



Arab Republic of Egypt
Ministry of Communications
and Information Technology
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Information and Communications Technology Indicators Bulletin

June 2011 | Quarterly Issue

Main Infrastructure Indicators

Main Economic Indicators

ICT Sector's Role in Development

Data item	Unit	Q2 2010	Q1 2011	Q2 2011	Quarterly growth rate (%)	Annual growth rate (%)
ICT Sector: Infrastructure Indicators						
Mobile subscription	Million	58.97	73.87	76.43	3.47	29.61
Mobile penetration *	%	76.16	94.13	85.07	0.94	18.92
Fixed line subscription	Million	10.45	9.65	9.28	-3.86	-11.18
Fixed line penetration *	%	13.42	12.22	11.72	-0.50	-1.70
Estimated Internet users	Million	19.66	24.15	25.87	7.12	31.62
Internet penetration *	%	25.38	30.77	32.18	1.41	6.80
ADSL subscription	Million	1.19	1.49	1.60	7.38	34.45
Proportion of internet broadband users	%	84.18	87.18	88.04	0.86	3.86
International internet bandwidth	Gbps	118.37	137.30	134.72	-1.88	13.81
Number of post offices	Post office	3754	3771	3779	0.21	0.67
ICT Sector: Main Economic Indicators						
ICT sector revenues **	Billion EGP	11.56	10.10	12.02	9.90	3.98
ICT real GDP	Billion EGP	10.02	8.28	10.25	24.40	2.29
Contribution of ICT sector to real GDP	%	4.66	4.16	4.75
Contribution of ICT sector to total implemented investments	%	5.14	8.79	7.90
ICT operating companies	Companies	3726	4010	4168	3.94	11.86
Number of direct employment in ICT sector ***	Thousand employees	193.09	205.56	206.64	0.53	7.02
ICT Sector's Role In Development						
Number of IT Clubs	IT Clubs	2062	2162	2163	0.05	4.90
Number of graduates of specialized and professional ICT training	Thousand graduates	39.64	41.00	41.17	0.40	3.86
* Growth rates are calculated as the difference between penetration rates in different time intervals according to the latest financial figures released by ICT companies						
** Total ICT revenues reached EGP 46.60 billion in 2010 according to the latest figures released by ICT companies.						
*** Includes employees of ICT sector employees, Telecom Egypt employees, Smart village employees and Maadi Technology Park employees.						

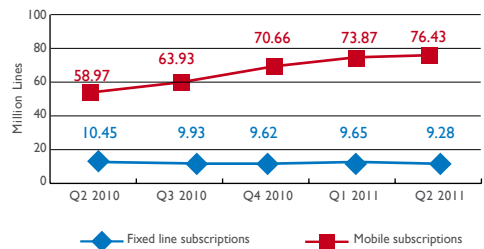
ICT Sector:

Infrastructure Indicators

- Mobile subscription: 76.43 million.
- Mobile penetration: 95.07%
- Mobile subscription annual growth: 29.61%
- Fixed line subscription: 9.28 million
- Fixed line subscription in urban areas: 7.18 million, rural areas 2.10 million.
- Fixed line penetration : 11.72%
- Estimated internet users: 25.87 million.
- Internet penetration : 32.18%.
- Internet users annual growth: 31.62%.
- Internet users through mobile: 8.90 million .
- USB Modem users : 2.18 million users.
- ADSL subscribers : 1.60million.
- International Internet bandwidth: 134,717 Gbps.
- Number of post offices: 3779.
- Number of Beneficiaries of Pensions' Payment Service through post offices: 4.70 million beneficiary

Fixed and Mobile Subscription

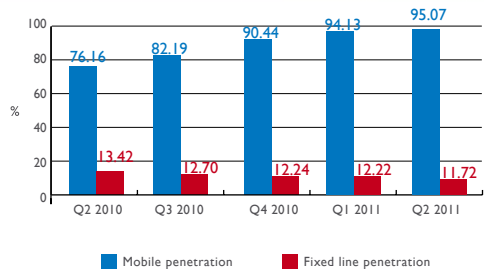
- The number of fixed and mobile subscription was 85.71 million at the end of Q2 2011, compared to 69.42 million at the end of Q2 2010, with an annual increase of 16.29 million subscription and an annual growth rate of 23.47%.
- The number of mobile subscription was 76.43 million at the end of Q2 2011, compared to 58.97 million at the end of Q2 2010. This represents an annual increase of 17.46 million subscription and an annual growth rate of 29.61%. Mobile subscription accounted for 89% of total telephone service subscription at the end of Q2 2011.



Source : Ministry of Communications and Information Technology, Telecom Egypt, National Telecom Regulatory Authority

Fixed Line and Mobile Penetration

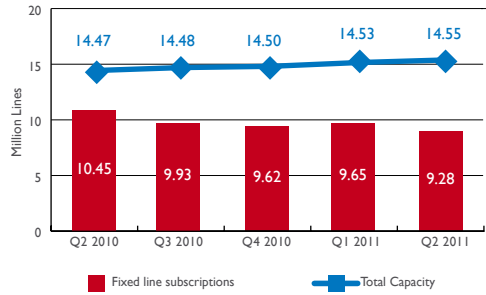
- Mobile penetration increased to 95.07% at the end of Q2 2011, compared to 76.16% at the end of Q2 2010, representing an annual growth rate of 18.92% . On the other hand, fixed line penetration reached about 11.72% by the end of Q2 2011.



Source : Ministry of Communications and Information Technology, Telecom Egypt, National Telecom Regulatory Authority

Fixed Lines Subscriptions and Local Exchange Capacity

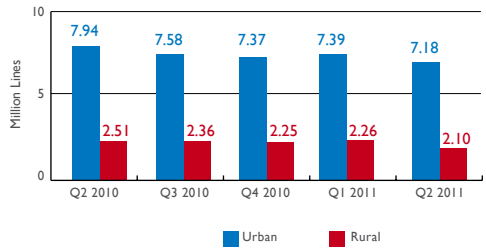
- Total number of fixed line subscription has reached 9.28 million subscription at the end of Q2 2011 compared to 10.45 million subscription at the end of Q2 2010.
- The capacity of local exchanges increased to 14.55 million lines at the end of Q2 2011, compared to 14.47 million at the end of Q2 2010. This represents an annual increase of 0.08 million lines and an annual growth rate of 0.57%.



Source : Ministry of Communications and Information Technology, Telecom Egypt

Fixed Lines (Urban and Rural Areas)

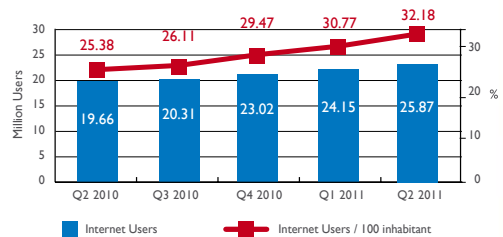
- The total number of fixed line subscription in urban areas reached 7.18 million subscription by the end Q2 2011 compared to 7.94 million subscription by the end of Q2 2010. The total number of subscription in rural areas reached 2.10 million subscription by the end of Q2 2011 compared to 2.51 million subscription by the end of Q2 2010.



Source : Ministry of Communications and Information Technology, Telecom Egypt

Estimated Number of Internet Users*

- The estimated number of Internet users increased to 25.87 million at the Q2 2011, compared to 19.66 million at the end of Q2 2010, representing an annual increase of 6.21 million users and an annual growth rate of 31.62%.
- Internet penetration increased to 32.18% at the end of Q2 2011, compared to 25.38% at the end of Q2 2010, representing an annual growth rate of 6.80%.



* Includes internet users through mobile and USB modems.

Source : Ministry of Communications and Information Technology, National Telecom Regulatory Authority

ICT Sector:

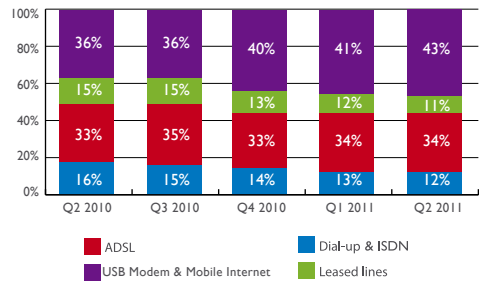
Infrastructure Indicators

Internet Users by Mode of Access

- Proportion of internet broadband* users is about 88% of total internet users in Q2 2011 compared to 84% of total internet users in Q2 2010.
- Proportion of internet narrowband** users is about 12% of total internet users in Q2 2011 compared to 16% of total internet users in Q2 2010.

* internet broadband: internet connection with speed equal or over 256KB, this connection includes: ADSL, Leased line, USB modem & mobile internet.

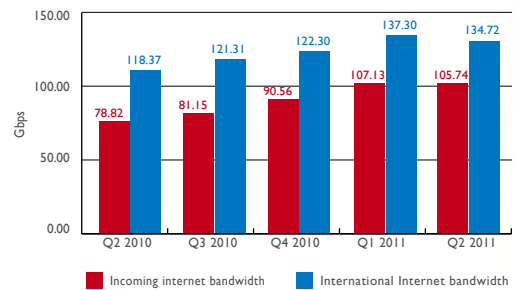
** internet narrowband: internet connection with speed less than 256KB, this connection includes: Dial up & ISDN.



Source : Ministry of Communications and Information Technology, National Telecom Regulatory Authority

International Internet Bandwidth

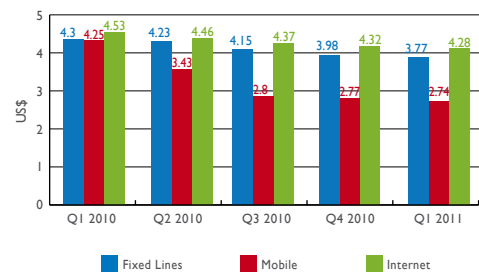
- International Internet bandwidth increased to 134,717 Gbps at the end of Q2 2011 compared to 118,369 Gbps at the end of Q2 2010 representing an annual growth rate of 13.81%.



Source : Ministry of Communications and Information Technology, National Telecom Regulatory Authority

ICT Price Basket

- The cost of ICT services in Egypt is considered internationally competitive. According to the World Bank price basket methodology, the monthly cost in Egypt in Q1 2011 was USD 3.77 for a fixed line*, USD 2.74 for mobile services** and USD 4.28 for Internet service***.



Source : Ministry of Communications and Information Technology, Information Center

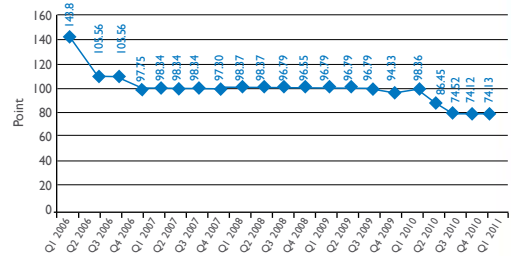
* The price for a residential fixed line is calculated as one-fifth of the installation charge, the monthly subscription charge and the cost of local calls (15 peak and 15 off-peak calls of three minutes each)

** Calculated based on the prepaid price for 25 calls per month spread over the same mobile network, other mobile networks and mobile to fixed line calls, during peak, off-peak and weekend times, in addition to 30 text messages.

*** Calculated based on the cheapest available tariff for connecting to the Internet for 20 hours a month (10 hours peak and 10 off-peak).

■ Communications Services Composite Price Index *

- Communications Services Composite Price Index reached 74.13 point in Q1 2011 compared to 98.36 point in Q1 2010.
- It is worth mentioning that the ICT Services Composite Index decreased during the period between Q1 2005 and Q4 2006, while it witnessed relative stability during the period Q1 2007 - Q3 2010, and witnessed a decline starting from Q4 2010.

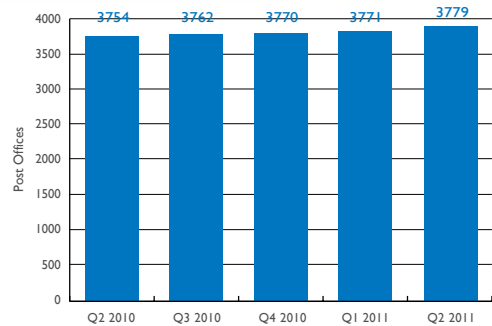


Source : Ministry of Communications and Information Technology, Information Center

* The calculation of the index based on the recommendations of the Organization & Economic Cooperation and Development (OECD) and the World Bank, the Communication Services composite Price Index is calculated based on a basket of ICT telecommunication services taking into account the nature of telecommunications services in Egypt. The Index has four main subcomponents: postal, fixed line telephone, mobile phone and internet services classified according to ISIC 4. Data was collected on tariffs and prices of these services for the period between 2002 to 2010 on quarterly bases that complies with the periodicity of computing the ICT GDP. The weights are calculated based on the share of each service from the total revenues for each company. The year 2006/2007 was chosen to be the base year for the index.

■ Post Offices

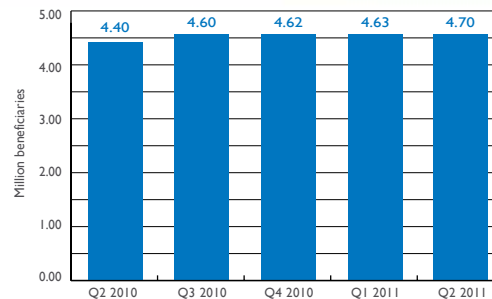
- The total number of post offices increased to 3779 at the end of Q2 2011, compared to 3754 at the end of Q2 2010, representing an increase of 25 offices and an annual growth rate of 0.67%.
- The average number of people served by individual post offices was 21,27 the end of Q2 2011, compared to 20,63 at the end of Q2 2010, representing an annual increase 647 people and annual growth rate of 3.13%.



Source : Ministry of Communications and Information Technology, Egypt Post

■ Number of Pensions Distributed through Postal Offices

- Number of beneficiaries of pensions' distributed through postal offices has increased to about 4.70 million beneficiaries in Q2 2011 compared to about 4.40 million beneficiaries in Q2 2010 with an annual growth rate of 6.82 %.
- On the other hand, number of pensions distributed by postal offices to the place of residence has decreased to about 146 thousand beneficiaries in the period of Q2 2011



Source : Ministry of Communications and Information Technology, Egypt Post

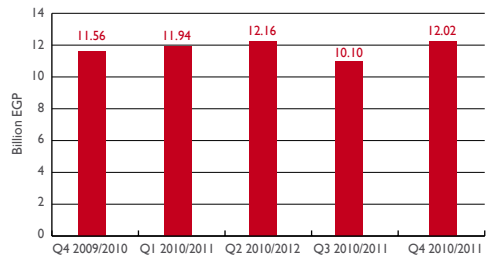
ICT Sector:

Main Economic Indicators

- ICT sector revenues Q2 2010/2011: EGP 12.02 billion.
- ICT gross domestic product at fixed prices during 2010/2011: EGP 36.58 billion.
- Real growth rate of ICT sector GDP 2010/2011: 6.65%.
- ICT sector contribution to real GDP 2010/2011: 4.28%.
- Contribution of ICT sector investment to the total implemented investments 2010/2011: 8.62%.
- Number of operating companies in the ICT sector Q2 2011.: 4168.
- Annual growth rate of number of ICT companies Q2 2011: 11.86%.
- ICT Issued capital Q4 2010: 45.05 Billion EGP.
- Number of direct employment in the ICT sector Q2 2011: 206.64thousand.
- ICT sector exports (2010): USD 1100 million.
- Value of Egypt's stock Exchange telecommunications index (Q2 2011): 393 point.
- ICT sector's contribution to the treasury (2010)(Tentative Figure): EGP 8.36 billion.

■ ICT Sector Revenues

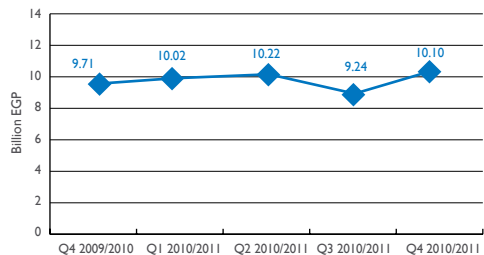
- The total operating revenues of ICT companies reached EGP 12.02 billion in Q4 2010/2011 compared to EGP 11.56 billion in Q4 2009/2010.



Source : Ministry of Communications and Information Technology, Information Center

■ Revenues of Main Telecommunications Companies **

- The total revenues of the main telecommunications companies increased to EGP 10.10 billion in Q4 2010/2011 compared to EGP 9.71 billion in Q4 2009/2010.

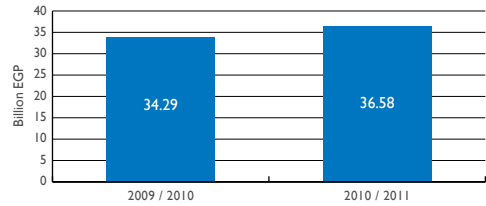


Source : Ministry of Communications and Information Technology, Information Center

* Includes: Telecom Egypt, Vodafone, Mobinil and Etisalat.

ICT GDP at Constant Prices

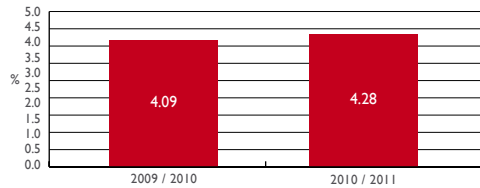
- ICT real GDP at constant prices reached 36.58 billion EGP during 2010/2011 compared to 34.29 billion EGP during 2009/2010.
- The private sector contributed with the biggest share of the sector's real GDP reached 25.83 Billion EGP during 2010/2011 constituting 71% of the total ICT GDP.



Source: Ministry of Planning.

Contribution of ICT Sector in Real GDP

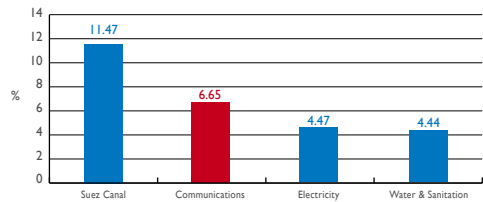
- The contribution of the ICT sector to real GDP at constant prices increased to 4.28 % during 2010/2011 compared to 4.09 % in 2009/2010.
- It is noteworthy that total GDP at constant prices of the Egyptian Economy reached EGP 853.97 billion during 2010/2011.



Source: Ministry of Planning.

Real Growth Rate of ICT Sector GDP

- ICT Real GDP recorded 6.65% annual growth rate during 2010/ 2011 and it recorded the second highest growth rate among the different economic sectors.



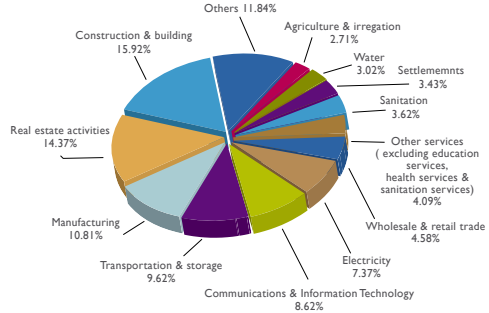
Source: Ministry of Planning

ICT Sector:

Main Economic Indicators

ICT Implemented Investments

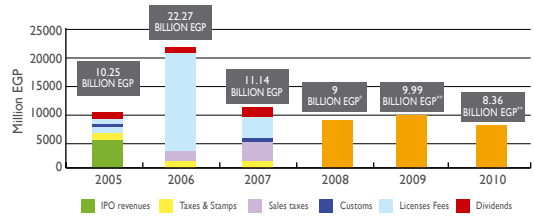
- The contribution of the ICT sector investment to the total implemented investments has reached about 19.74 billion EGP during 2010/2011 compared to about 19.45 billion EGP during 2009/2010.
- It is worth mentioning that ICT Sector recorded the fifth highest contribution to total implemented investment with a percentage reached 8.62% during 2010/2011.



Source: Ministry of International Cooperation and Planning.

Contribution of ICT Sector to the Treasury

- ICT sector contribution to the treasury reached EGP 71 billion during the period (2004-2010)
- The preliminary figures indicate that the ICT contribution in the treasury reached about 8.36 Billion EGP in 2010

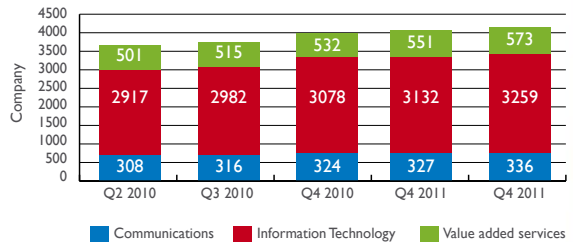


* Preliminary Figure
** Estimated figure

Source : Ministry of Communications and Information Technology, Information Center

Number of ICT Companies according to Activities

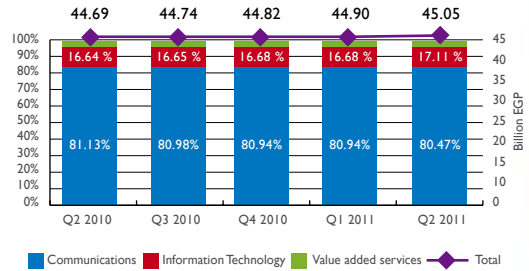
- The number of ICT companies increased to 4168 at the end of Q2 2011, of which 78% were IT companies, 14% Value added services and 8% communication companies. The number of ICT operating companies in Q2 2011 was 11.86% higher than in Q2 2010.



Source : Ministry of Investment, General Authority for Investment and Free Zones

ICT Issued Capital

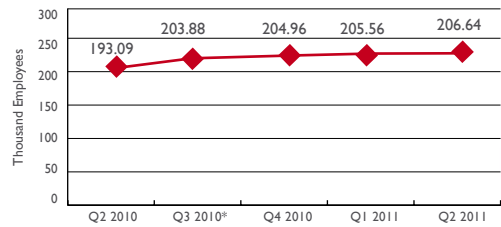
- The total issued capital for ICT companies reached 45.05 Billion EGP during Q2 2011 compared to 44.69 Billion EGP during Q2 2010.
- It is worth noting that the percentage of Issued Capital of telecommunication companies reached 80% of the total issued capital within the sector while it reached 17% for Information Technology and 2% for value added services.



Source : Ministry of Investment,
General Authority for Investment and Free Zones

ICT Direct Employment

- The total number of direct employees in the ICT sector reached 206.64 thousand employees during Q2 2011 compared to 193.09 thousand employees during Q2 2010. with annual growth rate of 7.02 %.
- This figure includes: ICT sector employees, Telecom Egypt employees, Post employees , Smart Village employees and Maadi Technology Park employees, but doesn't include indirect employees in ICT sector working in IT clubs, internet cafes and private communications stores.
- It worth mentioning that each direct ICT job opportunities creates around 1.5-2 job opportunity in other sector.

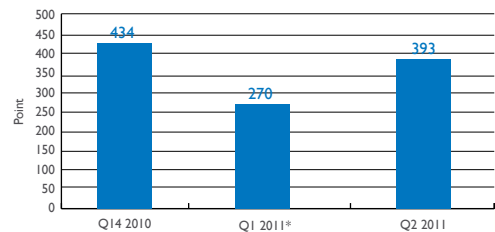


* The employees of Maadi Park starting from September 2010.

Source : Ministry of Communications and Information Technology,
Ministry of Investment,
General Authority for Investment and Free Zones

Egypt's Stock Exchange Telecommunication Index

- Egypt's Stock Exchange Telecommunication Index witnessed an increase in its value within Q2 2011 to reach 393 point in Q2 2011 in comparison with 270 point in Q1 2011*.
- It is worth mentioning that this index includes three companies operating in the ICT sector and listed in Egypt Stock Exchange. These companies are :Telecom Egypt , Mobinil, Orascom Telecom.



* This period includes the trading sessions that occurred only in January and March 2011 only, as Egypt's stock exchange was closed in February 2011 due to the 25th of January revolution.

Source: Egypt Stock Exchange.

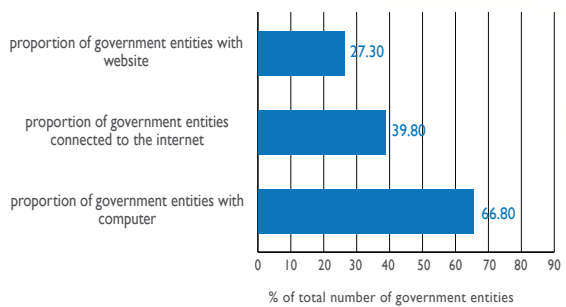
The ICT Sector's

Role in Development

- Proportion of government entities with computer (2010): 66.80%
- Proportion of government entities connected to the internet (2010): 39.80%
- Proportion of government entities using internet in sending and receiving e-mails (2010): 86.83%
- Number of graduates from specialized ICT training: 41.17 thousand graduates.
- Number of graduates from the International Computer Driving License (ICDL) program by the end of (Q2 2011) : 657.75 thousand graduates.
- Number of graduates to receive software training: 457 graduates .
- Number of graduates to receive call center training: 1275 graduates .

ICT usage by Government

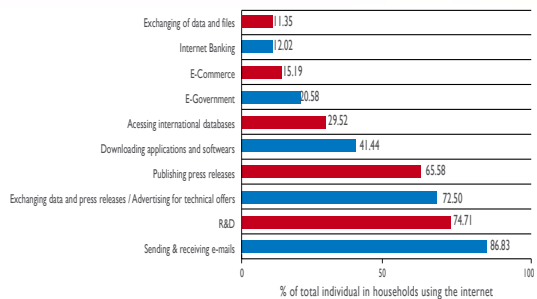
- Proportion of government entities with computer reached about 66.8% of total number of government entities , while the proportion of government entities connected to the internet reached about 39.8% of total number of government entities . On the other hand, the proportion of government entities with website reached 27.3% of total number of government entities.



Source: Survey of ICT usage in Government Sector», Ministry of Communications and Information Technology in cooperation with CAPMAS,2011.

Internet Activities undertaken by Government Sector ⁽¹⁾ ✳

- Uses of internet have varied in the Government Sector in 2010. " sending and receiving e-mails" came at the top of activities undertaken by government entities with a percentage reached 86.83% of the total number of government entities connected to the internet followed by " Research and development" with a percentage reached 74.71%, while " exchanging data and press releases/ Advertising for technical offers" reached 72.50%.Other activities are " publishing press releases with a percentage 65.58% , downloading applications and software with a percentage 41.44%. Accessing international database 29.52% in addition to other activities.



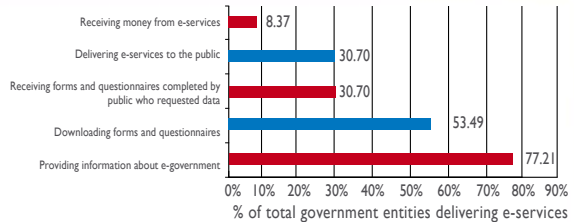
Source: Survey of ICT usage in Government Sector», Ministry of Communications and Information Technology in cooperation with CAPMAS,2011.

(1)E- commerce includes purchasing goods and services through internet and receiving sales and purchases orders.

* Multiple answers are allowed.

E- Government Services provided through government entities ^{*}

- In light of e-government services provided by government entities in 2010 ,77.21% of the government entities provided information about e-government while 53.49% downloaded forms and questionnaires. On the other hand, 30.70% received forms and questionnaires by public who requested data while the other services varied between delivering e- services to the public with a percentage 30.70% and receiving money from e-services with a percentage 8.37% .



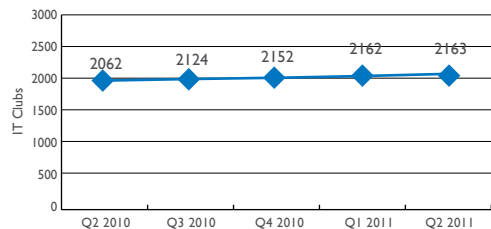
* Multiple answers are allowed.

Source: Survey of ICT usage in Government Sector», Ministry of Communications and Information Technology in cooperation with CAPMAS,2011.

Number of IT Clubs ^{*}

- The number of IT Clubs increased to 2163 at the end of Q2 2011, compared to 2162 at the end of Q4 2010 and 2062 at the end of Q2 2010, representing an annual increase of 101 clubs and an annual growth rate of 4.90%.
- The number of IT Clubs connected to the internet has reached 1955 representing 90.38% of the total number of IT Clubs, at the end of Q2 2011.

Region	Q2 2011	Q2 2010	(%) Growth Rate
Border line governorates	703	647	10.19%
Lower Egypt governorates	777	760	8.66%
Upper Egypt governorates	119	108	2.24%
Urban governorates	564	547	3.11%
Total	2163	2062	4.90%

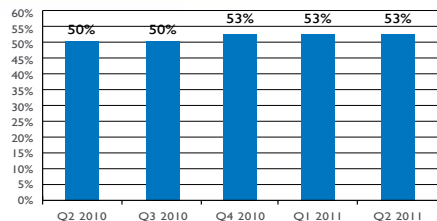


Source : Ministry of Communications and Information Technology, IT Clubs Department

* IT Clubs project started in 2000 and they were an outcome of the cooperation of multiple players in the society. Although MCIT is the main contributor in the project, it makes sure that the private sector, public sector, individuals, and local communities are involved to ensure success. MCIT believes that full societal involvement will guarantee sustainability. The MCIT aims to equip the IT Clubs with computers, networks, printers and access to the internet and most importantly the well - trained instructors. The MCIT is looking to reach the low income areas area, special needs and children who have dropped out from the schooling system

Public Internet Access Points ^{*}

- Percentage of localities having internet access points has reached about 53% of the total number of localities in Egypt in Q2 2011 compared to about 50% in Q2 2010 with an annual growth rate of 3%.



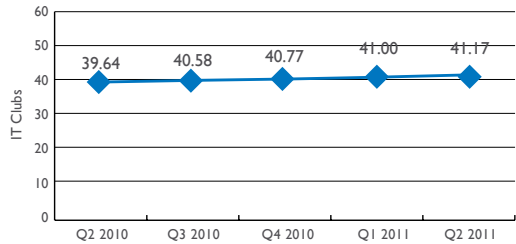
Source: Ministry of Communications and Information Technology calculated based on the data of IT clubs Department

* Calculated as the ratio of total "localities, districts and cities have public internet access point "divided by the total number of localities in Egypt.

The ICT Sector's Role in Development

Specialized & Professional ICT Training

- The total number of specialized and professional ICT graduates reached 41.17 thousand by the end of Q2 2011, compared to 39.64 thousand at the end of Q2 2010. This represents an annual increase of 1.53 thousand graduates and an annual growth rate of 3.86%.



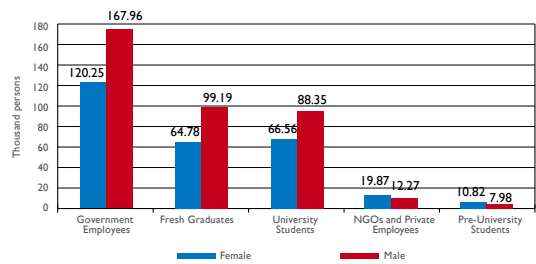
Source : Ministry of Communications and Information Technology, National Telecommunication Institute and the Information Technology Institute

ICDL Training

- The total number of ICDL certified persons in Egypt reached 657.75 thousand at the end of Q2 2011 distributed according to the employment status as follows:

Employment status	ICDL certified persons (thousand)*
Pre-University Students	18.80
University Students	154.91
Fresh graduates	163.97
NGO's and Private employees	32.15
Government employees	278.92
Total	657.75

ICDL certified persons by employment status and gender



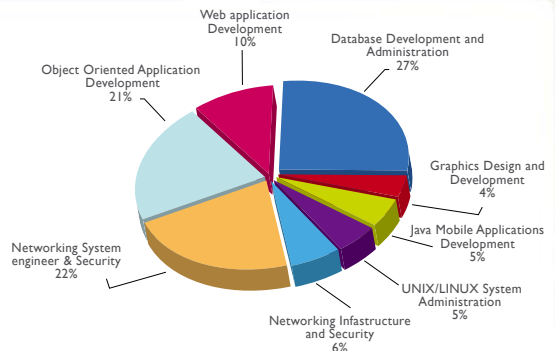
Source : Ministry of Communications and Information Technology, Training and human resources Department (ICDL Program)

Capacity Building Program Provided by National Telecommunications Institutes (NTI)**

- The trainees who are currently receiving National Telecommunications Institute (NTI) specialized program distributed as follow:

Courses	2010*
Database Development and Administration	493
Graphics Design & Development	75
Java Mobile Applications Development	90
Linux/Unix System Administration	85
Networking Infrastructure & Security	105
Networking System Engineer & Security	415
Object Oriented Applications Development	387
Web Applications Development	186
Total	1836

* Started from November 2010 .



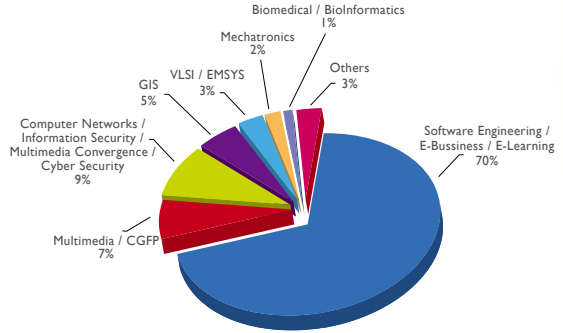
Source : Ministry of Communications and Information Technology, National Telecommunications Institute (NTI)

Capacity Building Program Provided by Information Technology Institute (ITI)**

Track	Q3 2010	Q3 2009
Software Engineering / E-Business / E-Learning	4249	3605
Multimedia / CGFP	456	420
Computer Networks / Information Security / Media Convergence / Cyber Security	557	483
GIS	292	269
VLSI / EM-SYS	166	130
Mechatronics	145	121
Biomedical / Bioinformatics	53	21
Others	162	162
Total	6080	5211
Edu Egypt (BPO) **	10000	4189

* According to the latest figures

** Graduates of year 2009 / 2010

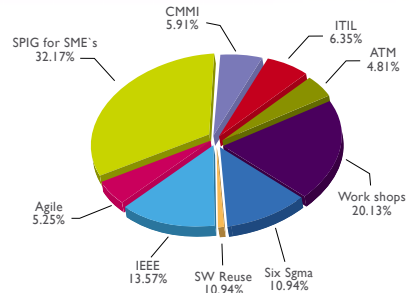


Source : Ministry of Communications and Information Technology, Information Technology Institute

Capacity Building Program for Companies Provided by ITIDA**

- The total number of graduates in the software field has reached 457 till Q2 2011, distributed as follows:

Tracks	Q3 2010
CMMI	27
IEEE (Institute of Electrical and Electronics Engineers)	62
Six Sigma	50
ITIL	29
ATM	22
Work shops	92
Agile	24
SW Reuse	4
SPIG for SME's	147
Total	457

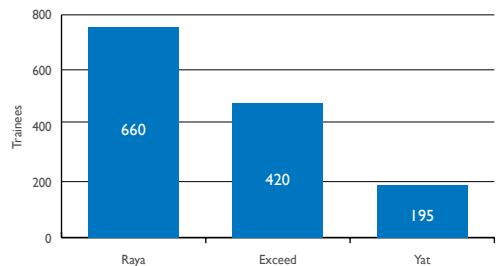


Source: Ministry of Communications and Information Technology, Industry Development Authority, Software Engineering competence Center (SECC)

* It is worth mentioning that the total numbers of companies that achieved the CMMI accreditation levels have reached 46 companies.

Number of Call Center Graduates

- The total number of graduates in call centers has reached 1275 by the end of Q2 2011.
- The graduates are distributed as follows:
 - 660 RAYA Co.
 - 420 EXCEED.
 - 195 YAT.



Source: Ministry of Communications and Information Technology, specialized Training Department

ICT Sector Indicators

Main Infrastructure Indicators

- Mobile subscribers increased to 76.43 million in Q2 2011, compared to 58.97 million in Q2 2010, representing an annual growth rate of 29.61%.
- Mobile penetration increased to 95.07% in Q2 2011, compared to 76.16% in Q2 2010, representing an annual growth rate of 18.92%.
- Internet users increased to 25.87 million in Q2 2011, compared to 19.66 million in Q2 2010, representing an annual growth rate of 31.62%.
- Internet penetration increased to 32.18% in Q2 2011 compared to 25.38% in Q2 2010 representing an annual growth rate of 6.80%.
- ADSL subscribers increased to 1.60 million in Q2 2011, compared to 1.19 million in Q2 2010, representing an annual growth rate of 34.45%.

Main Economic Indicators

- The ICT sector real GDP has reached 36.58 billion at the end of 2010/2011 with an annual growth rate 6.65% .
- The contribution of the ICT sector to real GDP of the Egyptian Economy reached 4.28 % at the end of 2010/2011 compared to 4.09% at the end of 2009/2010.
- The total number of direct employment in the ICT sector reached 206.64 thousand in Q2 2011, compared to 193.09 thousand in Q2 2010 with an annual growth rate 7.02%.
- The number of ICT companies reached 4168 by the end of Q2 2011, representing an annual growth rate of 11.86%.

ICT sector's role in Development

- Proportion of government entities with computer reached about 66.80% of total number of government entities in 2011, while the proportion of government entities connected to the internet reached about 39.80% of total number of government entities in 2011.
- Proportion of government entities used internet in sending and receiving e-mails reached about 86.83% of the total number of government entities connected to the internet in 2011, while the proportion of government entities used internet in research and development reached about 74.71% of the total number of government entities connected to the internet in 2011.
- Number of IT clubs reached 2163 at the end of Q2 2011, whereas the number of IT clubs connected to the internet reached 1955 representing 90.38% of total IT Clubs.
- The total number of graduates from ICT specialized and professional ICT Training program has reached 41.17 thousand by the end of Q2 2011, compared to 39.64 thousand in Q2 2010, representing an annual increase of 3.86%