TELECOM MARKET IN EGYPT

Indicators and Statistics

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<th>Data</th>
<th>Unit</th>
<th>July - September 2014</th>
<th>April - June 2015</th>
<th>July - September 2015</th>
<th>Quarterly Growth Rate (%)</th>
<th>Annual Growth Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ICT Sector's Infrastructure Indicators</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mobile Subscriptions</td>
<td>Million</td>
<td>94.76</td>
<td>95.06</td>
<td>93.24</td>
<td>-1.92</td>
<td>-1.60</td>
</tr>
<tr>
<td>Mobile Penetration</td>
<td>%</td>
<td>110.76</td>
<td>109.60</td>
<td>107.01</td>
<td>-2.59</td>
<td>-3.76</td>
</tr>
<tr>
<td>Fixed Line Subscriptions</td>
<td>Million</td>
<td>6.84</td>
<td>6.64</td>
<td>6.22</td>
<td>-6.37</td>
<td>-9.02</td>
</tr>
<tr>
<td>Fixed Line Penetration</td>
<td>%</td>
<td>8.12</td>
<td>7.78</td>
<td>7.25</td>
<td>-0.53</td>
<td>-0.87</td>
</tr>
<tr>
<td>Mobile Internet Subscriptions</td>
<td>Million</td>
<td>20.34</td>
<td>24.08</td>
<td>25.04</td>
<td>3.99</td>
<td>23.13</td>
</tr>
<tr>
<td>USB Modem Subscriptions</td>
<td>Million</td>
<td>3.92</td>
<td>4.22</td>
<td>4.00</td>
<td>4.26</td>
<td>2.09</td>
</tr>
<tr>
<td>ADSL Subscribers</td>
<td>Million</td>
<td>2.98</td>
<td>4.11</td>
<td>3.64</td>
<td>3.76</td>
<td>22.2</td>
</tr>
<tr>
<td>International Internet Bandwidth</td>
<td>Gbps</td>
<td>416,497</td>
<td>631,632</td>
<td>649,141</td>
<td>2.77</td>
<td>55.86</td>
</tr>
<tr>
<td>Number of Post Offices</td>
<td>Post Office</td>
<td>3883</td>
<td>3911</td>
<td>3913</td>
<td>0.05</td>
<td>0.77</td>
</tr>
</tbody>
</table>

* Growth rates are calculated as the difference between penetration rates in different time intervals
** MCIT has activated Telecenters for community development new initiative

The number of internet users reached 27.25 Million users with 31.7% penetration rate according to ICT access and use by households and individuals 2014.

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<sup>(1)</sup> Information and Communications Technology Indicators Bulletin September 2015 | Quarterly Issue
1. Fixed lines and Mobile Indicators

I. Fixed Lines Subscription and Local Exchange Capacity

Total number of fixed line subscriptions has reached (6.22) million subscriptions at the end of July - September 2015 compared to 6.84 million subscriptions at the end of July - September 2014. The capacity of local exchanges increased to (17.68) million lines at the end of July - September 2015, compared to (15.54) million at the end of July - September 2014. This represents an annual increase of (2.14) million lines and an annual growth rate of (13.80%)

II. Fixed line and mobile subscriptions:

- The number of fixed line and mobile subscriptions was (99.46) million at the end of July - September 2015, compared to (101.60) million at the end of July - September 2014.
- The number of mobile subscriptions was (93.24) million at the end of July - September 2015, compared to (94.76) million at the end of July - September 2014. The mobile subscriptions recorded (93%) of total telephone service.
III. **Fixed Line and Mobile Penetration**

Mobile penetration increased to *(107.01%)* at the end of July - September 2015, compared to *(110.76%)* at the end of July - September 2014, representing an annual change rate of -3.76%. On the other hand, fixed line penetration reached about *(7.25%)* by the end of July - September 2015.

![Graph showing mobile and fixed line penetration]

*Source: Ministry of Communications and Information Technology, Telecom Egypt, National Telecom Regulatory Authority*
2. Internet Indicators

Source: ministry of communication and information technology

I. ADSL subscriptions

The number of ADSL subscriptions reached \((3.64)\) million subscriptions by the end of July - September 2015 compared to \((2.98)\) million subscriptions at the end of July - September 2014 with an annual growth rate%. 
II. **ADSL Subscriptions Regional Distribution**

III. **Internet users by mode of access**

The number of mobile internet subscriptions reached **25.04** million subscriptions by the end of July - September 2015 compared to **20.34** million subscriptions at the end of July - September 2014. The number of USB million subscriptions reached **4.00** million subscriptions by the end of July - September 2015 compared to **3.92** Million Subscriptions at the end of July - September 2014.

IV. **Activities Undertaken by Individuals Using the Internet**

The proportion of households using internet to communicate with others through social networks such as twitter, Facebook is **22.3%**, while proportion of households using internet to send information and messages via e-mail is **24.2%**, for (voice calls over the Internet) is **12.1**, for obtain information on health and health services is **11.3**, to obtain information about government agencies through the site **5.2%**, and **6%** to obtain information on goods and services.
V. Location of Individuals Using the Internet

The proportion of Individuals who access internet at home is (29.4), while the proportion of Individuals who access internet from (friends/neighbors) is (25.1), and (18.1%) of those who access internet at educational places.

VI. Internet users in Egypt

There are (47,427,184) internet users in Egypt (2).
3. ICT/Telecom Issued Capital

It is worth noting that the percentage of Issued Capital of telecommunication companies reached 73.06% of the total issued capital within the sector while it reached 17.44% for Information Technology and 9.50% for value added services.

![Graph showing the percentage of Issued Capital for different sectors over time.]

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

<table>
<thead>
<tr>
<th>Telecom Services</th>
<th>Global Ranking</th>
<th>Numbers</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Telephone lines (1)</td>
<td>26</td>
<td>6,820,892</td>
<td>2013</td>
</tr>
<tr>
<td>Secure internet servers (2)</td>
<td>65</td>
<td>429</td>
<td>2014</td>
</tr>
<tr>
<td>Fixed broadband subscriptions (3)</td>
<td>33</td>
<td>2,674,846</td>
<td>2013</td>
</tr>
<tr>
<td>Mobile cellular subscriptions (4)</td>
<td>15</td>
<td>99,704,976</td>
<td>2013</td>
</tr>
<tr>
<td>Fixed internet subscriptions (5)</td>
<td>33</td>
<td>2,674,846</td>
<td>2013</td>
</tr>
<tr>
<td>Internet users, % of population (6)</td>
<td>81</td>
<td>49.6%</td>
<td>2013</td>
</tr>
<tr>
<td>Internet users per 100 people (7)</td>
<td>115</td>
<td>31.7 (per 100 people)</td>
<td>2014</td>
</tr>
</tbody>
</table>
Fixed Telephone lines (1)

Secure internet servers (2)

Source: International Telecommunication Union Key Global Telecom Indicators, 2015

Source: World Development Indicators (WDI), December 2015
Fixed broadband subscriptions \(^{(3)}\)

![Graph showing the growth of fixed broadband subscriptions from 2002 to 2012.](image)

Source: *International Telecommunication Union Key Global Telecom Indicators, 2015*

Mobile cellular subscriptions \(^{(4)}\)

![Graph showing the growth of mobile cellular subscriptions from 2001 to 2013.](image)

Source: *International Telecommunication Union Key Global Telecom Indicators, 2015*
Fixed internet subscriptions \(^{(5)}\)

Internet users, % of population \(^{(6)}\)

Source: *International Telecommunication Union Key Global Telecom Indicators, 2015*
The State of E-FRICTION in Egypt

The BCG E-FRICTION Index rates countries on a scale of 0 to 100. No Economy is entirely frictionless, of course and e-friction as the factors that can inhibit consumers, businesses, and others from fully participating in the national and the international Internet economy.

The BCG e-Friction Index ranks 65 economies according to four types of e-friction:

- infrastructure-related friction that limits basic access.
- industry sources
- individual sources that affect the ability of companies and consumers to engage in online transactions.
- information-related friction that involves the availability of, and access to, online content.
Middle East and North Africa: Top 10 countries harnessing information technology

<table>
<thead>
<tr>
<th>Country</th>
<th>Global rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Arab Emirates</td>
<td>23</td>
</tr>
<tr>
<td>Qatar</td>
<td>27</td>
</tr>
<tr>
<td>Bahrain</td>
<td>30</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>35</td>
</tr>
<tr>
<td>Oman</td>
<td>42</td>
</tr>
<tr>
<td>Jordan</td>
<td>52</td>
</tr>
<tr>
<td>Kuwait</td>
<td>72</td>
</tr>
<tr>
<td>Morocco</td>
<td>78</td>
</tr>
<tr>
<td>Tunisia</td>
<td>81</td>
</tr>
<tr>
<td>Egypt</td>
<td>94</td>
</tr>
</tbody>
</table>


*2015 rank out of 143 economies.

**The Index measures how economies use the opportunities offered by information and communications technologies for increased competitiveness and well-being.