTTTC predicts a substantial growth spurt for Egypt's tourism sector by 2034, projecting an increase of its GDP contribution to LE 1.57 trillion, accounting for 9.6 percent of Egypt's economy and potentially employing nearly 4 million people.

Fruit and Vegetables



Egypt Fruits And Vegetables Market size is estimated at USD 15.64 billion in 2024, and is expected to reach USD 25.88 billion by 2029, growing at a CAGR of 10.60% during the forecast period (2024-2029).

Egypt's fruit and vegetable sector is one of the country's fastest-growing agribusiness sectors. It is divided into several farming regions according to the country's climate, natural vegetation, soil type, and farming practices.

Some major fruits and vegetables are tomatoes, potatoes, beets, onions, Eggplants, Chilies and Pepper, Cabbages, Pumpkins, Squash, Cucumbers and Gherkins, Oranges, Grapes, Dates, Watermelon, Bananas, Mangoes, Apples.

Egypt is the world's top producer of dates, contributing approximately 1.8 million tonnes annually, which accounts for 19% of the global production and 24% of the Middle Eastern production.

Egypt has ranked first in the world in frozen strawberry exports (the International Trade Center), which amounted to 140,000 tons, representing 20 percent of the global export quantities.

Egypt has ranked first among exporters in terms of oranges since 2020.

COMMUNICATIONS AND INFORMATION TECHNOLOGY

- ITIDA - Information Technology Industry Development Agency - achieved further growth in offshoring industry in Egypt by promoting the investment incentives. **ITIDA signed agreements with 48 companies in 2022 to establish offshoring centers or expand existing centers, with a total number of 56 centers.**
- The volume of transactions conducted using e-signature rose from 4 million by the end of 2020 to more than 153 million by the end of 2021, then to 375 million transactions by the end of 2022 with a growth rate of 145%.
- Egypt recorded the fastest fixed Internet speed in Africa, according to Speedtest by Ookla.
- Egypt moved up on the World Bank's GovTech Maturity Index (GTMI) 2022, becoming among the countries of Group A, which is the highest category in the Index, up from Group B in 2020 and C in 2018.



The sector's growth rate increased to 19.2% during FY2021/22, compared to 17.2% during FY2020/21. • The sector's contribution to the GDP reach 2.8% during FY2021/22. • The value of digital exports grew from USD 4.5 billion during FY2020/21 to USD 4.9 billion during FY2021/22.

ICT INDUSTRY

ICT industry is the fastest-growing sector in Egypt, it hit new heights, with a growth rate of about 16.3%, outpacing all the state's economic sectors, becoming the fastest-growing state sector for the fifth year in a row.

The ICT sector achieved revenues amounting to EGP 315 billion in the current fiscal year, with a growth rate of about 75%. The ICT sector's contribution to the GDP reached 5.8% in 2023/2024, up from 5% in 2022/2023, and is expected to reach 8% in 2030.

The IT sector in Egypt is creating increased and sustainable employment opportunities in the outsourcing services industry with a focus on higher value services. More than 300,000 jobs are created for the offshoring sector (with over 30% women participation) with plans to scale up the sector's employees to reach 500,000 by 2026.

This has been fueled by the increased number of companies setting up in Egypt and the exponential growth of digital exports reaching \$6.2 billion in 2023 from \$4.9 billion in 2022, with a growth rate of about 26%. The government has plans to increase digital exports to reach \$9 billion by 2026.



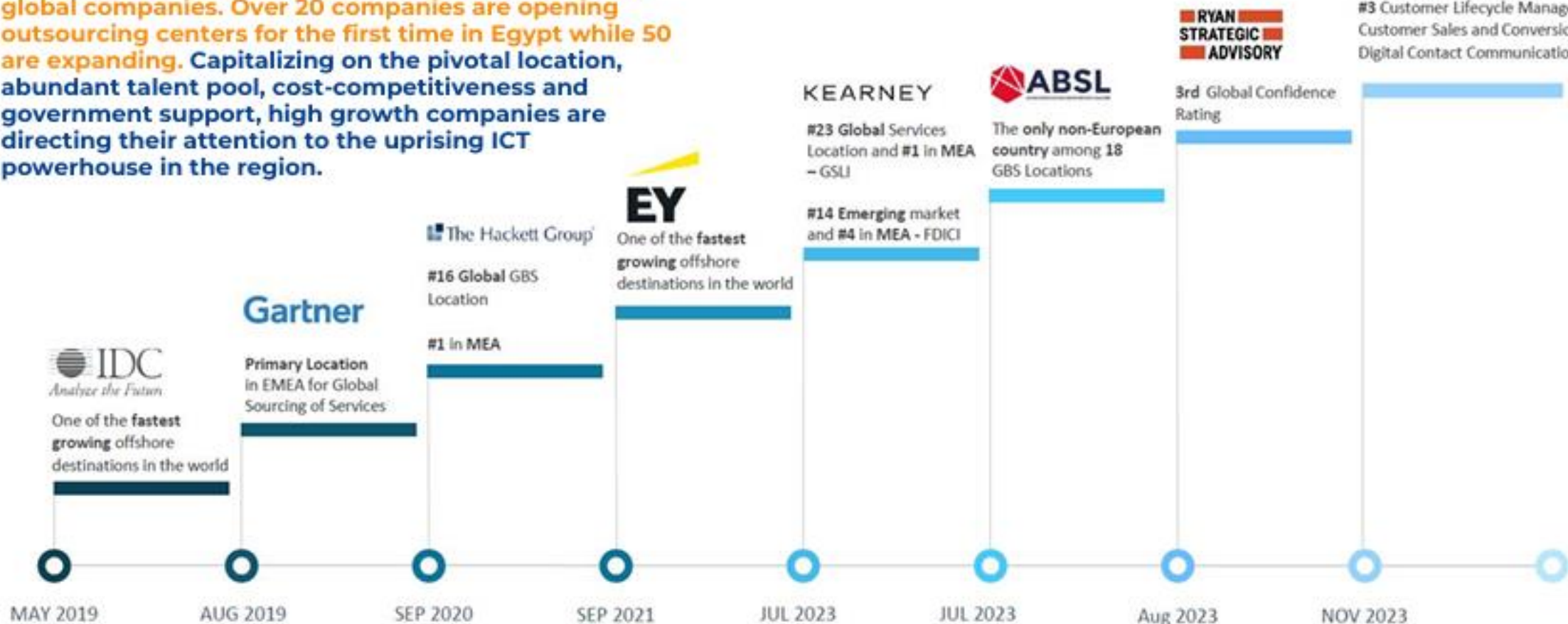
ACKNOWLEDGED FOR OFFSHORING ACHIEVEMENTS



Since the launch of Egypt Strategy for Offshoring Industry, **Egypt signed 74 agreements with local and global companies. Over 20 companies are opening outsourcing centers for the first time in Egypt while 50 are expanding.** Capitalizing on the pivotal location, abundant talent pool, cost-competitiveness and government support, high growth companies are directing their attention to the uprising ICT powerhouse in the region.

GBS.WORLD
THE GLOBAL AUTHORITY OF FOLLOWING GLOBAL TRENDS

- #2 Technical & Helpdesk Support
- #5 General IT Outsourcing
- #3 Customer Lifecycle Management, Customer Sales and Conversion, Digital Contact Communications



Egypt As A Strategic Nearshoring Destination For European IT Needs

Egypt is becoming a top choice for nearshoring due to its growing IT sector. With a focus on technology and engineering education, the nation has a youthful and dynamic labor force.

Every year, **more than 50,000 IT graduates come out of Egyptian colleges, offering a constant supply of highly qualified workers prepared to take on any challenge in the global marketplace.**

Language proficiency is another key advantage. English is widely spoken in Egypt, particularly within the IT sector, ensuring smooth communication and reduces the risk of misunderstandings, facilitating more efficient project execution and collaboration.

TRANSPORTATION SECTOR

Transportation Sector is one of the most vital service sectors in Egypt, which is directly linked to all other economic and social sectors.

Transportation networks are the main core on which development programs are based.

The sustainable development plan in Egypt pays great attention to transportation sector, where economic sectors and growth rates are greatly affected by the efficiency of the means of transportation network.



TRANSPORTATION AND LOGISTICS

Egypt's shipping, logistics market size reaches \$14.6bn in 2024, the cost is directed towards roads and bridges at a cost of EGP 474 billion, railways at EGP 225bn, tunnels and electric traction at EGP 837bn, maritime transport at EGP 115bn, dry ports and logistics at EGP 15 billion, and river transport at EGP 3bn.

Projects worth EGP 1.295 trillion have already been implemented over the past 7 years.

Egypt's Future Development Maps

(Completed/ In Progress Projects*)

Logistics Zones in East Port Said
The Port of Jarjoub, Matrouh Governorate
Opening of Timber and Grain Berth in Alexandria Port



Egypt's Future Development Maps

(Completed/ In Progress Projects*)

Inauguration of "Silo Foods", Phase II, in El Sadat City, Menoufia Governorate

Production capacity of 750,000 tons.

- Dairy Products Factory, with a total of 9 production lines (production capacity is 200,000 tons per year).
- Halawa and Tahini Factory, with a total of 5 production lines (production capacity is 16,000 tons per year).
- Biscuit Factory, with a total of 2 production lines (production capacity is 7800 tons per year).
- Solvent Recovery Plant, which contributes to preserving the environment.
- A central laboratory for testing product samples (40,000 samples per year).
- Carton Factory with a production capacity of 26,000 tons per year.
- Solvent Recycling Factory which produces 1200 tons per year; aiming for a 95% recycling rate.

Inauguration of the Nitrogenous Fertilizer Complex in Ain Sokhna includes 6 factories:

- A factory for producing liquid ammonia with a capacity of (1200 tons/per day).
- A factory for producing liquid urea with a capacity of (900 tons/ per day).
- A factory for producing granular urea fertilizers with a capacity of (900 tons/ per day).
- A factory for producing nitric acid with a capacity of (500 tons/ per day).
- A factory for producing liquid ammonium nitrate with a capacity of (650 tons/ per day).
- A factory for producing calcareous-ammonium nitrate with a capacity of (900 tons/ per day) for the first time in Egypt.

Egypt's Future Development Maps

(Completed/ In Progress Projects*)

Opening of the Quartz Production Plants Complex in Ain Sokhna

The first of its kind in Egypt, Africa, and the Middle East.

- Used in the manufacture of photovoltaic cells.
- Used in the manufacture of solar panels.
- Used in the manufacture of electronic chips.
- Used in the manufacture of quartz slabs.

Inauguration of the Potato Factory in East Owainat

Production capacity of 10 tons/hour for "half-fried potatoes" and 2 tons/hour for "mashed potatoes." It includes a raw potato storage refrigerator with a capacity of 64,000 tons and a freezer with a storage capacity of 6,000 tons (for half-fried potatoes). The factory also has a potato seed refrigerator on an area of 106-thousand square meters, with a storage capacity of 64-thousand tons.

Quality Certificates:

Global G.A.P. Certificate

Good Manufacturing Practice Certificate (GMP)

Good Laboratory Practice Certificate (GLP)

ISO 22000/2018 Food Safety Certificate

Egypt's Future Development Maps

(Completed/ In Progress Projects*)

Inauguration of October Dry Port

It contains 10 buildings: administrative, medical, appraisal, inspection, firefighting, customs and government agencies. It includes trading yards covering 60 feddans, with a trading capacity of 720 containers/day, a storage capacity of 260,000 containers, 5 railway lines with a length of 4.8 km and roads that cover an area of 70,000 square meters.

Inauguration of "Tahya Misr" Multipurpose Terminal in Alexandria Port

The terminal is equipped with high-end equipment to accommodate the latest generation of giant vessels including: 4 berth cranes, for a total of 10 cranes when the station reaches its maximum operating capacity.

12 yard cranes, for a total of 30 cranes when the station reaches its maximum operating capacity.

32 container tractors, for a total of 71 tractors, when the station reaches its maximum operating capacity.

The terminal contains trading yards on an area of 400000 m² divided into 3 trading stations (containers - general cargo - automobiles), capable of handling 12-15 million tons of goods annually and receiving 6-7 large container ships at the same time.

The station's berths are 2,530 meters long accommodating ships with large tonnages, as the maximum depth reaches 17.50 m.

The terminal has a management and control building equipped to the highest standards including the Operations Department, the Information Technology Department for controlling the terminal's systems such as the Computerized Maintenance Management System (CMMS Software) , the Financial Department and the Occupational Safety and Health and Human Resources Department.

EGYPT UPDATES

Suez Canal Economic Zone Secures 127 New Contracts in 9 Months. The net value of these contracts is USD 2.8 billion.

Signing of 4 green ammonia deals worth \$33b with European developers.

Egyptian Government Signs USD 40 Billion Deals to Develop Green Energy - green hydrogen and renewable energy projects.

EGP 1.6 Billion Grain Silo Factory Will Be Built in East Port Said.

29 agreements inked with EU companies at Egypt-EU Investment Conference.

Egypt, Nigeria sign key agreements at EIAS 2024, cooperation in the aviation and defense sectors.

Egypt secures five new agreements with China to bolster ICT sector, worth a total of \$1.1 billion.

Egypt, Turkey sign 17 MoUs, aim for \$15B trade exchange annually.

EU seal 3 agreements to support Egypt information, communications technology sector.

**THANK
YOU**

