

## Introduction

Egypt is a country in North Africa that borders the Red Sea and the Mediterranean Sea. Neighboring countries include Libya, the Gaza Strip, and Sudan. Egypt includes parts of the Sahara Desert, Libyan Desert, and the Nile River, which runs from south to north. The government system is a republic; the chief of state is the president, and the head of government is the prime minister.



Egypt has a mixed economic system which includes a variety of private freedom, combined with centralized economic planning and government regulation. Egypt is a member of the League of Arab States (Arab League) and the Common Market for Eastern and Southern Africa (COMESA).



**Location:** Northern Africa

**Capital City:** Cairo (+2 GMT)

**Chief of State:** President Abdel Fattah El-Sisi

**Head of Govt.:** Prime Minister Mostafa Madbouly

**Currency:** Egyptian Pound (EGP)

**Major Languages:** <p>Arabic (official), English and French widely understood by educated classes</p>

**Primary Religions:** <p>Muslim (predominantly Sunni) 90%, Christian (majority Coptic Orthodox, other Christians include Armenian Apostolic, Catholic, Maronite, Orthodox, and Anglican) 10% (2015 estimate)</p>

**Calling Code:** 20

**Voltage:** 220

## Key Websites

Main Government Page: [opengov.unescwa.org](http://opengov.unescwa.org)

Commerce Ministry: [mti.gov.eg](http://mti.gov.eg)

Export Promotion Agency: [expoegypt.gov.eg](http://expoegypt.gov.eg)

Investment Promotion Agency: [gafi.gov.eg](http://gafi.gov.eg)

## Key Economic Facts

Income Level (by per capita GNI):	Lower Middle Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$1,674.95 billion (2022)
GDP growth (annual %):	6.59% (2022)
GDP per capita, PPP (current international \$):	\$15,090.99 (2022)
External debt stocks, total (DOD, current US\$):	\$143,245,782,750.80 (2021)
Manufacturing, value added (% of GDP):	15.97% (2022)
Current account balance (BoP, current US\$):	-\$18.61 billion (2021)
Inflation, consumer prices (annual %):	13.90% (2022)
Labor force, total:	31,166,284 (2022)
Unemployment, total (% of total labor force) (modeled ILO estimate):	6.96% (2022)
Imports of goods and services (current US\$):	\$104.39 billion (2022)
Exports of goods and services (current US\$):	\$71.93 billion (2022)

## GDP Composition %

Agriculture Services Industry Manufacturing



*\*Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

## Rankings

Index	Rank
Corruption Perceptions Index	116 / 178
EY Globalization Index	42 / 60
Global Competitiveness Index	93 / 141
Global Enabling Trade Index	116 / 136
Global Manufacturing Competitiveness Index (GMCI)	37 / 40
Global Services Location Index	15 / 60
Index of Economic Freedom	150 / 176
International Logistics Performance Index (LPI)	67 / 160
Inward FDI Potential Index	83 / 139
KOF Index of Globalization	66 / 185
Networked Readiness Index (NRI)	96 / 139
Open Budget Index	64 / 114

## Risk Assessment (Provided by Coface)

**Country rating: C** - A very uncertain political and economic outlook and a business environment with many troublesome weaknesses can have a significant impact on corporate payment behavior. Corporate default probability is high.

**Business Climate rating: B** - The business environment is mediocre. The availability and the reliability of corporate financial information vary widely. Debt collection can sometimes be difficult. The institutional framework has a few troublesome weaknesses. Intercompany transactions run appreciable risks in the unstable, largely inefficient environments rated B.

### Strengths

- Large market: over 100 million inhabitants, youthful and growing population
- Advantageous geopolitical situation, Suez Canal
- Tourism potential
- Gas (Zohr field) and mineral potential (gold, kaolin, potash, copper, zinc, lead, feldspar)
- Political and financial support from Gulf monarchies and Western countries
- IMF support program
- Limited external debt (29% of total public debt)

### Weaknesses

- Poverty (one-third of the population), low employment rate among young people, low female participation
- Low government revenues (20% of GDP) and informal economy (half of all jobs)
- Jihadists active in Sinai region
- Tensions between part of the Muslim majority and the Christian minority (10%)
- Lack of water and dependence on the Nile
- Public deficit and public debt: financing needs exceed 30% of GDP
- Banking system vulnerable to sovereign risk, with the public sector absorbing 2/3 of credit
- High cost of credit
- Low and low value-added manufacturing exports, food dependency
- Non-transparency of military-controlled companies (30% of the economy)
- Corruption, lack of competition and bureaucracy

(including in foreign trade) are detrimental to investment,  
particularly foreign investment

## **U.S. Embassy**

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