



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

December 2010 | Quarterly Issue

Main Infrastructure Indicators

Main Economic Indicators

ICT Sector's Role in Development

Data item	Unit	Q4 2009	Q3 2010	Q4 2010	Quarterly growth rate (%)	Annual growth rate (%)
<b>ICT Sector: Infrastructure Indicators</b>						
Mobile subscription	Millions	55.35	63.93	70.66	10.53	27.66
Mobile penetration *	%	72.13	82.19	90.44	8.25	18.31
Fixed line subscription	Millions	10.31	9.93	9.62	-3.12	-6.69
Fixed line penetration *	%	13.42	12.70	12.24	-0.46	-1.18
Estimated Internet users	Millions	16.64	20.31	23.02	13.26	38.39
Internet penetration *	%	21.68	26.11	29.47	3.36	7.79
ADSL subscription	Thousands	1027.49	1287.99	1402.40	8.88	36.49
Proportion of internet broadband users of total internet users *	%	82	85	86	1	4
International internet bandwidth	Mb/s	97242	121314	122296	0.81	25.76
Number of post offices	Post office	3724	3762	3770	0.21	1.24
<b>ICT Sector: Main Economic Indicators</b>						
ICT sector revenues **	Billion EGP	11	11.94	12.16	1.84	10.55
ICT real GDP	Billion EGP	8.7	8.4	9.6	14.3	10.2
Contribution of ICT sector to real GDP	%	4.25	3.8	4.35	....	....
Contribution of ICT sector to real GDP annual growth rate	Pps	0.50	0.43	0.43	....	....
Number of ICT companies	Companies	3470	3813	3934	3.17	13.37
Number of direct employment in ICT sector ***	Thousand employees	181.73	203.88	204.96	0.53	12.78
<b>ICT Sector's Role In Development</b>						
Number of IT Clubs	IT Club	1954	2124	2152	1.32	10.13
Number of people graduated from specialized and professional ICT training	Thousand graduates	39.37	40.58	40.77	0.47	3.54
* Growth rates are calculated as the difference between penetration rates in different time intervals.						
** Total ICT revenues reached EGP 44.60 billion in 2010.						
*** Includes employees of ICT sector, Telecom Egypt, Smart village and Maadi Technology Park.						

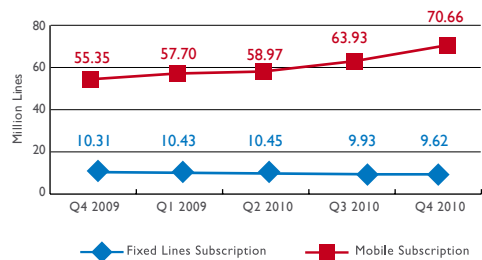
# ICT Sector:

## Infrastructure Indicators

- Mobile subscription: 70.66 million
- Mobile penetration: 90.44%
- Mobile subscription annual growth rate: 27.66%
- Fixed line subscription: 9.62 million
- Fixed line subscription in urban areas: 7.37 million, rural areas 2.25 million
- Fixed line penetration: 12.24%
- Internet users: 23.02 million
- Internet penetration: 29.47%
- Internet users annual growth rate: 38.39%
- Internet users through mobile: 7.85 million
- USB Modem users: 1472.62 thousand users
- ADSL subscription: 1.4 million
- International Internet bandwidth: 122296 million Mbps
- Number of post offices: 3770
- Number of Beneficiaries of Pensions' Payment Service: 4.6 million beneficiary

### Fixed and Mobile Subscription

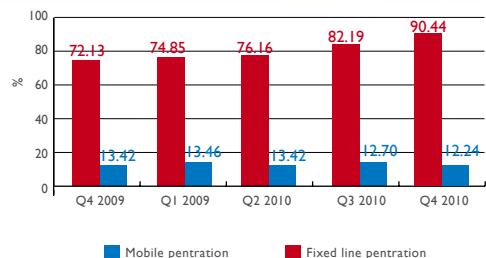
- The number of fixed and mobile subscription was 80.28 million at the end of Q4 2010, compared to 65.66 million at the end of Q4 2009, with an annual increase of 14.61 million subscription and an annual growth rate of 22.26%.
- The number of mobile subscription was 70.66 million at the end of Q4 2010, compared to 55.35 million at the end of Q4 2009. This represents an annual increase of 15.31 million subscription and an annual growth rate of 27.66%. Mobile subscription accounted for 88 % of total telephone service subscription at the end of Q4 2010.



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

### Fixed Line and Mobile Penetration

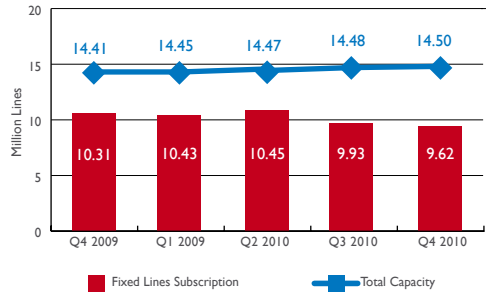
- Mobile penetration increased to 90.44% at the end of Q4 2010, compared to 72.13% at the end of Q4 2009, representing an annual growth rate of 18.31% . On the other hand, fixed line penetration reached about 12.24% by the end of Q4 2010.



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

## Fixed Lines Subscription and Local Exchange Capacity

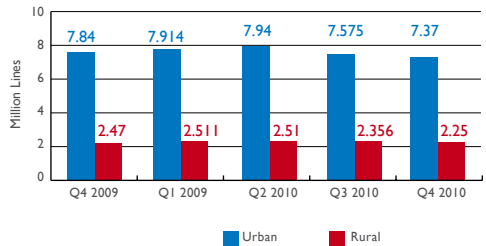
- Total number of fixed line subscription has reached 9.62 million subscription at the end of Q4 2010 compared to 10.31 million subscription at the end of Q4 2009.
- The capacity of local exchanges increased to 14.50 million lines at the end of Q4 2010, compared to 14.41 million at the end of Q4 2009. This represents an annual increase of 0.09 million lines and an annual growth rate of 0.62%.



Source : Ministry of Communications and Information Technology, Telecom Egypt

## Fixed Lines (Urban and Rural Areas)

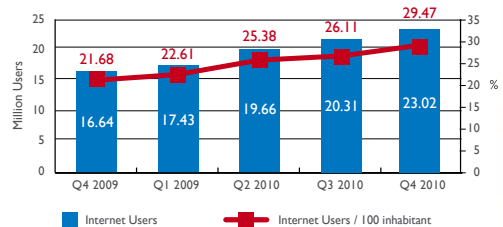
- The total number of fixed line subscription in urban areas reached 7.37 million subscription by the end Q4 2010 compared to 7.84 million subscription by the end of Q4 2009. The total number of subscription in rural areas reached 2.25 million subscription by the end of Q4 2010 compared to 2.47 million subscription by the end of Q4 2009.



Source : Ministry of Communications and Information Technology, Telecom Egypt

## Estimated Number of Internet Users\*

- The estimated number of Internet users increased to 23.02 million at the end Q4 2010, compared to 16.64 million at the end of Q4 2009, representing an annual increase of 6.39 million users and an annual growth rate of 38.39%.
- Internet penetration increased to 29.47% at the end of Q4 2010, compared to 21.68% at the end of Q4 2009, representing an annual growth rate of 7.79%.



\* Includes internet users through mobile and USB modems.

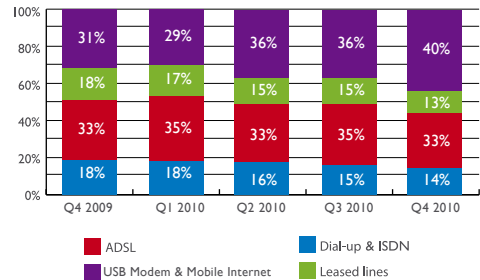
Source : Ministry of Communications and Information Technology, National Telecom Regulatory Authority

# ICT Sector:

## Infrastructure Indicators

### Internet Users by Mode of Access

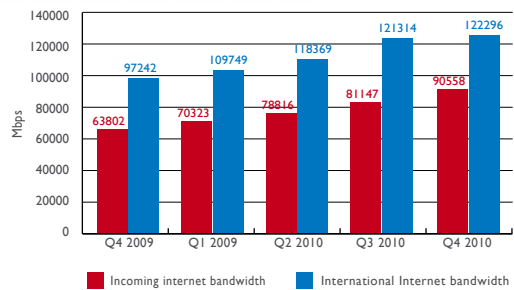
- Broadband internet users constituted 86% of total internet users in Q4 2010 compared to 82% of total internet users in Q4 2009.
- On the other hand proportion of narrowband internet users has decreased to 14% of total internet users in Q4 2010 compared to 18% of total internet users in Q4 2009.



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

### International Internet Bandwidth

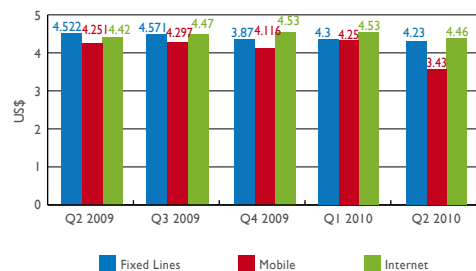
- International Internet bandwidth increased to 122296 Mb/s at the end of Q4 2010 compared to 97242 Mb/s at the end of Q4 2009 representing an annual growth rate of 25.76%.



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 Q2 2010 was USD 4.23 for a fixed line\*, USD 3.43 for mobile services\*\* and USD 4.46 for Internet service\*\*\*.



Source : Ministry of Communications and Information Technology, Information Center

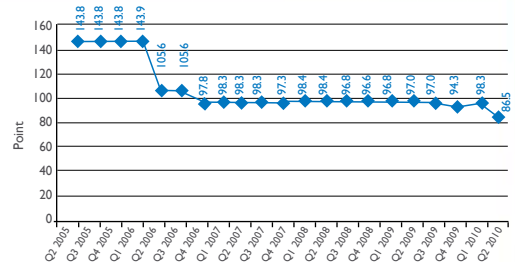
\* The price for a residential fixed line is calculated as one-fifth of the installation charge, the monthly subscription charge and the cost of local calls (15 peak and 15 off-peak calls of three minutes each)

\*\* 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 86.5 point in Q2 2010 compared to 96.79 point in Q1 2009 with annual decrease rate 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 while it had witnessed a relative stability during the period Q1 2007 - Q3 2009.

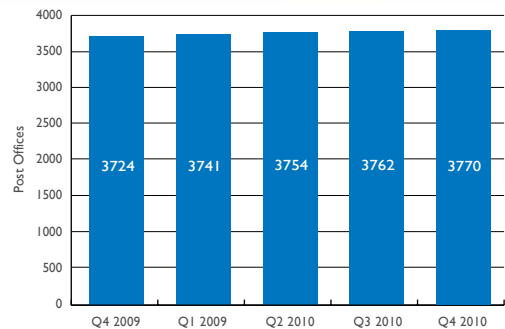


Source : Ministry of Communications and Information Technology, Information Center

\* 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 20062007/ was chosen to be the base year for the index.

## ■ Post Offices

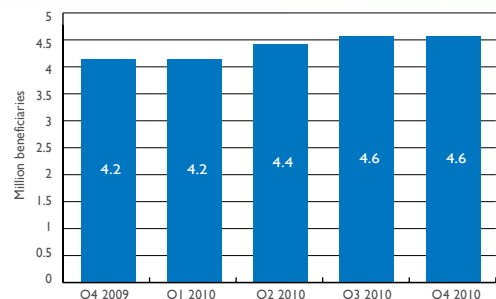
- The total number of post offices increased to 3770 at the end of Q4 2010, compared to 3724 at the end of Q4 2009, representing an increase of 46 offices and an annual growth rate of 1.24%.
- The average number of people served by individual post offices was 20.72 thousands at the end of Q4 2010, compared to 20.61 thousands at the end of Q4 2009, representing an annual increase 117 people and annual growth rate of 0.57%



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 Q4 2010 compared to 4.2 million beneficiaries in Q4 2009 with an annual growth rate of 9.5 %.
- On the other hand, number of pensions distributed through postal offices in the place of residence reached 852 thousand beneficiaries in Q4 2010 compared to 951 thousand beneficiaries in Q4 2009.



Source : Ministry of Communications and Information Technology, Egypt Post

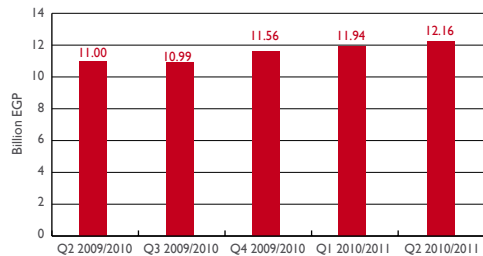
# ICT Sector:

## Main Economic Indicators

- ICT sector revenues Q2 2010/2011: EGP 12.16 billion
- ICT gross domestic product at fixed prices during Q2 2010/2011: EGP 9.6 billion
- Real growth rate of ICT sector GDP Q2 2010/2011: 10.2%
- ICT sector contribution to real GDP Q2 2010/2011: 4.35%
- ICT sector contribution to real GDP growth rate Q2 2010/2011: 0.43 pps
- Average annual FDI inflows into the ICT sector: USD 1 billion
- Number of ICT companies Q4 2010: 3934
- Number of ICT companies annual growth rate Q4 2010: 13.37 %
- ICT Issued capital Q4 2010: 44.82 Billion EGP
- Number of people employed in the ICT sector Q4 2010: 204.96 thousands
- ICT sector exports (2010): USD 1100 million
- Value of Egypt's stock Exchange telecommunications index (Q4 2010): 434 point
- ICT sector's contribution to the treasury (2009)(Tentative Figure): EGP 10 billion

### ■ ICT Sector revenues

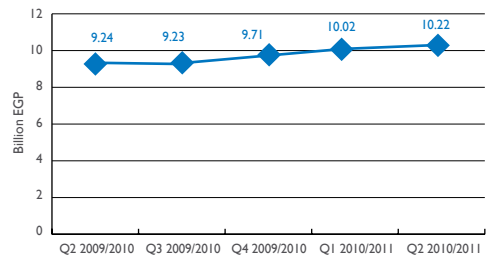
- The total operating revenues of ICT companies reached EGP 12.16 billion in Q2 2010/2011 compared to EGP 11 billion in Q2 2009/2010 .



Source : Ministry of Communications and Information Technology, Information Center

### ■ Revenues of Main Telecommunications Companies \*\*

- The total revenues of the four main telecommunications companies reached EGP 10.22 billion in Q2 2010/2011 compared to EGP 9.24 billion in Q2 2009/2010.

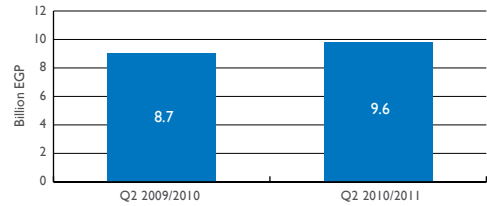


Source : Ministry of Communications and Information Technology, Information Center

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

### ■ ICT GDP at Constant Prices

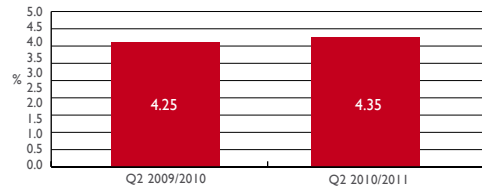
- ICT real GDP at constant prices reached 9.6 billion EGP during Q2 2010/2011 compared to 8.7 million EGP during Q2 2009/2010.
- The private sector contributed with the biggest share of the sector's real GDP reached 6.5 Billion EGP during Q2 2010/2011 constituting 68 % of total ICT GDP.



Source: Ministry of Planning

### ■ Contribution of ICT Sector in Real GDP

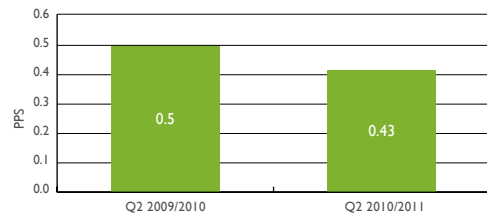
- The contribution of the ICT sector to real GDP of the Egyptian economy at constant prices increased to 4.35 % during Q2 2010/2011 compared to 4.25 % in Q2 2009/2010.
- It is noteworthy that total GDP at constant prices of the Egyptian economy reached EGP 218 billion during Q2 2010/2011 .



Source: Ministry of Planning

### ■ Contribution of ICT Sector to Real GDP Growth Rate

- The contribution of ICT sector to the real GDP growth rate reached 0.43 pps out of 5.73% of the total growth rate of the Egyptian economy in Q2 2010/2011 compared to 0.50 out of 5% of total growth rate of Egyptian economy in Q2 2009/2010.
- It is worth mentioning that ICT Sector contributed with about 7.5% of the total annual growth rate of the Egyptian economy in Q2 2010/2011.



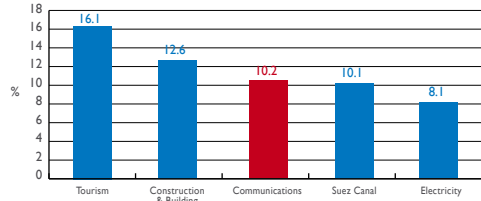
Source: Ministry of Planning

# ICT Sector:

## Main Economic Indicators

### Real growth rate of ICT sector GDP

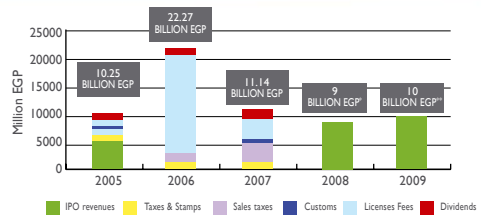
- The annual growth rate of ICT sector real GDP reached 10.2% during Q2 2010/2011 and it recorded the third highest growth rate among different socio economic sectors.



Source: Ministry of Planning

### 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. It worth mentioning that ICT sector contribution to the treasury reached EGP 71 billion during the period (2004-2010).



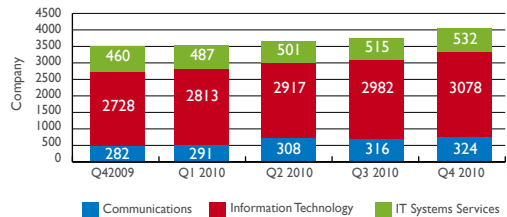
\* Preliminary Figure

\*\* Estimated figure

Source : Ministry of Communications and Information Technology, Information Center

### Number of ICT Companies

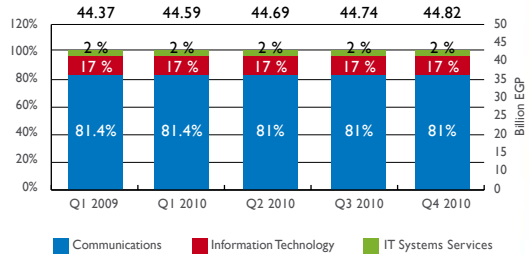
- The number of ICT companies increased to 3934 at the end of Q4 2010, of which 78% were IT companies, 14% IT-system services companies and 8% communications companies. The number of operating companies in Q4 2010 was 13.37% higher than in Q4 2009.



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

## ICT Issued Capital

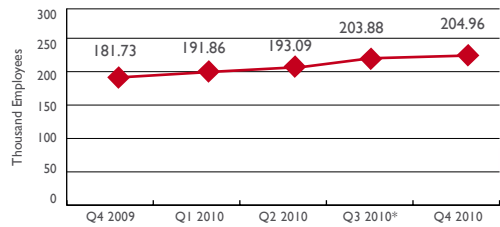
- The total issued capital for ICT companies reached 44.82 Billion EGP during Q4 2010 compared to 44.37 Billion EGP during Q4 2009.
- It is worth noting that the percentage of Issued Capital of telecommunication companies reached 81% of the total issued capital while it reached 17% for Information Technology and 2% for IT System Services.



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

## ICT Direct Employment

- The total number of employees in the ICT sector reached 204.96 thousand employees during Q4 2010 compared to 181.73 thousand employees during Q4 2009 with annual increase of 23 thousand employees.
- 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.

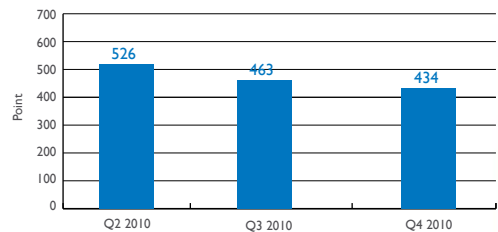


\* Al Maadi Technology Park employees have been added starting from September 2010

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

## Egypt's Stock Exchange Telecommunication Index

- Egypt's Stock Exchange Telecommunication Index witnessed a decrease in its value within Q4 2010 to reach 434 point in Q4 2010 in comparison with 463 point in Q3 2010.
- 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.



Source: Egyptian Stock Market

# The ICT Sector's

## Role in Development

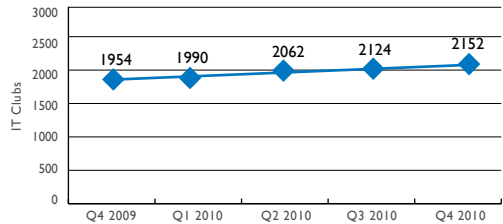
- Proportion of IT Clubs users who benefited significantly from IT Clubs services (2011): 44%
- Proportion of IT clubs users who benefited from IT clubs services in acquiring advanced skills in using computer and internet(2011): (Urban 72%), (Rural 77%)
- Number of graduates from specialized ICT training: 40.77 thousand graduates
- Number of graduates from the International Computer Driving License (ICDL) program (Q4 2010): 521 thousand graduates
- Number of graduates to receive call center training: 1275 graduates
- Number of graduates to receive software training: 706 graduates

### ■ Number of IT Clubs\*

- The number of IT Clubs increased to 2152 at the end of Q4 2010, compared to 2124 at the end of Q3 2010 and 1954 at the end of Q4 2009, representing an annual increase of 198 clubs and an annual growth rate of 10.13%.

Region	Q4 2010	Q4 2009	Growth (%) Rate
Border line governorates	703	604	16.39%
Lower Egypt governorates	770	716	7.54%
Upper Egypt governorates	119	107	11.21%
Urban governorates	560	527	6.26%
<b>Total</b>	<b>2152</b>	<b>1954</b>	<b>10.13%</b>

- The number of IT Clubs connected to the Internet has reached 1910 representing 88.8% of the total number of IT Clubs, at the end of Q4 2010.

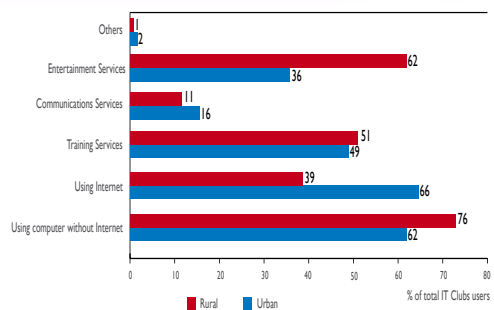


Source : Ministry of Communications and Information Technology, IT Clubs Department

\* IT clubs is a governmental initiative aims at encouraging ICT usage in rural and remote areas. The idea behind the IT Clubs is to provide each and every person in society the chance to develop his/her skills through the use of technology and to have access to information and knowledge. IT clubs mainly target the low income areas, people with special needs and children who have dropped out from the schooling system.

### ■ Uses of ICT services available in IT clubs

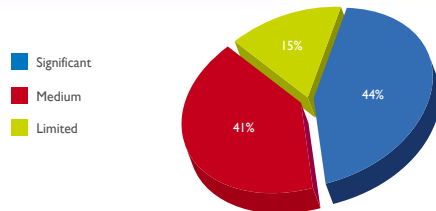
- Uses of ICT services available in IT clubs have varied in 2011. "Using computer without using internet" is came at the top of IT clubs uses with a percentage reached 62% of the total users in urban, and 76% in rural areas, followed by "using the internet services" with a percentage reached 66% of the total users in urban areas and 39% in rural areas. Other uses of IT Club services are "training services" with a percentage of 49% of total users in urban areas and 51% in rural areas and "using communication services" of 16% in urban areas and 11% in rural areas.



Source: Survey on ICT usage in IT Clubs, Conducted in cooperation with the Central Agency for Public Mobilization and Statistics, 2011

## Benefits level of using ICT services available at IT clubs

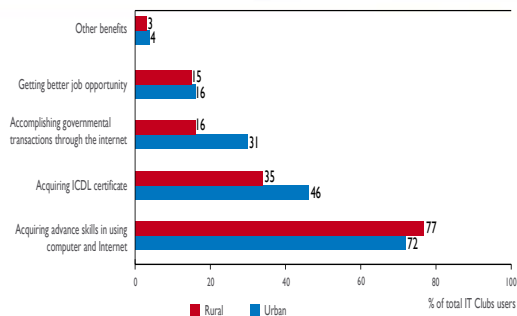
- 44% of IT Clubs users pointed out that they have benefited from ICT services provided by IT Clubs significantly, while 41% of IT Clubs users pointed out that they have benefited from these services moderately.



Source: Survey on ICT usage in IT Clubs, Conducted in cooperation with the Central Agency for Public Mobilization and Statistics, 2011

## Impact of using ICT Services in IT Clubs\*\*

- Proportion of IT clubs users who use IT clubs services to acquire advanced computer and internet skills reached 72% in urban areas and 77% in rural areas, while the proportion of IT clubs users who use IT clubs services to acquire ICDL certificate reached 46% in urban areas and 35% in rural areas. On the other hand, proportion of IT clubs users who use IT clubs services to accomplish governmental transactions through the internet reached 31% in urban areas and 16% in rural areas. In addition, 16% of IT Clubs users benefited from IT clubs services in getting better job opportunities in urban area, and 15% in rural areas.

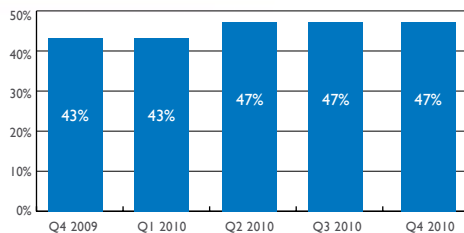


Source: Survey on ICT usage in IT Clubs, Conducted in cooperation with the Central Agency for Public Mobilization and Statistics, 2011

\* Multiple answers were allowed.

## Public Internet Access Points\*\*

- Percentage of localities having internet access points has reached about 47% of the total number of localities in Egypt in Q4 2010 compared to about 43% in Q4 2009 with an annual growth rate of 4%.



Source: Ministry of Communications and Information Technology

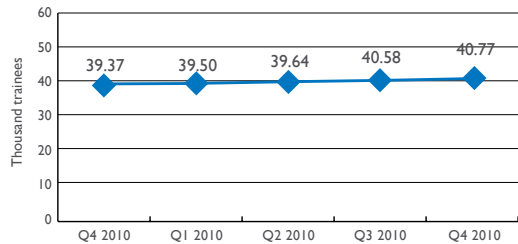
\*\*Calculated as the ratio of total "localities, districts and cities have public internet access point divided by the total number of localities in Egypt

# The ICT Sector's

## Role in Development

### Specialized & Professional ICT Training

- The total number of specialized and professional ICT graduates reached 40.77 thousands by the end of Q4 2010, compared to 39.37 thousands at the end of Q4 2009. This represents an annual increase of 1.39 thousands graduates and an annual growth rate of 3.54%.



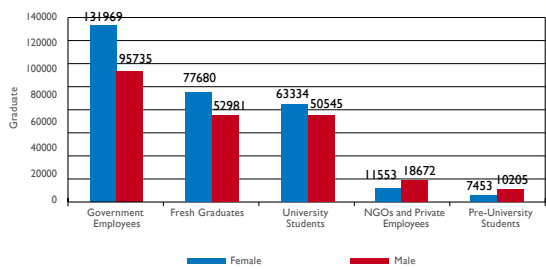
Source : Ministry of Communications and Information Technology, National Telecommunication Institute, The Information Technology Institute

### ICDL Training

- The total number of ICDL certified persons in Egypt reached 521 thousands at the end of Q4 2010 distributed according to the employment status as follows:

Employment status	Total (thousand)
Pre-University Students	18
University Students	114
Fresh graduates	131
NGO's and Private employees	30
Government employees	228
<b>Total</b>	<b>521</b>

ICDL certified persons by employment status and gender

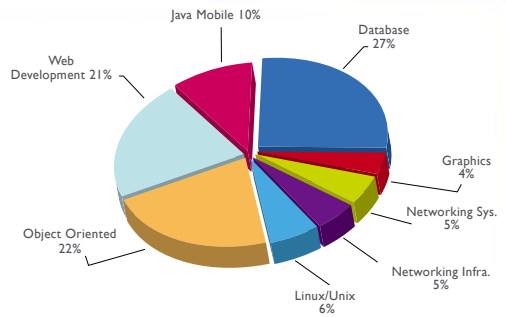


Source : Ministry of Communications and Information Technology, Training and human resources Department (ICDL Program)

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

- The trainees who are currently receiving National Telecommunications Institute (NTI) specialized program reached 1836 in November 2010 and they are distributed as follows:

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
<b>Total</b>	<b>1836</b>



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

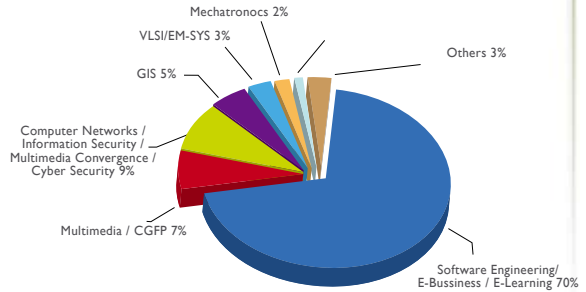
\* Started from November 2010 .

## 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
<b>Total</b>	<b>6080</b>	<b>5211</b>
<b>Edu Egypt (BPO)**</b>	<b>10000</b>	<b>4189</b>

\* According to the latest figures

\*\* Graduates of year 2009 / 2010

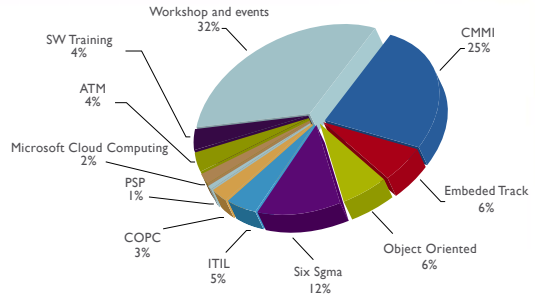


Source : Ministry of Communications and Information Technology, Information Technology Institute

## Capacity Building Program Provided by ITIDA \*\*

- The total number of graduates in the software field has reached 706 till Q4 2010, distributed as follows:

Tracks	Q3 2010
CMMI	177
Embedded Track	42
Object oriented	44
Six Sigma	81
ITIL	34
COPC	23
PSP	5
Microsoft (Cloud Computing)	14
ATM	30
SW Training	30
Workshop and events	226
<b>Total</b>	<b>706</b>

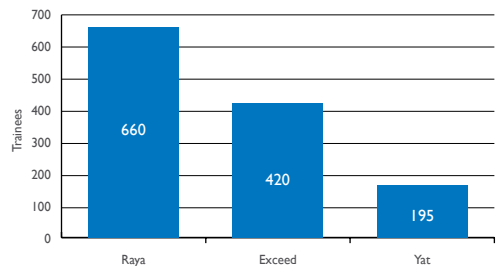


Source: Ministry of communications and Information Technology, Industry Development Authority, Software engineering competence Center (SECC)

\* 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 Q4 2010.
- 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 70.66 million in Q4 2010, compared to 55.35 million in Q4 2009, representing an annual growth rate of 27.66%
- Mobile penetration increased to 90.44% in Q4 2010, compared to 72.13% in Q4 2009, representing an annual growth rate of 18.31%
- Internet users increased to 23.02 million in Q4 2010, compared to 16.64 million in Q4 2009, representing an annual growth rate of 38.39%
- Internet penetration increased to 29.47% in Q4 2010 compared to 21.68% in Q4 2009 representing an annual growth rate of 7.79%
- ADSL subscribers increased to 1.40 million in Q4 2010, compared to 1.02 million in Q4 2009, representing an annual growth rate of 36.5%

## Main Economic Indicators

- The ICT sector real GDP has reached 9.6 billion in Q2 2010/2011 with an annual growth rate 10.2%
- The contribution of the ICT sector to real GDP of the Egyptian Economy reached 4.35 % in Q2 2010/2011 compared to 4.25% in Q2 2009/2010
- The total number of direct employment in the ICT sector reached 204.96 thousand in Q4 2010, compared to 181.73 thousand in Q4 2009 with an annual growth rate 12.78%
- The number of ICT companies reached 3934 by the end of Q4 2010, representing an annual growth rate of 13.37%

## ICT sector's role in Development

- Proportion of IT Clubs users who benefited significantly from IT Clubs services (2011): 44%
- Proportion of IT clubs users who benefited from using IT club services in acquiring advance skills in using computer and internet is about 72% of total IT Clubs users' in urban and 77% of total IT clubs users in rural
- Number of IT clubs reached 2152 at the end of Q4 2010, whereas the number of IT clubs connected to the internet reached 1910 representing 88.8% of the total number of IT Clubs
- The total number of graduates of specialized and professional ICT training program has reached 40.77 thousand by the end of Q4 2010, compared to 39.37 thousand in Q4 2009, representing an annual increase of 3.54%
- The number of graduates to receive software training in Q4 2010 was 706 graduates