



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

September 2010 | Quarterly Issue

Main Infrastructure Indicators

Main Economic Indicators

ICT Sector's Role in Development

Data item	Unit	Q3 2009	Q2 2010	Q3 2010	Quarterly growth rate (%)	Annual growth rate (%)
ICT Sector: Infrastructure Indicators						
Mobile subscription	Millions	53.43	58.97	63.93	8.41	19.65
Mobile penetration *	%	69.94	76.16	82.19	6.03	12.25
Fixed line subscription	Millions	10.47	10.45	9.93	-4.95	-5.16
Fixed line penetration *	%	13.70	13.42	12.70	-0.72	-1.00
Estimated number of internet users	Millions	15.67	19.66	20.31	3.32	29.61
Internet penetration *	%	20.51	25.38	26.11	0.73	5.60
ADSL subscribers	Thousands	930.46	1190.61	1287.99	8.18	38.43
ADSL penetration *	%	1.22	1.54	1.66	0.12	0.44
International internet bandwidth	Mb/s	69727	118369	121314	2.49	73.98
Number of post offices	Post office	3718	3754	3762	0.21	1.18
ICT Sector: Main Economic Indicators						
ICT sector revenues **	Billion EGP	11.20	11.56	11.94	3.29	6.61
ICT real GDP	Billion EGP	7.5	10.02	8.4	-16.17	12
Contribution of ICT sector to real GDP	%	3.6	4.66	3.8
Contribution of ICT sector to real GDP annual growth rate	Pps	0.45	0.65	0.43
ICT operating companies	Companies	3332	3780	3813	0.87	14.44
Number of direct employment in ICT sector***	Thousand employees	180.02	193.09	203.88	0.41	7.70
ICT Sector's Role In Development						
Number of IT Clubs	IT Club	1931	2062	2124	3.01	9.99
Number of people in specialized and professional ICT training	Thousand graduates	38.35	39.64	40.58	2.36	5.80
* Growth rates have been calculated as the difference between penetration rates in different time intervals.						
** Total ICT revenues reached EGP 40.3 billion in 2009.						
*** Includes employees of Egypt Post, Telecom Egypt, Smart Village, Maadi Park and employees in ICT companies, but doesn't include indirect employees in ICT sector.						

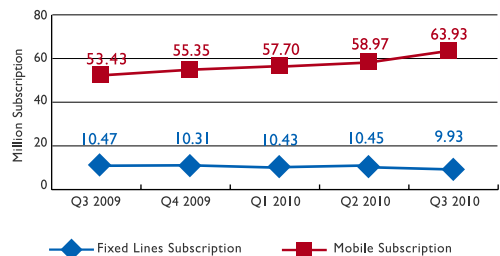
ICT Sector:

Infrastructure Indicators

- Mobile subscription: 63.93 million.
- Mobile penetration: 82.19%.
- Annual growth of mobile subscription: 19.65%.
- Fixed line subscription: 9.93 million
- Fixed line subscription in urban areas: 7.575 million, rural areas 2.356 million.
- Fixed line penetration : 12.70%
- Estimated number of Internet users: 20.31 million.
- Internet penetration : 26.11%.
- Annual growth rate of internet users: 29.61%.
- Internet users through mobile (September 2010) : 6.09 million.
- USB Modem users : 927.14 thousand users.
- ADSL subscribers : 1.29 million.
- International Internet bandwidth: 121314 Mb/s.
- Number of post offices: 3762.
- Number of beneficiaries of pensions distributed through postal offices: 4.6 million beneficiary

Fixed and Mobile Subscription

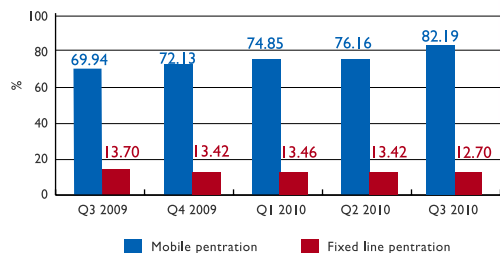
- The number of fixed and mobile subscription was 73.86 million at the end of Q3 2010, compared to 63.89 million at the end of Q3 2009, with an annual increase of 9.97 million subscription and an annual growth rate of 15.60%.
- The number of mobile subscription was 63.93 million at the end of Q3 2010, compared to 53.43 million at the end of Q3 2009. This represents an annual increase of 10.50 million subscription and an annual growth rate of 19.65%. Mobile subscription accounted for 87% of total telephone service subscription at the end of Q3 2010.



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

Fixed Line and Mobile Penetration

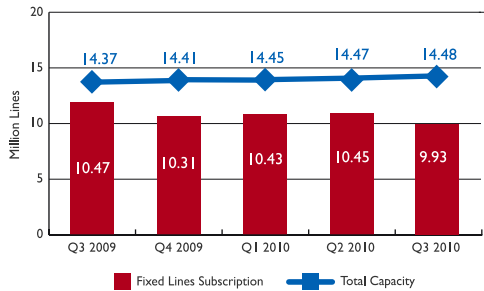
- Mobile penetration increased to 82.19% at the end of Q3 2010, compared to 69.94 % at the end of Q3 2009, representing an annual growth rate of 12.25 % . On the other hand, fixed line penetration reached 12.70% by the end of Q3 2010 .



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

Fixed Lines Subscription and Local Exchange Capacity

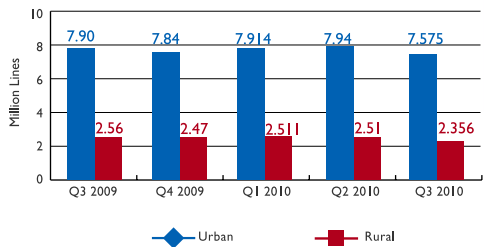
- Total number of fixed line subscription has reached 9.93 million subscription at the end of Q3 2010 compared to 10.47 million subscription at the end of Q3 2009.
- The capacity of local exchanges increased to 14.48 million lines at the end of Q3 2010, Compared to 14.37 at the end of Q3 2009. This represents an annual increase of 0.11 million lines and an annual growth rate of 0.77%.



Source: Ministry of Communications and Information Technology, Telecom Egypt

Fixed Lines (Urban and Rural Areas)

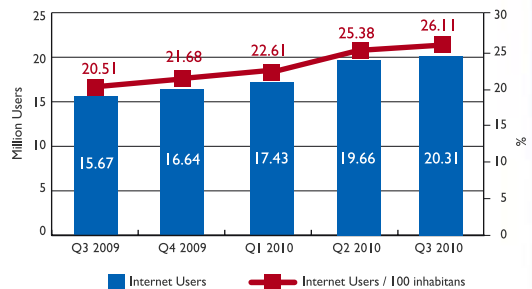
- The total number of fixed line subscription in urban areas reached 7.58 million subscription by the end of Q3 2010 compared to 7.90 million subscription by the end of Q3 2009, The total number of subscription in rural areas reached 2.36 million subscription by the end of Q3 2010 compared to 2.56 million subscription by the end of Q3 2009.



Source : Ministry of Communications and Information Technology, Telecom Egypt

Estimated Number of Internet Users*

- The estimated number of Internet users increased to 20.31 million at the Q3 2010, compared to 15.67 million at the end of Q3 2009, representing an annual increase of 4.64 million users and an annual growth rate of 29.61%.
- Internet penetration increased to 26.11% at the end of Q3 2010, compared to 20.51% at the end of Q3 2009, representing an annual growth rate of 5.60%.



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

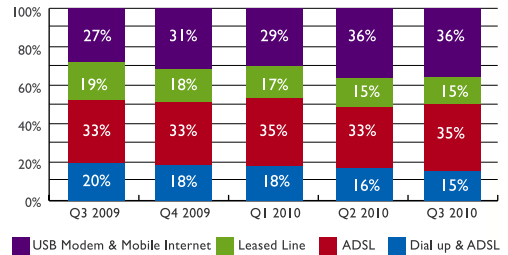
* Includes internet users through mobile.

ICT Sector:

Infrastructure Indicators

Internet Users by Mode of Access

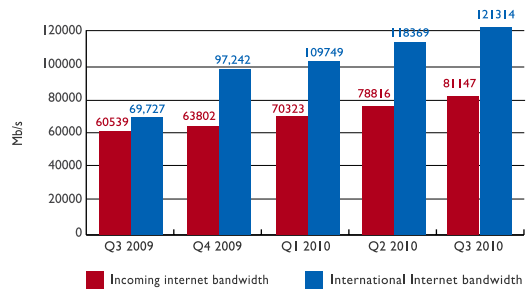
- Mobile and USB Modem was the mode of access for 36% of Internet users, while ADSL users represented 35% of internet users in Q3 2010. On the other hand the Dial-up and ISDN subscribers accounted for 15%.



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

International Internet Bandwidth

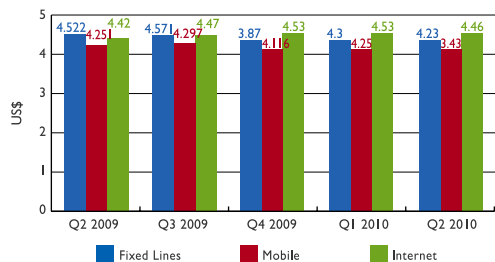
- International Internet bandwidth increased to 121314 Mb/s at the end of Q3 2010 compared to 69727 in Q3 2009 representing an annual growth rate of 73.98%.



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

ICT Price Basket

- The monthly cost of fixed line * reached US \$ 4.23 in Q2 2010, while it reached US \$ 3.43 for mobile services ** in Q2 2010 and US \$ 4.46 for internet services *** in Q2 2010.



Source : Ministry of Communications and Information Technology, Information Center

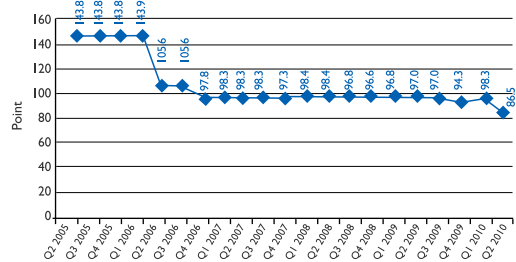
* The price for a residential fixed line is calculated as one-fifth of the installation charge, the monthly subscription charge and the cost of local calls (15 peak and 15 off-peak calls of three minutes each)

** 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 86.5 point in Q2 2010 compared to 97.0 point in Q1 2009 with annual decrease of 1.5 point.
- It is worth mentioning that the ICT Services Composite Index had decreased during the period between Q1 2005 and Q4 2006, mean it had witnessed a relative stability during the period Q1 2007 - Q3 2009.

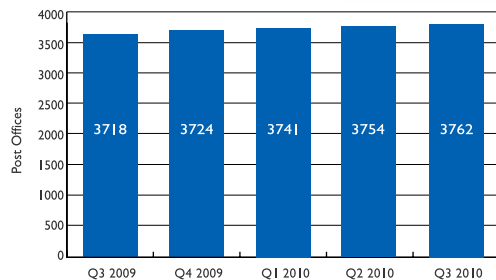


Source : Ministry of Communications and Information Technology, Information Center

* 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

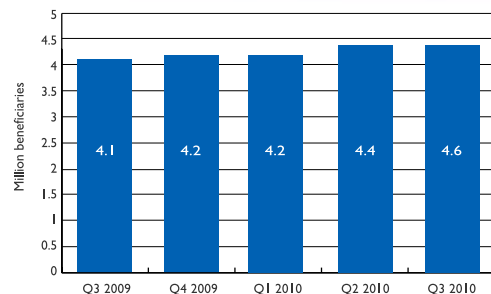
- The total number of post offices increased to 3762 at the end of Q3 2010, compared to 3718 at the end of Q3 2009, representing an increase of 44 offices and an annual growth rate of 1.18%.
- The average number of people served by individual post offices was 20.68 thousand at the end of Q3 2010, compared to 20.55 thousand at the end of Q3 2009, representing an annual increase 130 people and annual growth rate of 0.63%



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 4.6 million beneficiaries in Q3 2010 compared to about 4.1 million beneficiaries in Q3 2009 with an annual growth rate of 12.2 %.
- On the other hand, number of pensions distributed through postal offices in the place of residence has increased to about 812 thousand beneficiaries in Q3 2010 compared to 987 thousand beneficiaries Q3 2009 .



Source : Ministry of Communications and Information Technology, Egypt Post

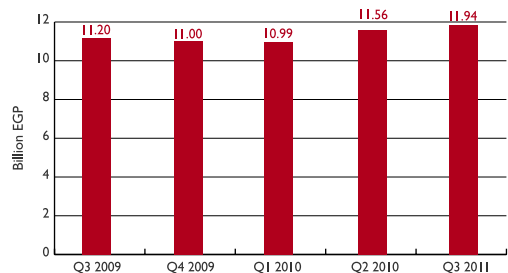
ICT Sector:

Main Economic Indicators

- ICT sector revenues Q1 2010/2011: EGP 11.94 billion.
- ICT gross domestic product at fixed prices during Q1 2010/2011: EGP 8.4 billion.
- Real growth rate of ICT sector GDP Q1 2010/2011: 12%.
- ICT sector contribution to real GDP Q1 2010/2011: 3.8%.
- ICT sector contribution to real GDP growth rate Q1 2010/2011: 0.43 pps.
- Average annual FDI inflows into the ICT sector: USD 1 billion.
- Number of operating companies in the ICT sector Q3 2010: 3813.
- Annual growth rate of number of ICT companies Q3 2010:14.44.
- Issued capital for ICT companies of number of ICT companies Q3 2010: 44.74 Billion EGP.
- Number of ICT direct employment Q3 2010:203.88 thousand.
- ICT sector exports (2010): USD 1100 million.
- Value of Egypt's stock Exchange telecommunications index Q3 2010 : 463 point.
- ICT sector's contribution to the treasury (2004-2010): EGP 71 billion.

■ ICT Sector revenues and expenses

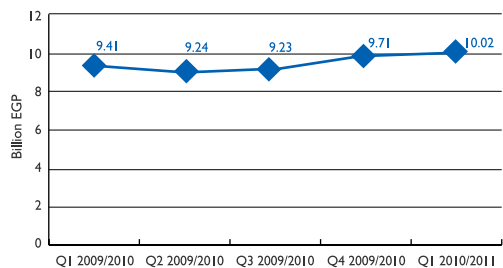
- The total operating revenues of ICT companies reached EGP 11.94 billion in Q1 2010/2011 compared to EGP 11.20 billion in Q1 2009/2010 representing an annual growth rate of 6.61 %.



Source: Ministry of Communications and Information Technology - Information Center

■ Revenues and Expenses of Main Telecommunications Companies **

- The total revenues of the main telecommunications companies reached EGP 10.02 billion in Q1 2010/2011 compared to EGP 9.41 billion in Q1 2009/2010.

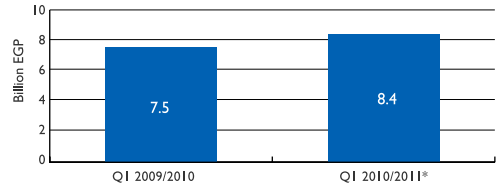


Source: Ministry of Communications and Information Technology - Information Center

* Including: Telecom Egypt, Vodafone, Mobinil and Etisalat Egypt

■ ICT GDP at Constant Prices

- ICT real GDP at constant prices reached 8.4 billion EGP during Q1 2010/2011 compared to 7.5 billion EGP during Q1 2009/2010.
- The private sector contributed with the biggest share of the sector's real GDP reached 5.7 Billion EGP during Q1 2010/2011 constituting 68 % of the total ICT GDP.

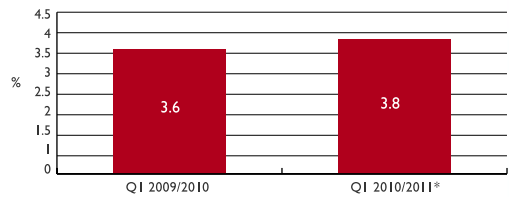


* Preliminary Figure

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 Q1 2010/2011 compared to 3.6 % in Q1 2009/2010.
- It is noteworthy that total GDP at constant prices of the Egyptian Economy reached EGP 221 billion during Q1 2010/2011.

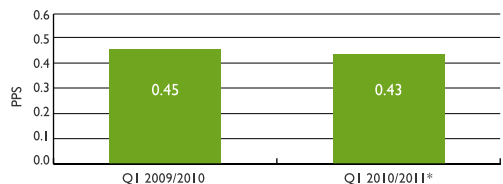


* Preliminary Figure

Source: Ministry of State for Economic Development

■ Contribution of the ICT Sector to Real GDP Growth Rate

- The contribution of the ICT sector to the real GDP growth rate reached 0.43 pps out of 5.24% of the total growth rate of the Egyptian Economy in Q1 2010/2011 compared to 0.45 pps in Q1 2009/2010.
- It is worth mentioning that ICT Sector contributed with about 7.9% of the total annual growth rate of the Egyptian Economy in Q1 2009/2010.



* Preliminary Figure

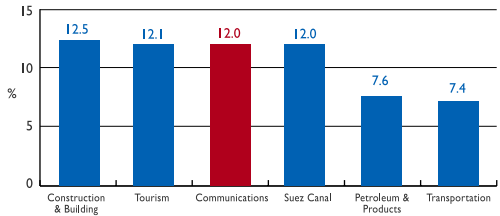
Source: Ministry of State for Economic Development

ICT Sector:

Main Economic Indicators

Real growth rate of ICT sector **

- The annual growth rate of ICT sector reached 12% in Q1 2010/ 2011 and it recorded the third highest growth rate among the different economic sectors.

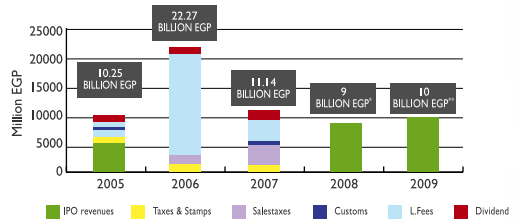


* Preliminary Figure

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.



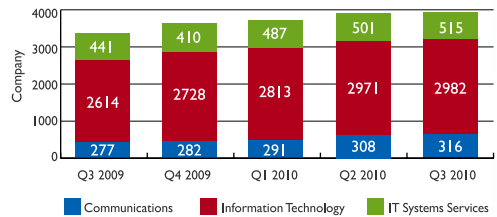
* Preliminary Figure

** Estimated figure

Source: Ministry of Communications and Information Technology, Information Center

Number of ICT Companies According to Activities

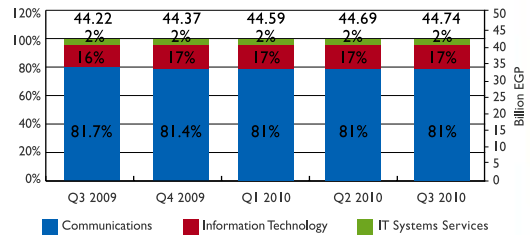
- The number of ICT companies increased to 3813 at the end of Q3 2010, of which 78% were IT companies, 14% IT-system services companies and 8% communication companies. The number of ICT companies was 14.44% higher than the number of ICT companies in Q3 2009.



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

ICT Companies Issued Capital

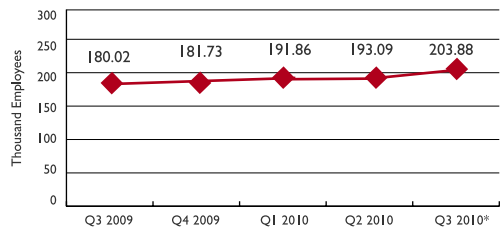
- The total issued capital for ICT companies reached 44.74 Billion EGP during Q3 2010 compared to 44.22 Billion EGP during Q3 2009.
- It is worth noting that the percentage of Issued Capital of telecommunication companies reached 81% of the total issued capital within the sector, while it reached 17% for Information Technology and 2% for IT System Services.



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

Total Number of ICT Direct Employment

- The total number of direct employment in the ICT sector reached 203.88 thousand employees during Q3 2010 compared to 180.02 thousand employees during Q3 2009 with annual increase of 23860 employees.
- This figure includes: ICT sector employees, Telecom Egypt employees, Post employees, Smart Village employees, Maadi Technology Park employees and employees in ICT companies, but doesn't include indirect employees in ICT sector working in IT clubs, internet cafes and private communications stores.

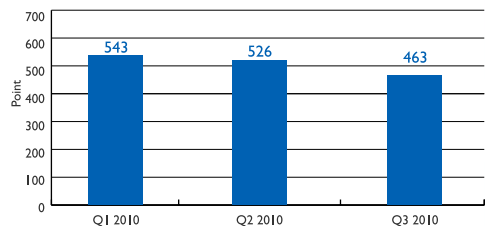


* Al Maadi Park employees have been added started from September 2010

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 a decrease in its value within (June – September)2010 to reach 463 point in Q3 2010 in comparison with 526 point in Q2 2010.
- It is worth mentioning that this indicator includes three companies operating in the sector and listed in Egypt Stock Exchange. These are :Telecom Egypt, Mobinil and Orascom Telecom.



Source: Egyptian Stock Market

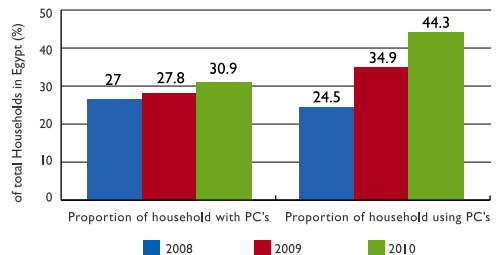
The ICT Sector's

Role in Development

- Proportion of households with computers (2010) : 31%.
- Proportion of households using computers (2010) : 44%.
- Proportion of households with internet access at home (2010) : 30%.
- Proportion of households using internet in learning and educational purposes (2010) : 39%.
- Number of graduates from specialized ICT training: 41 thousand graduates.
- Number of graduates from the International Computer Driving License (ICDL) Q3 2010: 428 thousand graduates.
- Number of graduates to receive call center training (Q3 2010): 1275 graduates .
- Number of graduates to receive software training (till September 2010): 100 graduates .

Computers usage in households

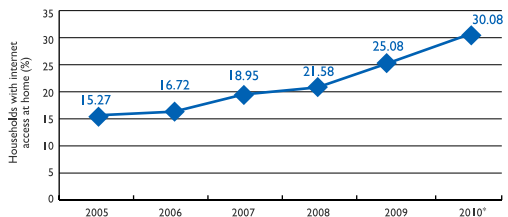
- Proportion of households with computers increased to about 31% of total households in Egypt in 2010 compared with 28% of total households in Egypt in 2009, while the proportion of households using computers reached about 44% of total households in same year 2010 compared with 35% of total households in 2009.



Source: "ICT use by household and individuals survey", conducted in cooperation with the Central Agency for Public Mobilization and Statistics, 2010.

Households with internet access at home

- Proportion of households with internet access at home has increased from 15.27% of total households in 2005 to 30.08% of total households in 2010 due to many government initiatives that aim to reduce the cost of internet, the most important of which: the free internet and broadband initiatives.

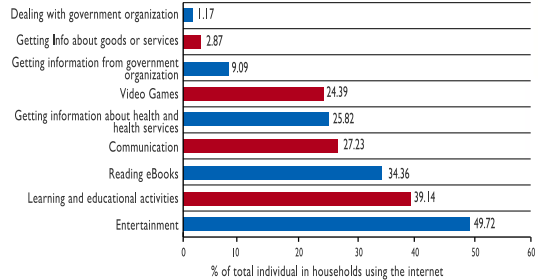


* September 2010.

Source: Source: Ministry of Communications and Information Technology – Information center.

Internet activities *

- Entertainment and educational are the main internet activities undertaken by individuals in 2010, as 49% and 39% of individuals use the internet for these two purposes respectively, while other uses had varied between reading e-books with about 34.36%, communication with about 27.23%, getting information about health and health services with about 25.82%, video games 24.39 and other activities.

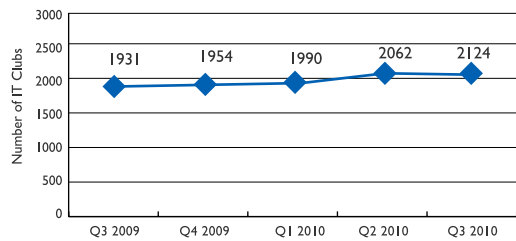


* Multiple answers were allowed.

Source: "ICT use by household and individuals survey", conducted in cooperation with the Central Agency for Public Mobilization and Statistics, 2010.

Number of IT Clubs

- The number of IT Clubs increased to 2124 at the end of Q3 2010, compared to 2062 at the end of Q2 2010 and 1931 at the end of Q3 2009, representing an annual increase of 193 clubs and an annual growth rate of 9.99%.
- The number of IT Clubs connected to the Internet has reached 1913 representing 90.1% of the total number of IT Clubs, at the end of Q3 2010.

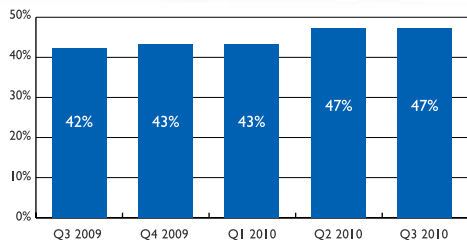


Source: Ministry of Communications and Information Technology – IT Clubs Department.

Region	Q3 2010	Q3 2009	(%) Growth rate
Lower Egypt governorates	688	597	15.24%
Upper Egypt governorates	768	707	8.63%
Border line governorates	114	105	8.57%
Urban governorates	554	522	6.13%
Total	2124	1931	100%

Public Internet Access Points**

- Percentage of localities having internet access points has reached about 47% of the total number of localities in Egypt in Q3 2010 compared to about 42% in Q3 2009 with an annual growth rate of 5%.



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

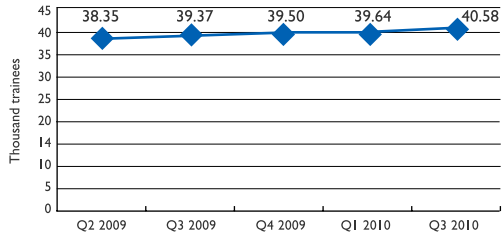
** Calculated as the ratio of total "localities, districts and cities have a public connection to the internet" divided by the total number of localities in Egypt.

The ICT Sector's

Role in Development

Specialized & Professional ICT Training

- The total number of specialized and professional ICT graduates reached 40.58 thousand by the end of Q3 2010, compared to 38.35 thousand at the end of Q3 2009. This represents an annual increase of 2.22 thousand graduates and an annual growth rate of 5.80%.



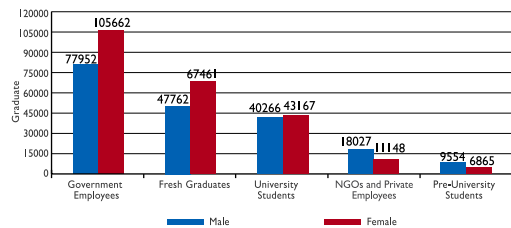
Source: Ministry of Communications and Information Technology, National Telecommunication Institute, the Information Technology Institute

ICDL Training

- The total number of graduates certified with the International Computer Driving License (ICDL) in Egypt reached 428 thousand at the end of Q3 2010 distributed according to the employment status as follows:

Employment status	Total (thousand)
Pre-University Students	16
University Students	83
Fresh graduates	115
NGO's and Private employees	29
Government employees	184
Total	428

ICDL certified persons by employment status and gender

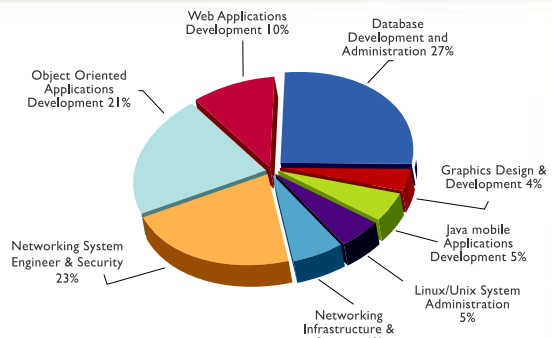


Source: Ministry of Communications and Information Technology - Training and human resources Department (ICDL Program).

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

- The trainees who currently receiving the National Telecommunication Institute's specialized training program in 2010 are distributed among the following courses:

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



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

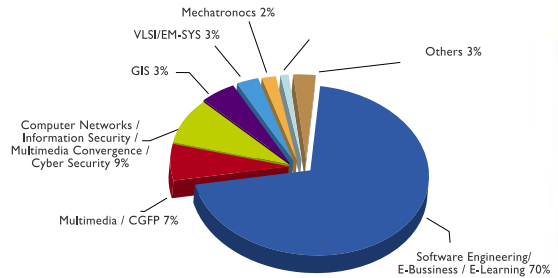
* Enrollment trainees started from November 2010 .

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

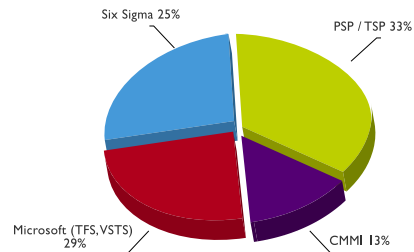


Source: Ministry of Communications and Information Technology , Information Technology Institute .

Capacity Building Program Provided by ITIDA **

- The total number of graduates in the software field has reached 100 in Q3 2010, distributed as follows:

Tracks	Q3 2010
Six Sigma	25
Microsoft (TFS, VSTS)	29
PSP / TSP	33
CMMI	13
Total	100

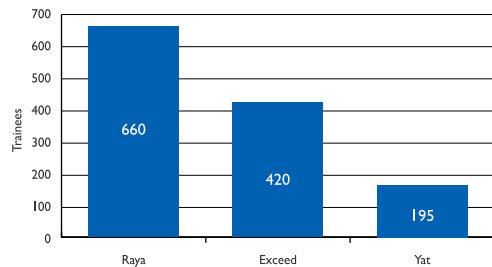


Source: Ministry of communications and Information Technology, Information Technology Industry Development Authority, Software engineering competence Center (SECC).

* It's worth mentioning that the total number of companies that achieved the CMMI accreditation level has reached 43 companies till October 2010.

Number of Call Center graduates

- The total number of graduates in call centers has reached 1275 by the end of Q3 2010.
- The trainees 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 subscription increased to 63.93 million in Q3 2010, compared to 53.43 million in Q3 2009, representing an annual growth rate of 19.65%.
- Mobile penetration increased to 82.19% in Q3 2010, compared to 69.94% in Q3 2009, representing an annual growth rate of 12.25%.
- Estimated internet users Internet users increased to 20.31 million in Q3 2010, compared to 15.67 million in Q3 2009, representing an annual growth rate of 29.61%.
- Internet penetration increased to 26.11% in Q3 2010.
- ADSL subscribers increased to 1288 thousands in Q3 2010, compared to 930 thousands in Q3 2009, representing an annual growth rate of 38.43%.

Main Economic Indicators

- The ICT sector real GDP has reached 8.3 billion in Q1 2010/2011 with an annual growth rate 12% .
- The contribution of the ICT sector to real GDP of the Egyptian Economy reached 3.8 % in Q1 2010/2011.
- The total number of ICT employment reached 204 thousand in Q3 2010, compared to 180 thousand in Q3 2009.
- The number of ICT companies reached 3813 by the end of Q3 2010, representing an annual growth rate of 14%.

ICT sector's role in Development

- Proportion of households with computers is about 31% of total Egyptian households in 2010 while the proportion of households who use computers has increased to about 44% of total number of households in Egypt in 2010.
- Proportion of households with internet access at home is about 30% of total households in 2010
- Number of IT clubs reached 2124 at the end of Q3 2010, whereas the number of IT clubs connected to the internet reached 1913 representing 90.1% of the total number of IT Clubs.
- The total number of graduates of specialized and professional ICT training program has reached 41 thousand by the end of Q3 2010, compared to 38 thousand in Q3 2009, representing an annual increase of 6%
- The number of graduates to receive software training in Q3 2010 was 100 graduates.