



Arab Republic of Egypt
Ministry of Communications
and Informations Technology
www.mcit.gov.eg

Information and Communications Technology Indicators Bulletin

September 2009 | Quarterly Issue

Main Infrastructure Indicators

Main Economic Indicators

ICT Sector's Role in Development

Data item	Unit	Q2 2009	Q1 2009	Q2 2008	Quarterly growth rate (%)	Annual growth rate (%)
ICT Sector: Infrastructure Indicators						
Fixed line subscribers	Millions	11.6	11.8	11.3	- 1.69	2.65
Fixed line penetration *	%	15.3	15.6	15.1	- 0.3	0.2
Mobile line subscribers	Millions	48.3	44.6	35.1	8.3	37.6
Mobile penetration *	%	63.5	58.9	47	4.6	16.5
Internet users	Millions	13.5	13	11.29	3.45	19.6
Internet penetration *	%	17.7	17.2	15.1	0.5	2.6
ADSL subscribers	Thousands	848.002	787.638	536.290	7.7	58.12
ADSL penetration *	%	1.11	1.04	0.705	0.07	0.41
International Internet bandwidth	Mb/s	48160	48073	24522	0.181	96.4
Average number of people served by individual post offices	Thousand inhabitants	20.548	20.526	20.360	0.1	0.92
ICT Sector: Main Economic Indicators						
ICT sector revenues **	Billion EGP	10.37	10.06	9.4	3.08	10.32
ICT real GDP	Billion EGP	8.69	7.19	7.59	20.86	14.49
Contribution of ICT sector to real GDP	%	4.3	3.7	3.9	—	—
Contribution of ICT sector to real GDP annual growth rate	Pps	0.51	0.46	0.47	—	—
ICT operating companies	Companies	3211	3055	2519	5.11	27.47
Number of people employed in ICT sector***	Thousand employee	179.00	176.4	164.91	1.47	8.54
ICT Sector's Role In Development						
Number of IT Clubs	Clubs	1892	1846	1747	2.49	8.3
Number of people in specialized ICT training	Thousand trainees	37.42	36.77	32.07	1.77	16.68
* Growth rates calculated as the difference between penetration rates in different time intervals.						
** Total annual revenues for the ICT sector reached EGP 39 billion in 2008, a rise of 14% over 2007.						
*** Includes employees of Egypt Post, Telecom Egypt and Smart Village						

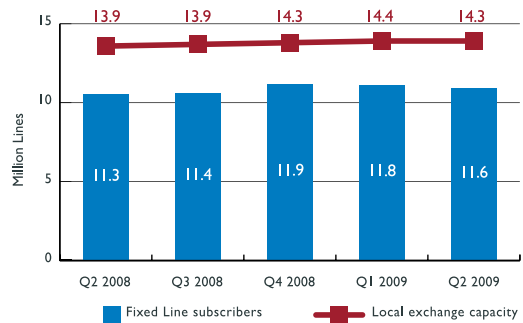
ICT Sector:

Infrastructure Indicators

- Fixed line subscribers: 11.6 million
- Fixed line subscribers in urban areas reached 8.6 million, while in rural areas reached 3 million.
- Fixed line penetration: 15.3 %
- Annual growth rate in fixed line subscription: 2.65 %.
- Mobile subscribers: 48.3 million .
- Mobile penetration: 63.5 %.
- Annual growth rate in mobile subscription: 37.6 %.
- Internet users: 13.5 million.
- Internet penetration: 17.7 %.
- Annual growth rate in the number of Internet users:19.6 %.
- Internet users through mobile: 4.05 million .
- USB Modem users: 152.595 thousand users.
- International Internet bandwidth: 48160 Mb/s.
- ADSL subscribers: 848.002 thousands .
- Number of post offices: 3701.
- Average number of people served by individual post offices: 20.548 thousand inhabitants.

■ Fixed Lines and Local Exchange Capacity

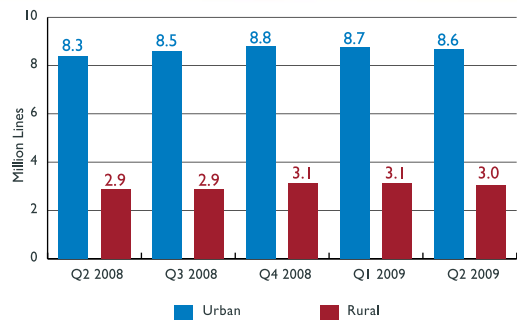
- There were 11.6 million fixed lines in operation at the end of Q2 2009 compared to 11.3 million lines at the end of Q2 2008. This represents an annual increase of 0.3 million lines and an annual growth rate of 2.65%.
- The capacity of local exchanges increased to 14.3 million lines at the end of Q2 2009, compared to 13.9 million lines at the end of Q2 2008. This represents an annual increase of 0.4 million lines and an annual growth rate of 2.88%.



Source : Ministry of Communications and Information Technology, Telecom Egypt

■ Fixed Lines (Urban and Rural Areas)

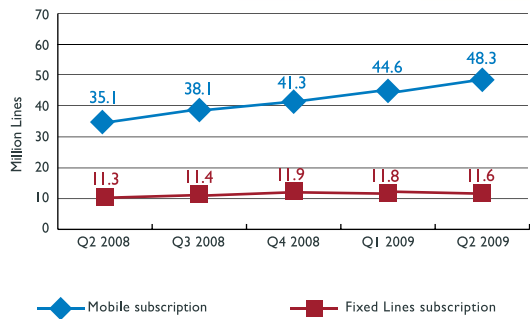
- The total number of fixed line subscribers in urban areas reached 8.6 million subscribers by the end of Q2 2009 compared to 8.3 million subscribers by the end of Q2 2008 , with an annual increase of 0.3 million lines and an annual growth rate of 3.6% .
- The total number of subscribers in rural areas reached 3 million subscribers by the end of Q2 2009 compared to 2.9 million subscribers by the end of Q2 2008 , with an annual increase of 0.1 million lines and an annual growth rate of 3.45 % .



Source : Ministry of Communications and Information Technology, Telecom Egypt

Fixed Line and Mobile Subscription

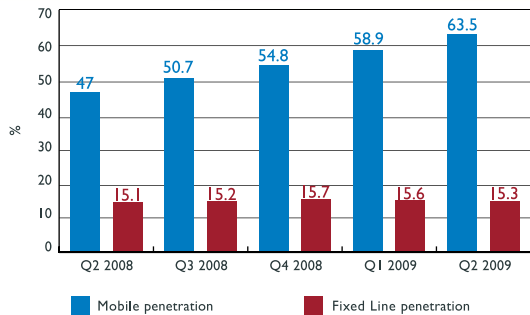
- The number of fixed line and mobile subscribers was 59.9 million at the end of Q2 2009, compared to 46.4 million at the end of Q2 2008; representing an annual increase of 13.6 million subscribers and an annual growth rate of 29.31%.
- The number of mobile subscribers was 48.3 million at the end of Q2 2009, compared to 35.1 million at the end of Q2 2008. This represents an annual increase of 13.2 million subscribers and an annual growth rate of 37.6%. Mobile subscribers accounted for 81% of total telephone service subscribers at the end of Q2 2009.



Source : Ministry of Communications and Information Technology, Telecom Egypt - National Telecom Regulatory Authority (NTRA)

Fixed Line and Mobile Penetration

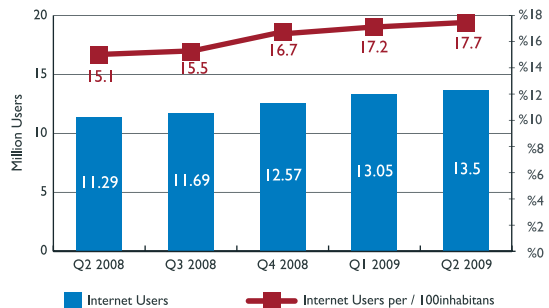
- Fixed line penetration increased to 15.3% at the end of Q2 2009, compared to 15.1% at the end of Q2 2008, representing an annual growth rate of 0.2%.
- Mobile penetration increased to 63.5% at the end of Q2 2009, compared to 58.9% at the end of Q1 2009 and 47% at the end of Q2 2008, representing an annual growth rate of 16.5%.



Source : Ministry of Communications and Information Technology, Telecom Egypt - National Telecom Regulatory Authority (NTRA)

Internet Users

- The number of Internet users increased to 13.5 million at the end of Q2 2009, compared to 11.29 million at the end of Q2 2008, representing an annual increase of 2.21 million users and an annual growth rate of 19.6%.
- Internet penetration increased to 17.7% at the end of Q2 2009, compared to 15.1% at the end of Q2 2008, representing an annual growth rate of 2.6%.



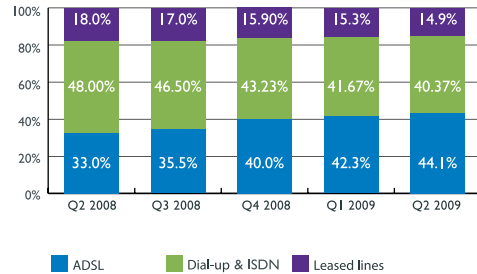
Source : Ministry of Communications and Information Technology - National Telecom Regulatory Authority (NTRA)

ICT Sector:

Infrastructure Indicators

Internet Users by Mode of Access

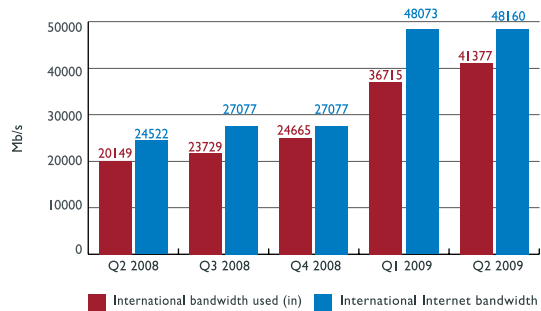
- ADSL was the mode of access for 44 % of Internet users in Q2 2009, compared to 33% during Q2 2008.
- Dial-up subscribers accounted for 40 % of Internet subscribers in Q2 2009, compared to 48 % in Q2 2008.



Source : Ministry of Communications and Information Technology - National Telecom Regulatory Authority (NTRA)

International Internet Bandwidth

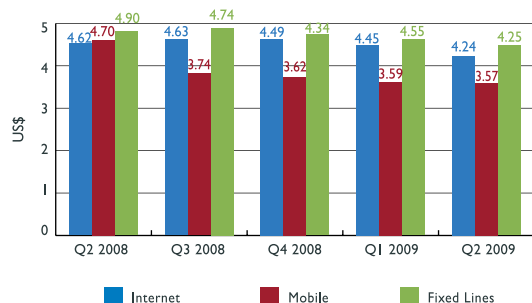
- International Internet bandwidth increased to 48160 Mb/s at the end of Q2 2009 compared to 24522 Mb/s at the end of Q2 2008, representing an annual growth rate of 96.4 %.



Source : Ministry of Communications and Information Technology - National Telecom Regulatory Authority (NTRA)

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 Q2 2009 was USD 4.25 for a fixed line*, USD 3.57 for mobile services** and USD 4.24 for Internet service***.



Source : Ministry of Communications and Information Technology, Information Center

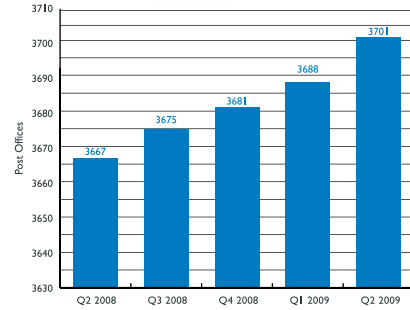
* The price for a residential fixed line is calculated as one-fifth of the installation charge, the monthly subscription charge and the cost of local calls (15 peak and 15 off-peak calls of three minutes each)

** 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).

Post Offices

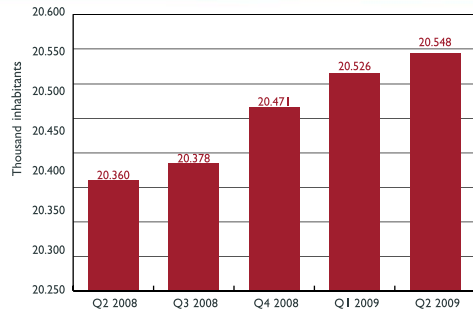
- The total number of post offices increased to 3701 at the end of Q2 2009, compared to 3667 at the end of Q2 2008, representing an annual increase of 34 offices and an annual growth rate of 0.92 %.



Source : Ministry of Communications and Information Technology, Egypt Post

Average Number of People Served by Post Offices

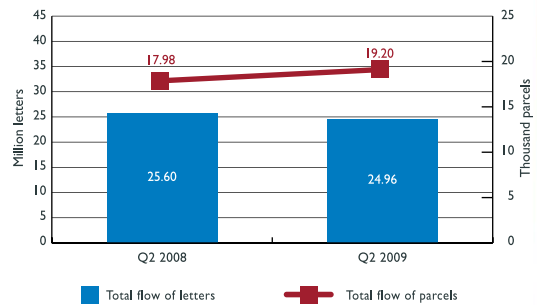
- The average number of people served by individual post offices was 20.548 thousand inhabitants the end of Q2 2009, compared to 20.359 thousand inhabitants at the end of Q2 2008, representing an annual increase 188 people and annual growth rate of 0.92%



Source : Ministry of Communications and Information Technology, Egypt Post

Postal Traffic

	Q2 2009	Q2 2008	Change %
Flow of Local letters (millions)	12.06	12.40	- 2.74
Flow of International letters (millions)	12.90	13.20	- 2.27
Total Flow of Letters (millions)	24.96	25.60	- 2.50
Flow of Local Parcels (Thousands)	15.40	14.70	4.76
Flow of International Parcels (Thousands)	3.80	3.28	15.85
Total Flow of Parcels (Thousands)	19.20	17.98	6.79



Source: Ministry of Communications and Information Technology, Egypt Post

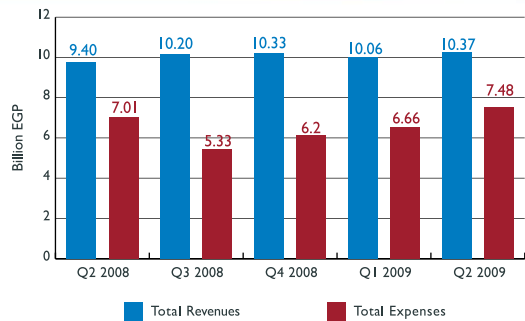
ICT Sector:

Main Economic Indicators

- Total revenues for ICT companies during Q2 2009: EGP 10.37 billion.
- Annual growth rate of revenues for ICT companies during Q2 2009: 10.32%.
- ICT gross domestic product at fixed prices during the year (2008-2009): EGP 30.3 billion.
- Real growth rate of ICT sector GDP during the year (2008-2009): 14.5%.
- ICT sector contribution to GDP during the year (2008-2009): 3.8%.
- ICT sector's contribution to the treasury (2008): EGP 6 billion.
- ICT sector contribution to real GDP growth rate during the year (2008-2009): 0.51 pps.
- Number of operating companies in the ICT sector till the end of Q2 2009: 3211.
- Number of people employed in the ICT sector till the end of Q2 2009: 178.996 thousand.
- Total ICT sector exports at the end of (September 2009): USD 850 million.
- Average annual FDI inflows into the ICT sector: USD 1 billion.
- Value of Egypt stock Exchange telecommunication index (July – September 2009): 576 point.

ICT Sector Revenues and Expenses

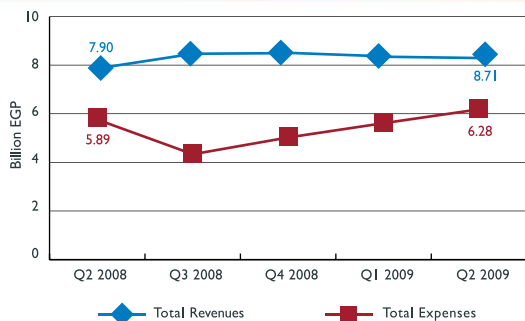
- The total revenues of operating companies in the ICT sector reached EGP 10.37 billion in Q2 2009 compared to EGP 9.4 billion in Q2 2008 representing an annual growth rate of 10.32%.
- The total expenses of operating companies in the ICT sector increased to EGP 7.48 billion during Q2 2009 compared to EGP 7.01 billion during Q2 2008 representing an annual increase of 6.7%.



Source: Ministry of Communications and Information Technology – Information Center

Revenues and Expenses of the Main Telecommunications Companies*

- The total revenues of the main telecommunications companies reached EGP 8.71 billion in Q2 2009 compared to EGP 7.90 billion in Q2 2008.
- The total expenses of the main telecommunications companies increased to EGP 6.28 billion in Q2 2009 compared to EGP 5.89 billion in Q2 2008.

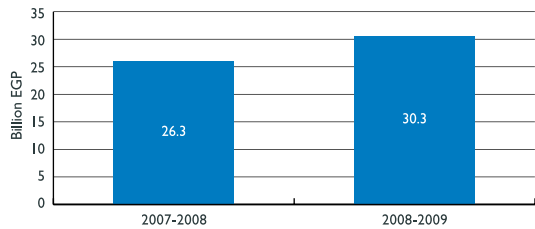


Source: Ministry of Communications and Information Technology – Information Center

* Including: Telecom Egypt, Vodafone, Mobinil and Etisalat

■ ICT GDP at Constant Prices

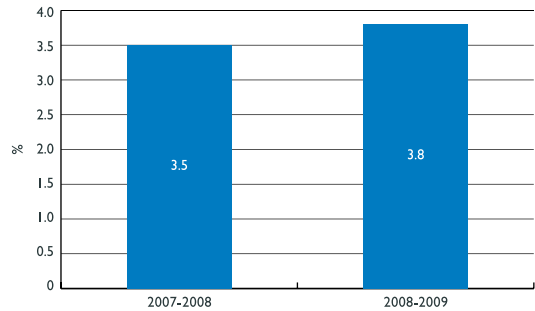
- ICT real GDP at constant prices reached 30.3 billion EGP during the fiscal year 2008-2009 compared to 26.3 billion EGP during the fiscal year 2007-2008.
- The private sector contributed with the biggest share of the sector's real GDP 20.8 billion EGP during the fiscal year 2008-2009 constituting 68.7 % of the total ICT GDP.



Source: Ministry of State for Economic Development

■ Contribution of ICT Sector in Real GDP

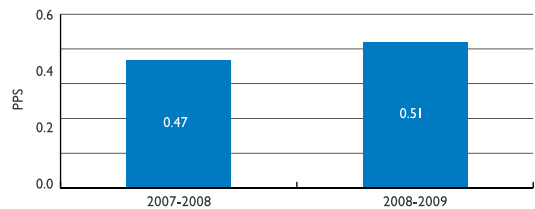
- The contribution of the ICT sector to real GDP at constant prices increased to 3.8 % during the fiscal year 2008-2009 compared to 3.5 % in during the fiscal year 2007-2008.
- It is noteworthy that total GDP at constant prices of the Egyptian Economy reached EGP 769.8 during the fiscal year 2008-2009 .



Source: Ministry of State for Economic Development

■ Contribution of the ICT Sector to Real GDP Growth (PPS)

- The contribution of ICT sector to real GDP growth rate increased to 0.51 pps out of 4.5% of the total GDP growth rate of the Egyptian economy during the fiscal year 2008-2009, compared to 0.47 pps of the sector contribution in the economic growth rate during the fiscal year 2007-2008.



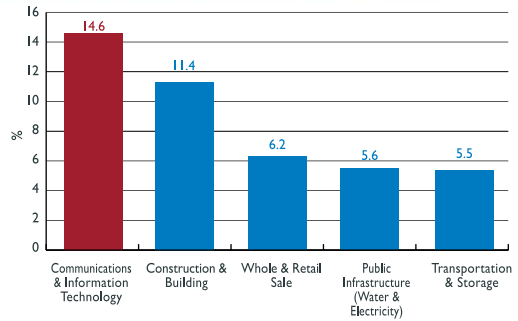
Source: Ministry of State for Economic Development

ICT Sector:

Main Economic Indicators

Real Growth Rate of ICT Sector GDP in Constant Prices

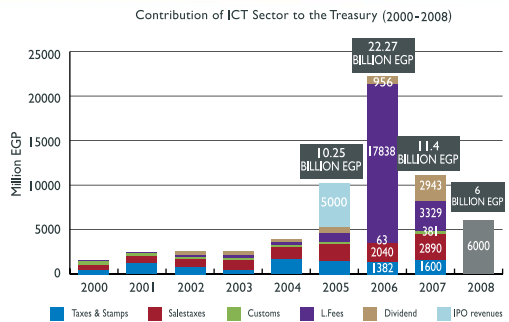
- ICT Real GDP recorded the highest growth rate during the fiscal year 2008-2009 as the growth rate of ICT GDP reached 14.6 % despite of the effect of the world economic crisis over a large number of economic sectors, followed by the Construction & Building sector that achieved 11.4 % growth rate during the same fiscal year .



Source: Ministry of State for Economic Development

Contribution of ICT Sector to the Treasury

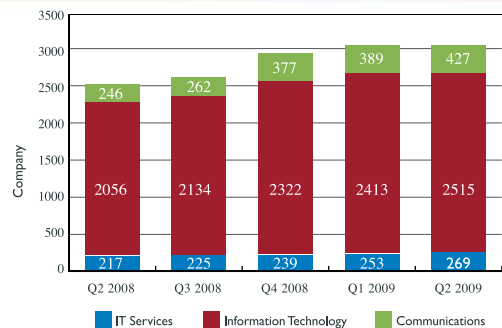
- The ICT sector provided the treasury with revenue over EGP 33 billion in 2006 and 2007, compared to EGP 10.25 billion in 2005 with an increase of EGP 23.2 billion.



Source: Ministry of Communications and Information Technology, Information Center

Number of ICT Companies Distributed by Activities

- The number of ICT companies increased to 3211 at the end of Q2 2009, of which 78% were IT companies, 13% IT-enabled services companies and 8 % telecommunications companies. The number of ICT operating companies in Q2 2009 was 27.47 % higher than in Q2 2008.



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

Foreign Companies Working in the Field of Exporting ICT Value Added Services

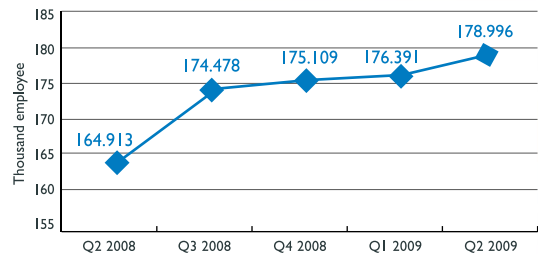
- The ICT sector in Egypt has succeeded in attracting numerous international companies to establish projects in various fields, including value - added services and call centers.
- It is noteworthy that the 2007 - 2010 strategic plan of the Information Technology Industry Development Authority (ITIDA) targets creating 30,000 job opportunities by 2010.

Company	Nationality	Job Opportunities Created
Alcatel-Lucent	French	300
Ericsson	Swedish	448
Siemens	German	515
Oracle	American	3000
IBM	American	500
(Equant) Orange Business Services	French	1500
Satyam	Indian	500
EDS	American	450
Nation Tel	Australia	300
Valeo	French	200
Teleperformance	French	2250
Wipro	Indian	300
SQS	German	500
ITS	Kuwait	408

Source : Ministry of Communications and Information Technology – Information Technology Industry Development Agency (ITIDA)

Total Number of ICT Employees

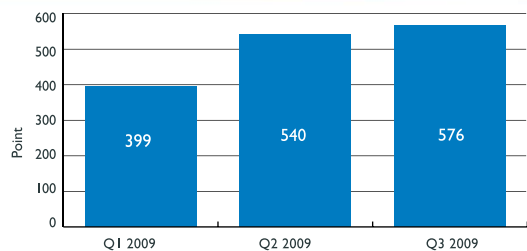
- The total number of employees in the ICT sector reached 178.996 thousand employees during Q1 2009 compared to 164.913 thousand employees during Q1 2008 with an annual increase of 14.083 thousand employees and an annual growth rate of 8.54%.
- This figure includes: ICT sector employees, Telecom Egypt employees, Post employees and Smart Village employees, but doesn't include indirect employees in ICT sector working in IT clubs, internet cafes and private communication stores.



Includes employees of: ICT private sector, Telecom Egypt, Egypt post, Smart Village
Source: Ministry of Investment, General Authority for Investment and Free Zones (GAFI)

Egypt's Stock Exchange index telecommunication

- Average value of Egypt's stock Exchange index witnessed an increase in its value within (July-September) 2009 to reach 576 point in comparison with 540 point within the former quarter of the last year.
- It is worth mentioning that this index includes three companies operating in the sector and listed in Egypt Stock Exchange. These are Telecom Egypt , Mobinil, Orascom Telecom



Source: Egypt Stock Exchange

* For the period from (1st of April till 27 th September2009)

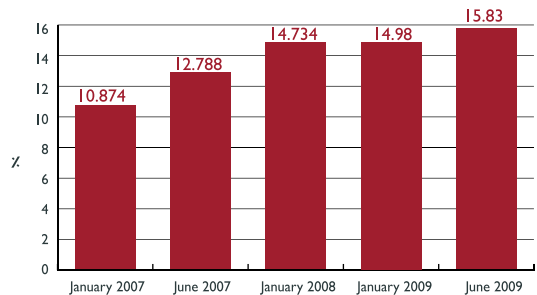
The ICT Sector's

Role in Development

- Proportion of households connected to the internet (June 2009): 15.8% of the total Egyptian households.
- Proportion of individuals who use the internet in educational activities: 44% of the total individuals in the Egyptian households using the internet.
- Number of people to receive specialized ICT training in Q2 2009: 37.415 thousand .
- Total number of trainees registered in the International Computer Driving License (ICDL) program by the end of Q2 2009: 932.7 thousand.
- Number of people to receive call center training in Q2 2009: 975 trainees .
- Number of people to receive software training in Q2 2009: 346 trainees .

■ Proportion of households connected to the internet

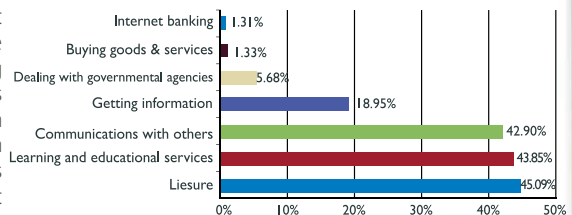
- Proportion of households connected to the internet has increased to 15.8% of the total Egyptian households in June 2009 compared to 14.98% of the total Egyptian households in January 2009.
- It is worth noting that the Broadband internet is considered the most preferred connection mode for a wide range of households connected to the internet. Proportion of households connected to the internet through Broadband internet (ADSL) reached 79.1% of the total Egyptian households. Meanwhile, proportion of households connected to the internet through fixed line (Dial-Up) reached 34.3%. while, proportion of households connected to the internet through ISDN reached 3.16% of the total Egyptian households using internet (This item allowed multiple answers)



Source: Ministry of Communications & Information Technology- ICT usage in IT clubs survey - Multiple Editions.

■ Activities of using the internet by the Egyptian households using the internet

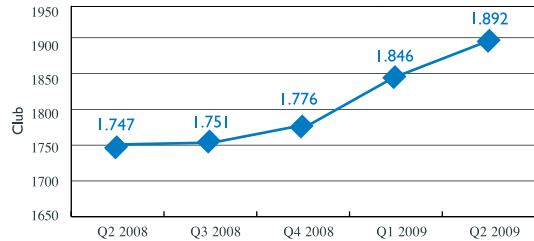
- Proportion of individuals who use the internet in educational activities reached 43.85% of the total individuals in Egyptian households using the internet, whereas Proportion of individuals who use the internet in communicating with others reached 42.09% of the total individuals in Egyptian households using the internet, whereas Proportion of individuals who use the internet in recreational activities (Downloading Videos - Songs - E-Books,...) reached 45.09% of the total individuals in Egyptian households using the internet. (This item allows multiple answers).



Source: Ministry of Communications & Information Technology- ICT usage in households survey - June 2009.

Number of IT Clubs

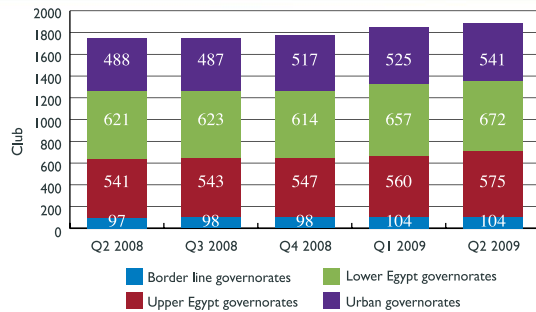
- The number of IT Clubs increased to 1892 at the end of Q2 2009, compared to 1846 at the end of Q1 2009 and 1747 at the end of Q2 2008, representing a year-on-year increase of 145 clubs and an annual growth rate of 8.3%.
- The number of IT Clubs connected to the Internet reached 1704 representing 90.1% of the total number of IT Clubs, at the end of Q2 2009.



Source: Ministry of Communications and Information Technology
IT clubs Department

Geographical Distribution of IT Clubs

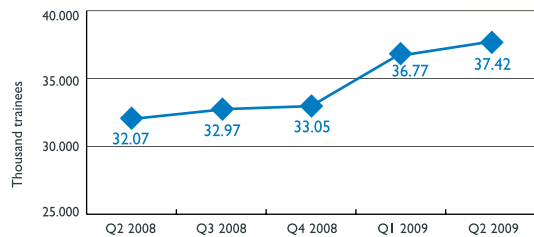
Region	Q2 2009	Q2 2008	(%) Growth rate
Border line governorates	104	97	7.2%
Lower Egypt governorates	575	541	6.3%
Upper Egypt governorates	672	621	8.2%
Urban governorates	541	488	10.9%
Total	1892	1747	8.3%



Source: Ministry of Communications and Information Technology
IT clubs Department

Specialized ICT Training

- The total number of people to pass through the specialized ICT training programs of the Information Technology Institute (ITI) and the National Telecommunication Institute (NTI) reached 37.42 thousand by the end of Q2 2009, compared to 32.07 thousand at the end of Q2 2008. This represents an annual increase of 5.35 thousand trainees and an annual growth rate of 16.68 %.

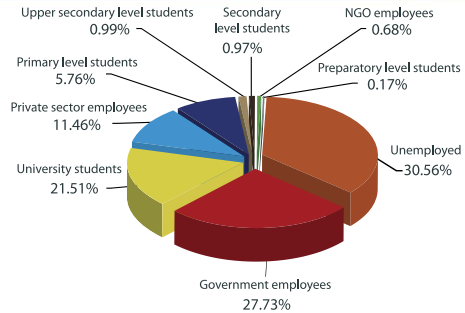


Source: Ministry of Communications and Information Technology -
National Telecommunication Institute (NTI) -
Information Technology Institute (ITI)

The ICT Sector's Role in Development

ICDL Trainees by Occupation

- The total number of registered trainees for the International Computer Driving License (ICDL) in Egypt reached 932.73 Thousand at the end of Q2 2009, of who 189.479 Thousand had received the license.
- At the end of Q2 2009, 27.73% of ICDL trainees worked in governmental agencies, 30.56 % were unemployed, 21.51 % were university students, and 11.64% were working in the private sector and the rest were students in intermediate or secondary level education.



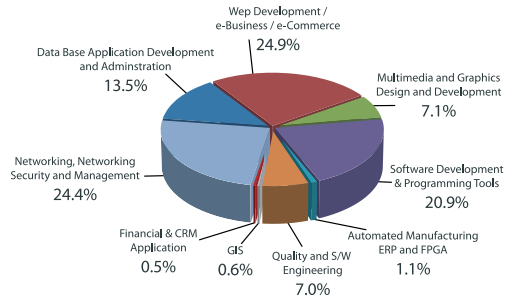
Source: Ministry of Communications and Information Technology Training Department.

Number of Trainees on the NTI's Specialized Training Program

- The trainees on the National Telecommunication Institute's specialized training program are distributed among the following courses as of :

	Q4 2008 *	Q4 2007
Data Base Application Development and Administration	3598	3051
Web Development / eBusiness / eCommerce	6666	6665
Multimedia & Graphics Design & Development	1892	1532
Software Development & Programming Tools	5588	4746
Automated Manufacturing ERP(Enterprise Resources Planning) - FPGA	300	237
Quality & S/W Engineering	1868	1386
GIS	172	0
Financial & CRM Application	127	0
Networking , Networking Security & Managements	6529	6529
Total	26740	24146

* According to the latest figures

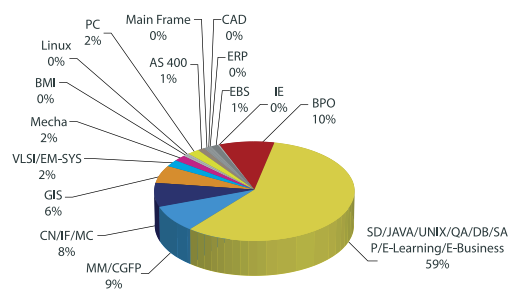


Source: Ministry of Communications and Information Technology - National Telecommunications Institute (NTI)

Number of Trainees on the ITI's Specialized Training Program

Track	Q3 2008*	Q3 2007
SD/JAVA/UNIX/QA/DB/SAP/E-Learning/E-Business	3001	2357
MM/CGFP	369	349
CN/IF/MC	408	338
GIS	258	236
VLSI/EM-SYS	97	73
Mecha	104	88
BMI	10	N/A
Linux	10	10
PC	70	70
AS 400	34	34
Main Frame	5	5
CAD	8	8
ERP	11	11
EBS	21	21
IE	14	14
BPO	2060	408
Total	6480	4022

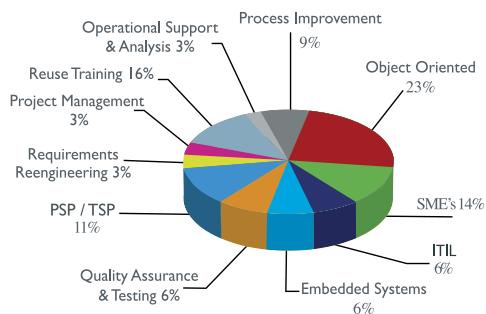
*According to the latest figures.



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

Number of Trainees on Software Training

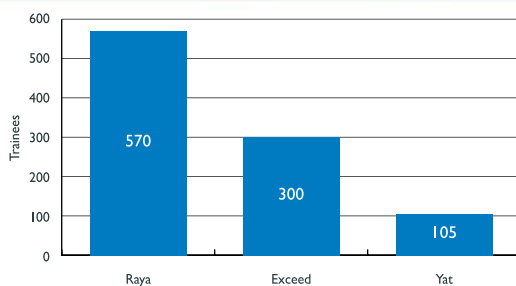
Tracks	Number of trainees (Q2 2009)
Process Improvement	30
Object Oriented	78
SME's	49
ITIL	21
Embedded Systems	20
Quality Assurance & Testing	22
PSP/TSP	39
Requirement Reengineering	10
Project Management	10
Reuse Training	57
Operational Support & Analysis	10
Total	346



Source: Ministry of Communications and Information Technology - Information Technology Industry Development Authority ITIDA - Software Engineering Competence Center (SECC)

Number of Call Center Trainees

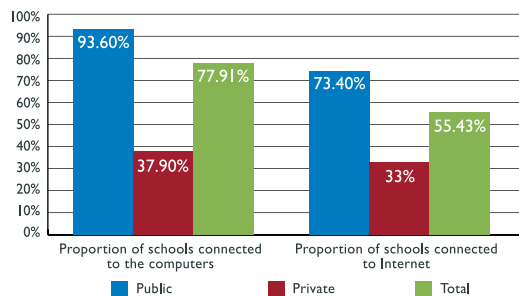
- The total number of people registered in call center training reached 975 trainees by the end of Q1 2009.
- The trainees are distributed as follows:
 - 58.46% RAYA Co.
 - 30.76% EXCEED.
 - 10.77% YAT.



Source: Ministry of Communications and Information Technology

ICT Sector in Education (Pre-University Education June 2009)

- The total number of schools connected to the computer reached about 77.9% from the total Egyptian schools.
- The total number of schools connected to the internet reached about 55.4%.



Source: Ministry of Communications and Information Technology Result of Annual Survey of ICT Usage in University Education Sector - June 2009

ICT Sector Indicators

Infrastructure

- Fixed line subscribers increased to 11.6 million in Q2 2009, compared to 11.3 million in Q2 2008, representing an annual growth rate of 2.65 %.
- Fixed line capacity increased to 14.3 million subscribers in Q2 2009, compared to 13.9 million in Q2 2008, representing an annual growth rate of 2.88 %.
- Mobile subscribers increased to 48.3 million in Q2 2009, compared to 35.1 million in Q2 2008, representing an annual growth rate of 37.6 %.
- Internet users increased to 13.5 million in Q2 2009, compared to 11.29 million in Q2 2008, representing an annual growth rate of 19.6 %.
- Internet penetration increased to 17.7 % in Q2 2009.
- ADSL subscribers increased to 848.002 thousand in Q2 2009, compared to 536.290 thousand in Q2 2008, representing an annual growth rate of 58.12 %.

Economy

- ICT Real GDP recorded the highest sector growth rate during the fiscal year 2008-2009 to reach 15.2 % despite of the effect of the world economic crisis over a large number of economic sectors, followed by the Construction & Building sector that achieved 11.4 % growth rate during the fiscal year 2008-2009 .
- The contribution of the ICT sector to real GDP increased from 3.9 % in Q2 2008 to 4.3% in Q2 2009.
- The total number of employees in the ICT sector reached 178.996 thousand in Q2 2009, compared to 164.913 thousand in Q2 2008, representing an annual growth rate of 8.54%.
- The number of ICT companies reached 3211 by the end of Q2 2009, representing an annual growth rate of 27.5%.

Development

- Proportion of households using the internet increased to 15.8 % of the total number of Egyptian households in June 2009 compared to 14.7 % of the total Egyptian households in January 2009.
- Number of IT clubs reached 1892 at the end of June 2009, whereas the number of IT clubs connected to the internet reached 1704 representing 90.1 % of the total number of IT Clubs.
- The total number of specialized ICT trainees reached 37.42 Thousand by the end of Q2 2009, compared to 32.07 in Q2 2008, representing an annual increase of 16.68 %.
- The number of people to receive software training in Q2 2009 was 346 trainees.