

ECONOMIC BULLETIN

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البنك الأهلي المصري
NATIONAL BANK OF EGYPT

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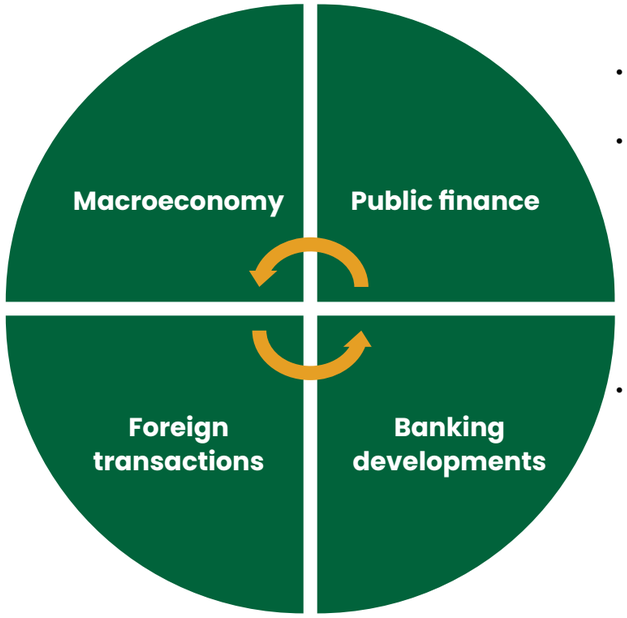
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Overview of a number of indicators (Macroeconomy – Public finance – Foreign transactions – Banking system)

- Gross demostic product (GDP)
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- Debt of general budget entities

- Balance of payments
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- External debt

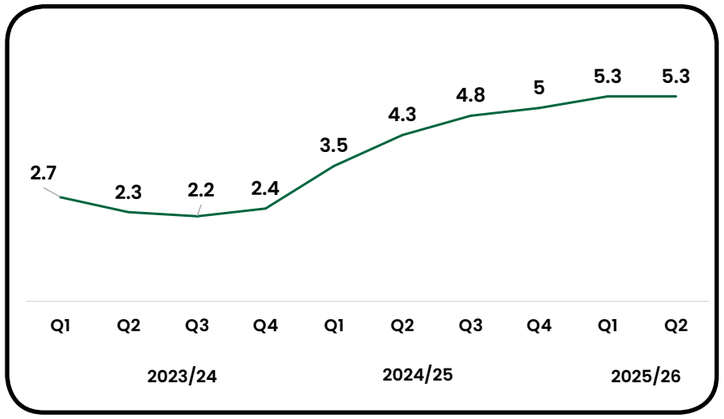
- Banking sector's financial solvency indicators

Macroeconomy :

(1)GDP:

GDP grew 5.3% in both Q1 and Q2 of FY 2025/26, recording the highest growth rate since Q3 of FY 2021/22. This growth is driven by the continued implementation of the structural, financial and monetary reform package that enhanced macroeconomic stability and reflected greater resilience of macroeconomy in the face of internal and external challenges.

Quarterly real GDP growth rate (%)



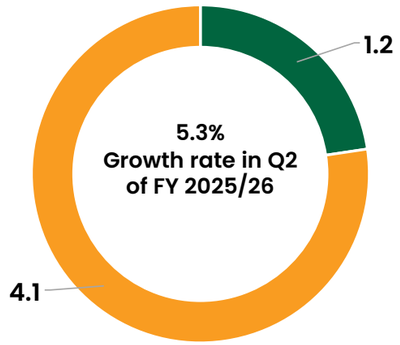
5.3%
GDP growth rate during Q2 of FY 2025/26 compared to 4.3% in Q4 of FY 2024/25

5.2%
The expected GDP growth rate during FY 2025/26 up from the previous target of 4.5%

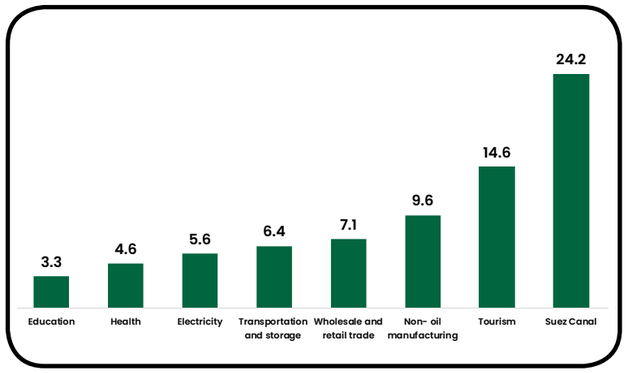
In this regard, it is worth mentioning that:

- The non-oil manufacturing sector was the top contributor to Egypt's economic growth rate (5.3%) in Q2 2025/26, adding roughly 1.2 percentage points to total growth.
- Suez Canal traffic began a partial recovery during the second quarter of the current fiscal year.
- Egypt's restaurants and hotel sector continued to achieve a distinguished performance as Egypt received nearly 19 million tourists during 2025, spotlighting the sector's development efforts. This high record underscores Egypt's growing importance as a premier global tourist destination.

Contribution to GDP growth rate during Q2 of FY 2025/26 by sector
(Percentage point)



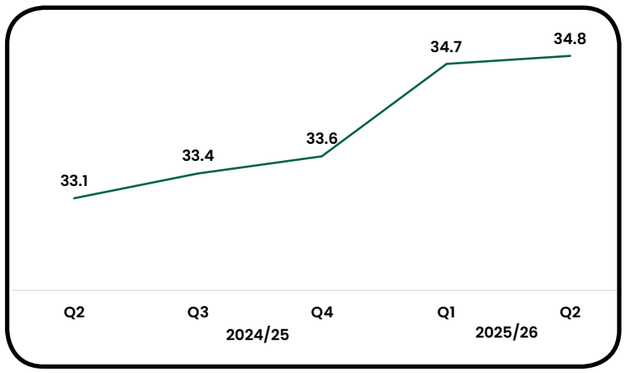
Growth rates during Q2 of FY 2025/26 by economic sector (%)



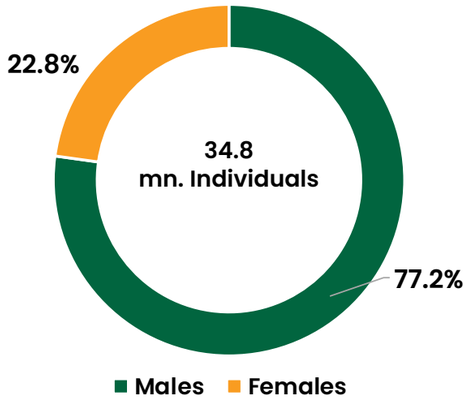
(2) Labor force and unemployment

Egypt's labor force grew to approximately 34.8 million individuals in Q2 of FY 2025/26 up from 33.1 mn. YoY, driven by the increased female participation in the total labor force reaching about 22.8% in Q2 of FY 2025/26, compared to 19.8% YoY.

Labor force (mn. individuals)

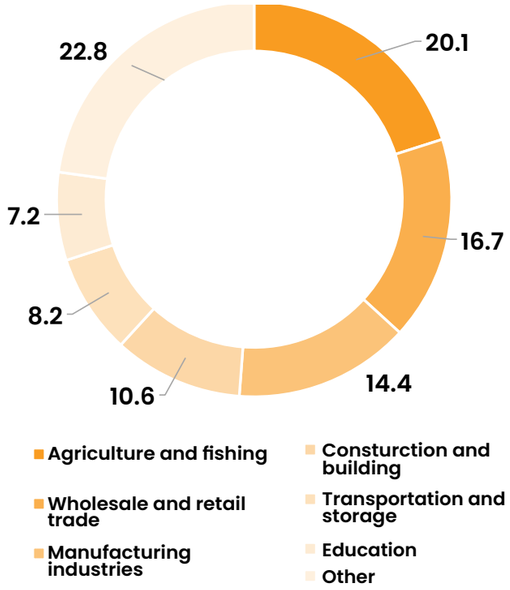


Distribution of labor force by gender during Q2 of FY 2025/26



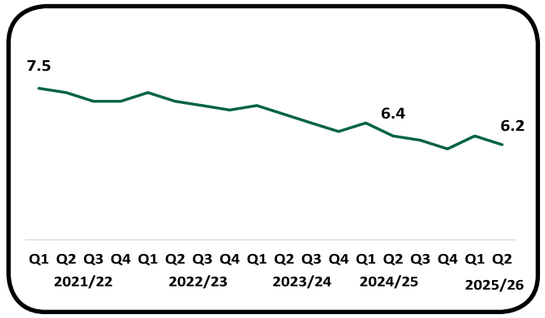
In Q2 of FY 2025/26, Egypt's employed population reached 32.7 million, including 25.9 million males and 6.8 million females. Agriculture and fishing sector has the largest share (20.1%) of total employed population, followed by wholesale and retail trade and manufacturing industries, respectively.

Distribution of employed people by different economic activities (%)



The unemployment rate recorded 6.4% and 6.2% in Q1 and Q2 of FY 2025/26, respectively, down from 6.7% and 6.4% for the corresponding quarters a year earlier. These positive developments are mainly attributable to the growing hiring rates surpassing the number of new entrants to the labor market. Employment growth is heavily concentrated in key sectors, including non-oil manufacturing and wholesale and retail trade, which continue positively to drive real GDP growth. The annual decline in unemployment rate is commensurate with the continued real GDP growth in 2025 and the positive outlook for accelerated economic activity pace during FY 2025/26, as labor market improvements often come ahead of changes in economic activity. It is worth noting that the slight increase in unemployment rates in Q1 2025/26, compared to the preceding quarter, is typically matching the normal seasonal trends observed in Q1 of each year, coinciding with the influx of fresh graduates into the labor force.

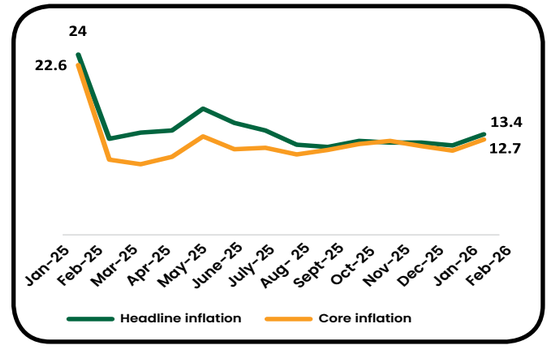
Unemployment rate (quarterly) (%)



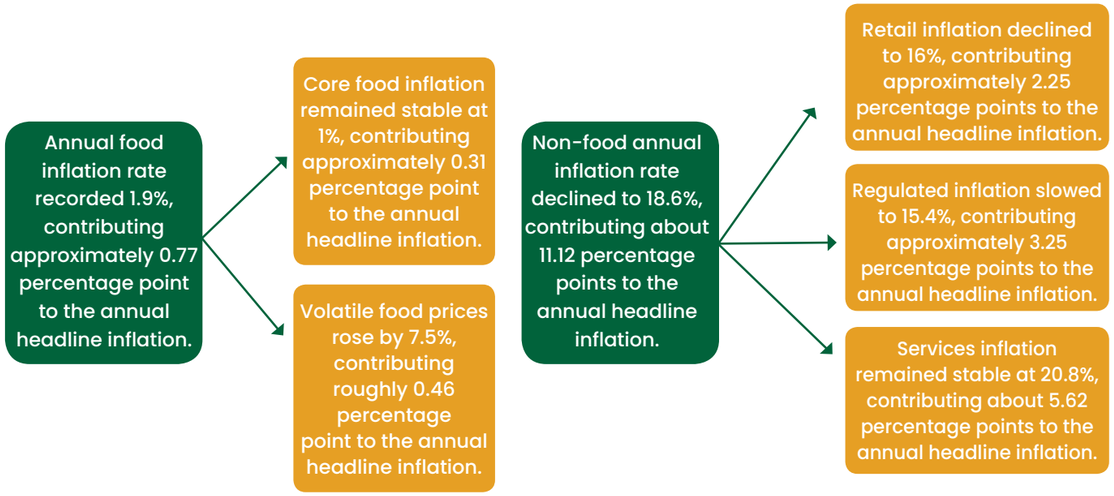
(3) Inflation

- The annual headline inflation rate declined during Q2 of FY 2025/26 to 12.3%, compared to 12.5% in Q1 of the same year, noticeably down from the rate of 25.4% recorded in Q2 of FY 2024/25. This showcases the steadily fading impacts of the previous inflationary shocks, backed by the favorable effects of the base period, along with the largely decelerating food prices. The downward trajectory continued in January 2026, with the headline inflation rate falling to 11.9%. This slowdown was driven by a drop in non-food inflation to 18.6%, which is the lowest reading since October 2023. Meanwhile, the headline Inflation rate accelerated to 13.4% in February 2026.
- Core inflation increased to 12.1% during Q2 of FY 2025/26, up from 11.2% in Q1 of the same year. This is mainly attributable to higher prices of services that outweighed the decline in core food inflation, with core inflation showing a modest uptick. In this context, core inflation rate reached 12.7% in February 2026.
- Geopolitical tensions in the Middle East are expected to negatively affect inflation rates in the near future .

Inflation (%)



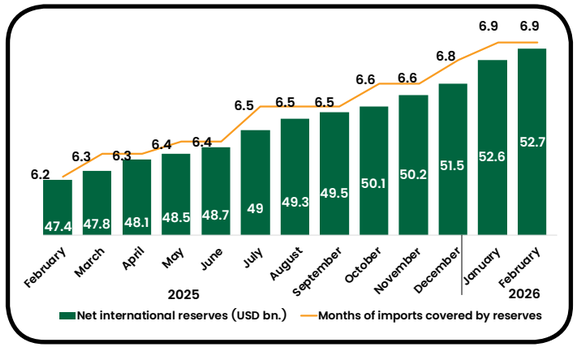
Inflation rate across various commodity groups (January 2026)



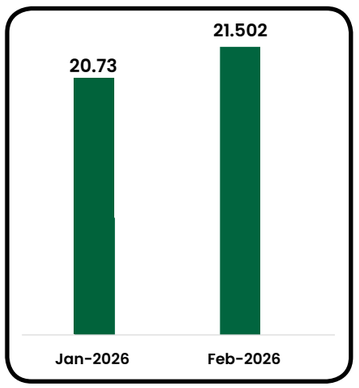
(4) Foreign currency reserves

Egypt's net international reserves (NIRs) reached about USD 51.452 bn. at the end of Q2 of FY 2025/26, compared to around USD 49.534 bn. at the end of Q1 of the same fiscal year. NIRs continued to grow reaching about USD 52.745 bn. by the end of February 2026. This upward trajectory is accompanied by an increase in the months of imports covered by NIRs, reaching about 6.9 months in February 2026, compared to around 6.8 months at the end of December 2025. Gold holdings within foreign reserves surged to approximately USD 21.502 bn. at the end of February 2026, compared to around USD 20.730 bn. at the end of January of the same year. In addition, the holdings of special drawings rights (SDRs) rose to approximately USD 556 mn. at the end of February 2026, against USD 163 mn. in January 2026.

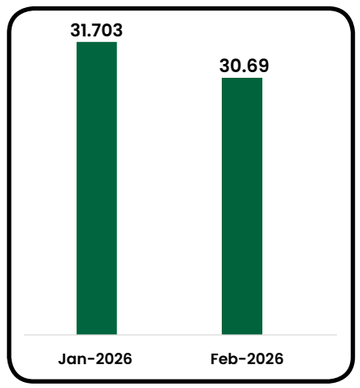
Net International Reserves (NIRs)



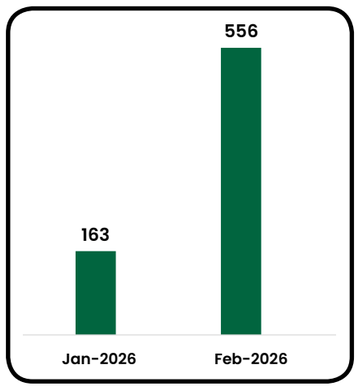
Gold holdings within foreign reserves (USD bn.)



Value of foreign currencies within cash reserves (USD bn.)



Holdings of SDRs (USD mn.)



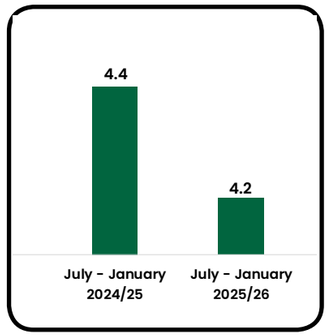
Public finance and debt of the state's general budget entities:

(1) State's general budget:

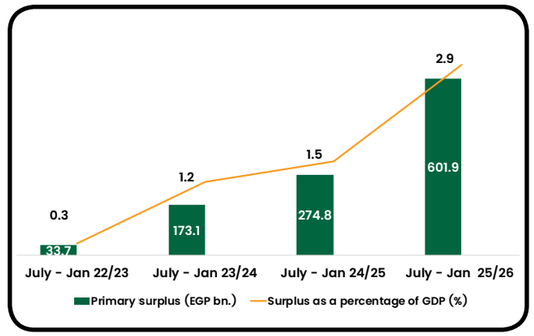
Upon reviewing a number of financial indicators during July-January of FY 2025/26, compared to the corresponding period of the previous fiscal year, the following is noted:

- Overall fiscal deficit showed improvement, narrowing to approximately 4.2% of GDP during July-January of FY 2025/26, against around 4.4% of GDP YoY. Meanwhile, the primary surplus significantly increased to approximately EGP 601.9 bn. (2.9% of GDP), versus around EGP 274.8 bn. (1.5% of GDP) during the same periods of comparison, respectively.

Overall deficit of the state's general budget (%)

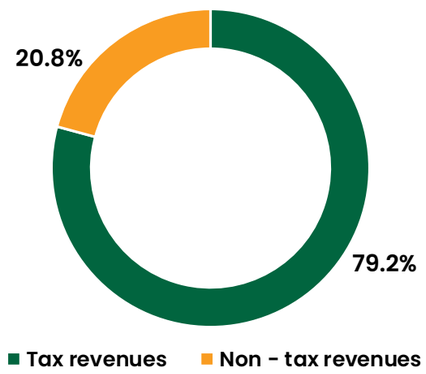


Overall deficit of the state's general budget (%)



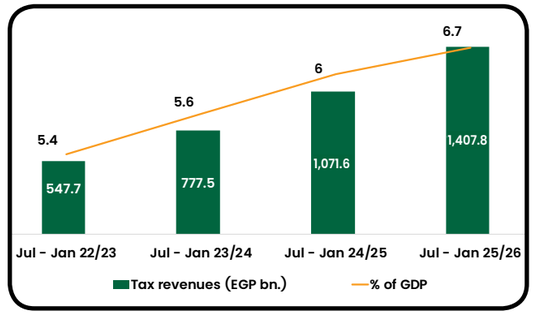
- Total public revenues soared by 41% year-on-year to EGP 1.78 tn. during Jul.-Jan. in FY 2025/26.

Breakdown of public revenues during July- January 2025/26



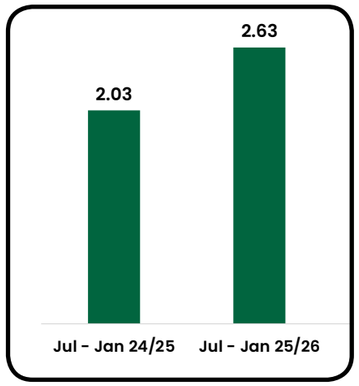
- Tax revenues grew 31.4% year-on-year to EGP 1.4 tn. (6.75% of GDP), driven by the rise in receipts of most tax chapters in light of improved confidence with business community, while reaping the benefits of the bunch of tax incentives. A digitalized taxation system boosted tax administration, enhanced tax collections, and widened the tax base.

Tax revenues

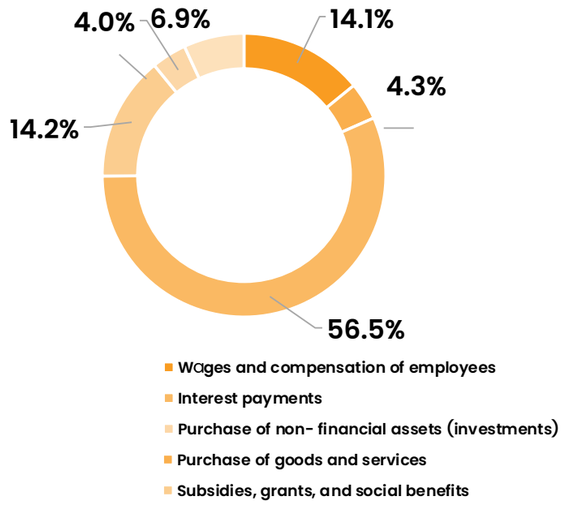


- Total public expenditure recorded EGP 2.63 tn. over Jul.-Jan. in FY 2025/26, rising 29.5% year-on-year, despite government efforts to achieve fiscal consolidation and reprioritize public spending. In this context, the spending allocated to purchase non-financial assets (investments) grew at 56.4%. Meanwhile, the increase in the item of wages and compensation of employees and the item of subsidies, grants and social benefits went up by 10.6% and 11.5%, respectively, while interest payments continue to dominate public expenditure.

Public expenditure (EGP tn.)



Breakdown of public expenditure during the first seven months of 2025/26



(2) Debt of general budget entities:

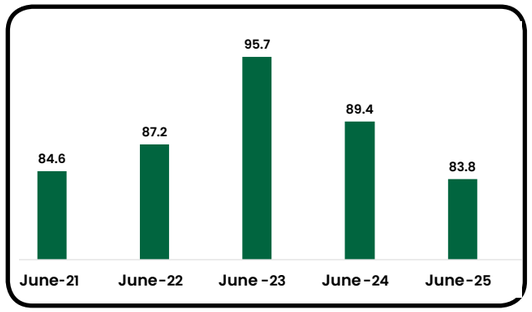
The ratio of such debt to GDP fell from approximately 89.4% in FY 2023/24 to about 83.8% in FY 2024/25.

In terms of financing instruments, the government continues to adopt innovative solutions, such as debt-for-investment swaps and debt-to-human-development swaps.

The 5-year Credit Default Swap (CDS) rate dropped significantly to below 270 points in January 2026. Moreover, yields on international bonds fell by 300 to 400 basis points year-on-year.

Debt portfolio performance (H1 2025/26)

Debt of general budget entities as % of GDP



- **Shift to long-term maturities:** Domestic capital markets witnessed a paradigm shift, as 273-day and 364-day T-bills now represent 38% of local issuances, up from 17% YoY.
- **Lower borrowing cost:** Average yields on local government securities decreased by 2.5% during the first half of 2025/26.
- **Reduced external debt:** External debt value initially fell by USD 2 bn. in H1 of 2025/26, aligning with the strategy to reduce external debt.
- **Egypt issued its first local sovereign Sukuk** in November 2025, which was 5x oversubscribed, reaching a value of EGP 14.9 bn., demonstrating strong demand for Islamic instruments.
- **Medium-term debt strategy (2026-29)**

MTDS strategy was launched in January 2026 with the aim to ensure fiscal sustainability by reducing the debt of general budget entities to GDP, improving debt-servicing indicators, and curbing gross financing needs (GFN) by 9-11% of GDP by end of FY 2028/29. The MTDS strategy revolves around four primary targets:

Launching the MTDS strategy (2026-29)

to ensure fiscal sustainability

Reducing the debt of general budget entities to 71-73% of GDP by FY 2028/29.

Increasing the average time to maturity (ATM) of the portfolio to 4.5-5.0 years.

Extending maturity of debt, as the strategy aims to reduce reliance on short-term 91-day and 182-day T-bills to be replaced by longer-dated issues.

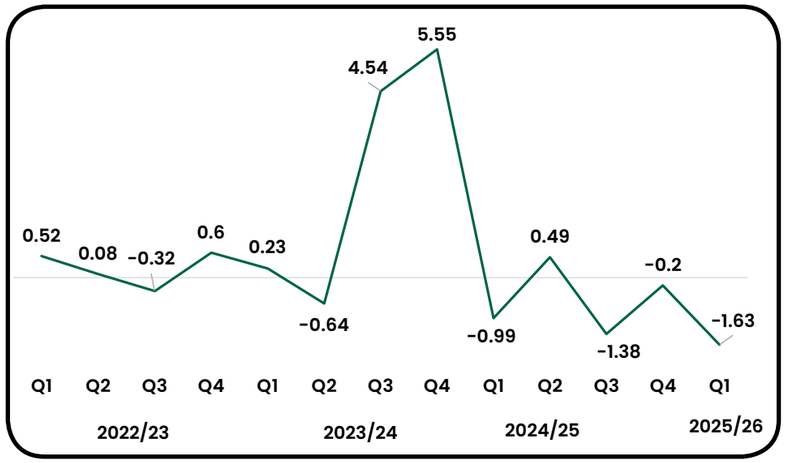
Maintaining approximately 80% of the debt of general budget entities to total debt portfolio in local currency and reducing the net external debt balance by USD 1-2 bn. annually.

Foreign transactions

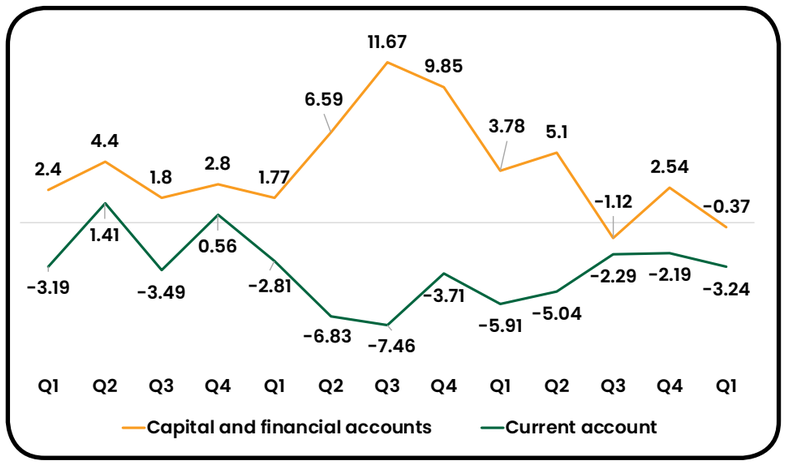
(1) Balance of payments (BoP):

In Q1 FY 2025/26, Egypt's BoP has seen a number of positive developments.The current account deficit improved, driven by the marked increase in remittances from Egyptian expatriates, besides the pickup in tourism revenues and the Suez Canal transit fees, as compared with Q1 FY 2024/25, contributing to the rise in the services account surplus. In addition, the significant leap in non-oil merchandise exports has played a key part in the improvement in the trade deficit. On the other hand, the capital and financial accounts posted a net outflow, driven by an increase in the foreign assets of banks abroad. Net FDI inflows to Egypt in Q1 FY 2025/26 slightly ticked down. These developments have collectively resulted in a BoP deficit of USD 1.6 bn.

Balance of payments (USD bn.)



Current account & capital and financial accounts (USD bn.)

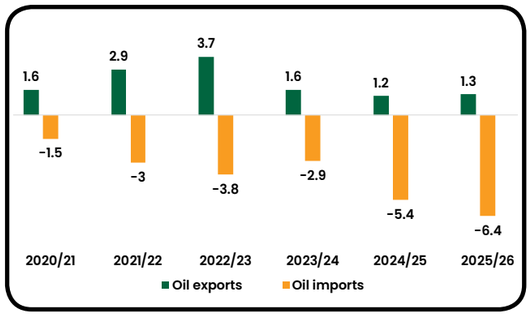


• Current account

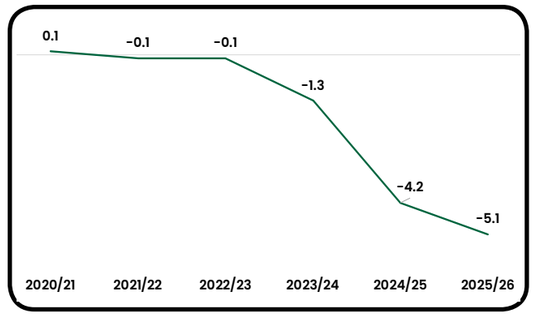
- Oil trade balance

The oil trade balance deficit increased to reach about USD 5.1 bn. during July-September FY 2025/26, against USD 4.2 bn. year-on-year. This is primarily traced back to the 18% increase in oil imports year-on-year, reflecting higher imports of natural gas and crude oil. Oil exports increased by 5.3%, owing to higher exports of both oil products and natural gas.

Oil exports and imports (Jul.-Sep.) (USD bn.)



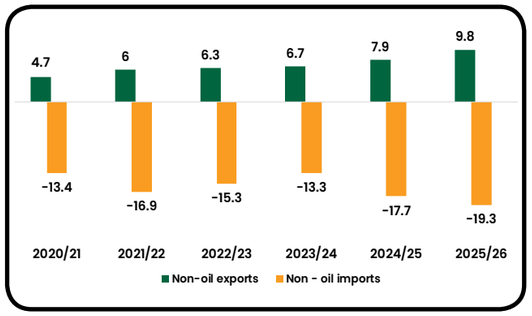
Oil trade balance (Jul.-Sep.) (USD bn.)



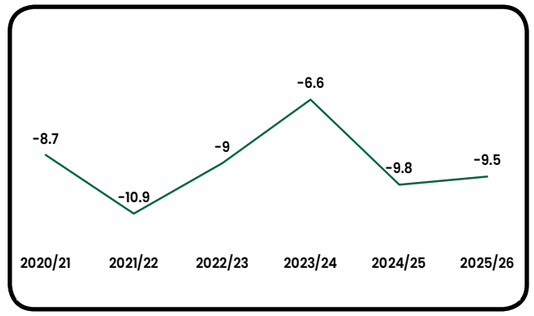
- Non-oil trade balance

During July-September FY 2025/26, the non-oil trade balance deficit fell to USD 9.5 bn., against USD 9.8 bn. year-on-year. This decrease was mainly attributed to the pickup in receipts from non-oil merchandise exports by USD 1.9 bn., surpassing payments for non-oil merchandise imports which rose by USD 1.5 bn. The rise in non-oil merchandise imports was concentrated in the imports of passenger cars as well as their spare parts and components, tractors, maize, and phones. Meanwhile, the increase in non-oil merchandise exports was mainly seen in the exports of gold, electric household appliances, vegetables and fruits, and ready-made garments.

Non-oil trade balance (Jul.-Sep.) (USD bn.)



Non-oil trade balance deficit (Jul.-Sep.) (USD bn.)

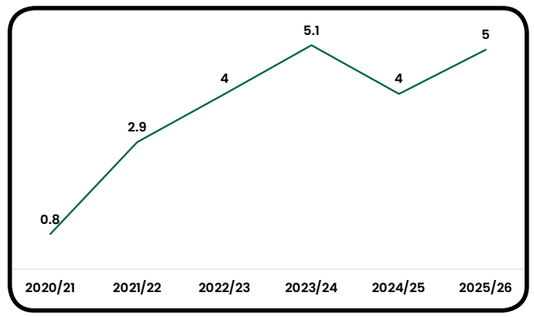


Source: CBE

- Service trade balance

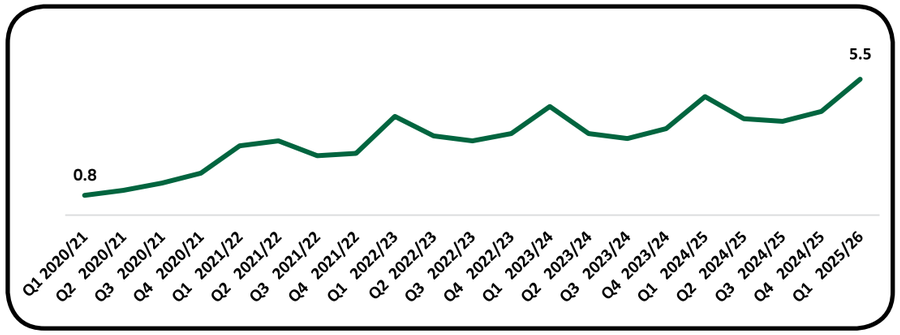
The service trade balance surplus increased to about USD 5 bn. during July-September FY 2025/26, compared to USD 4.1 bn. year-on-year. This increase is attributed to higher tourism revenues and the Suez Canal transit fees, following the easing of geopolitical tensions in the Middle East.

Service trade balance (Jul.-Sep.) (USD bn.)



Tourism revenues amounted to around USD 5.5 bn. in Q1 FY 2025/26, reaching a record high, against about USD 4.8 bn. year-on-year, thanks to the increases in the number of tourist nights, recording 58.7 million nights against 51.6 million nights year-on-year .

Tourism revenues reach a record high in Q1 FY 2025/26 (USD bn.)



On a similar note, it is worth noting that Egypt's tourism sector generally delivered an exceptional performance in 2025 .

19
million tourists received by Egypt, representing an all-time record of Egypt's tourism.

18.6
million tourist visits to archeological sites and museums, excluding the Grand Egyptian Museum (GEM).

193
cities around the world having tourist flights scheduled to various Egyptian destinations.

21%
Growth rate in the number of tourists, compared to 2024 and to the 5% global average .

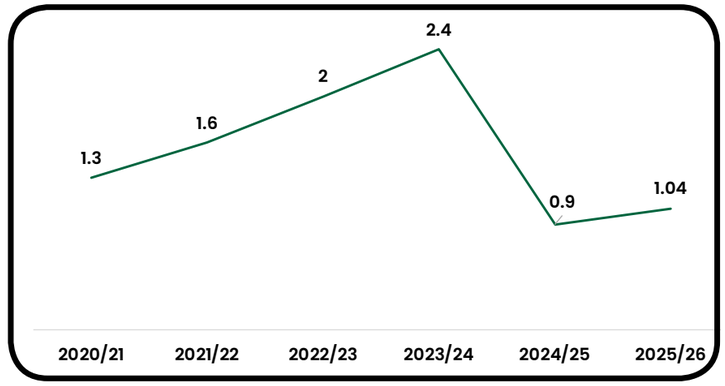
33.5%
Additional visits to archeological sites and museums, versus 2024.

32%
Rise in charters versus 2024 .

450%
Surge in charters to New Alamein city against 2024.

Suez Canal receipts soared by about 12.4% to amount to USD 1.04 bn. in Q1 2025/26, against USD 0.9 bn. YoY, following the easing of geopolitical tensions in the Middle East. This was due to the increase in both the net tonnage by 8.6% to 138.1 million tons, and the number of transiting vessels by 2.5% to 3,300 ships.

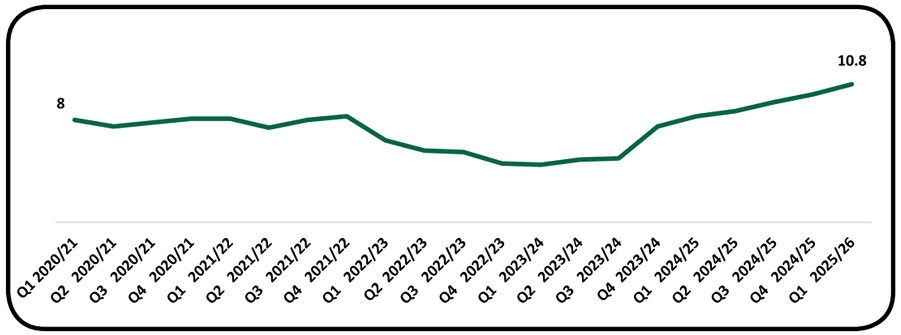
Suez Canal receipts (Jul.-Sep.) (USD bn.)



- Remittances

In Q1 FY 2025/26, remittances from Egyptian expatriates recorded an increase of 30% to reach USD 10.8 bn. year-on-year, reaching a record high on a quarterly basis .

Net remittances from Egyptian expatriates reach a record high in Q1 FY 2025/26 (USD bn.)



Source: CBE

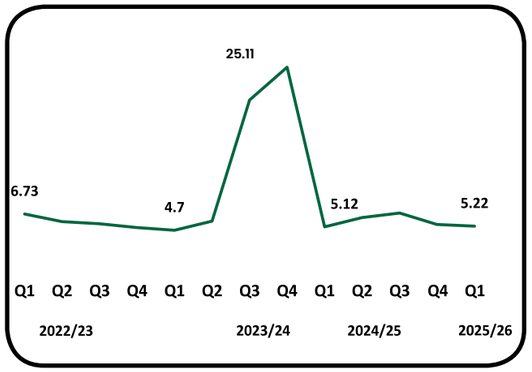
• Capital and financial accounts

- FDI

FDI inflows to Egypt amounted to USD 5,223 mn. in Q1 FY 2025/26, while outflows recorded USD 2,817.1 mn. In this regard:

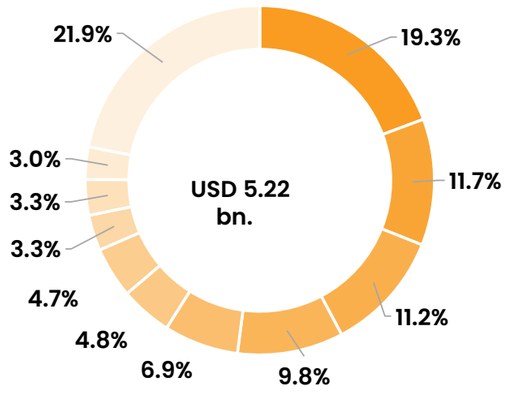
- The UAE ranked first, with FDI inflows to Egypt worth USD 1,010.5 mn. in Q1 FY 2025/26, followed by USA, UK, and Italy with inflows of USD 610 mn., USD 587.4 mn., USD 509.7 mn. respectively.

FDI inflows (USD bn.)



* The significant increase in FDI inflows to Egypt in Q3 and Q4 FY 2023/24 is attributed to Ras El Hekma deal.

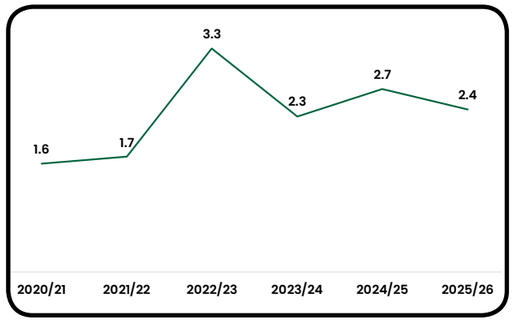
Total FDI inflows in Q1 FY 2025/26



- **During July-September FY 2025/26, Egypt's FDI posted a net inflow of USD 2.4 bn., as follows:**

In Q1 2025/26, net FDI inflows to the oil and mineral resources sector recorded USD 9.3 mn., against a net outflow of USD 175.7 mn. year-on-year, due to the increase in inflows to the oil and mineral resources sector that recorded USD 1.57 bn. (in green field investments by foreign companies), compared to USD 1.2 bn. year-on-year.

Net FDI inflows during (Jul.-Sep.) (USD bn.)

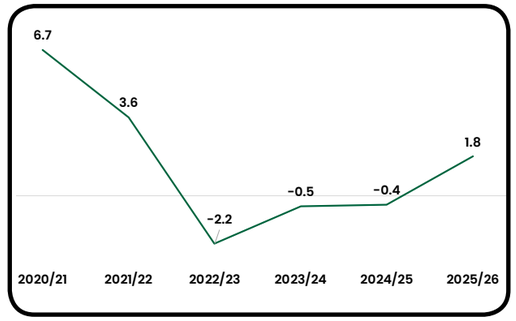


Net FDI inflows to non-oil sectors amounted to USD 2.4 bn., including reinvested profits for the relevant period with a net inflow of around USD 1.2 bn., FDI inflows for the establishment of new companies or capital increase of existing companies with a net inflow of USD 800.8 mn., of which USD 78.9 mn. represented FDI inflows for the establishment of new companies, and FDI inflows for real estate purchases by non-residents with a net inflow of USD 520.2 mn.

- Portfolio investments

Portfolio investments in Egypt recorded a net inflow of USD 1.8 bn. in Q1 FY 2025/26, against a net outflow of USD 0.4 bn. year-on-year .

Net portfolio investments (Jul.-Sep.) (USD bn.)



(2) External debt

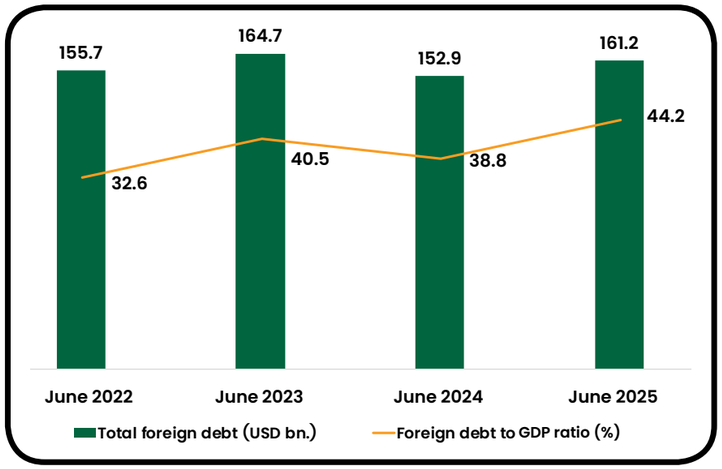
Egypt's total external debt reached around USD 163.7 bn. as at the end of Q1 FY 2025/26, with long-term debt representing about 78.8% of the total debt.

Egypt's external debt as at the end of Q1 FY 2025/26

Total external debt	16,3713.5
Rescheduled bilateral loans: • Soft loans • Hard loans	307 307 0
Other bilateral loans	18,774.8
• Paris Club countries • Other countries	12,536.5 6,238.3
International organizations	43,895.2
Buyers' and suppliers' credit	19,180.4
Bonds and Sukuk	28,450.7
Securities repurchase	6,700
Deposits	9,300
Short-term debt	34,763.1
• Currencies and deposits • Loans and credit facilities	16,448.6 18,314.5
Private sector debt (unsecured)	2,342.3
Total debt service burdens (during the said period)	6,442.1
• Interest payments • Installment payments	2,078.3 4,363.8

External debt as at the end of Q1 FY 2025/26

External debt value



Banking developments

Financial security indicators demonstrated the resilience and strength of the banking sector as a pillar relied on by the government to achieve economic, financial and monetary stability. This is reflected in the ability of banks to provide financing to various economic sectors, contributing to increasing the gross national product (GNP), achieving higher growth and investment rates, and creating jobs for all citizens.

A number of the banking system's financial security indicators (excluding the Central Bank of Egypt)

Indicators (%)	December 2025	September 2025	June 2025	March 2025	December 2024
First: Capital adequacy:					
Regulatory capital to risk-weighted assets	19.6	19.2	18.6	18.3	18.5
Tier 1 capital to risk-weighted assets	16.5	16.1	15.4	15.1	15.2
Core capital to risk-weighted assets	14.5	14	13.2	12.9	12.7
Leverage ratio	7.6	7.7	7.6	7.6	7.5
Second: Asset quality					
Non-performing loans to total loans	1.9	2	2.1	2.2	2.3
Loan loss provisions to non-performing loans	90.2	89.4	90.2	87.2	87.2
Private sector loans to total customers' loans	41.9	43	43.3	42.3	42.9
Third: Profitability					
Return on average assets	2.6	2.6	2.6	2.6	2
Return on average equity	39	39	39	39	32.2
Net interest margin	5.8	5.8	5.8	5.8	5.2
Fourth: Liquidity					
Average actual liquidity ratio at banks					
• In local currency 20%	40.3	40.9	38.6	37.1	34.8
• In foreign currencies 25%	79.5	77.8	74.4	73.7	71.4
Liquidity coverage ratio					
• In local currency	640.9	686.6	675.9	853.1	888.8
• In foreign currencies	219.2	190.0	196.2	187.8	212.0
Loan-to-deposit ratio					
Total	66.4	64.3	63.3	63.6	62.5
In local currency	61.0	56.1	54.7	54.4	53.4
In foreign currencies	85.4	91.2	88.6	90.7	88.3

Egypt ranks first in Africa on the Government AI Readiness Index 2025

Artificial intelligence is one of the most fundamental modern technologies that effectively contributes to accelerating technological progress and increases opportunities for innovation and growth in various fields, as a key enabler for sustainable development goals . Governments are not only working to promote innovation in technology and establish regulatory frameworks, but are also seeking to integrate them into public services. In this context, Egypt's interest comes in line with global trends, leading to the creation of the National Council for Artificial Intelligence in 2019, followed by launching the National AI Strategy in 2021. The country's sustained efforts in this regard are reflected in Egypt's taking the lead in Africa on Government AI Readiness Index 2025.



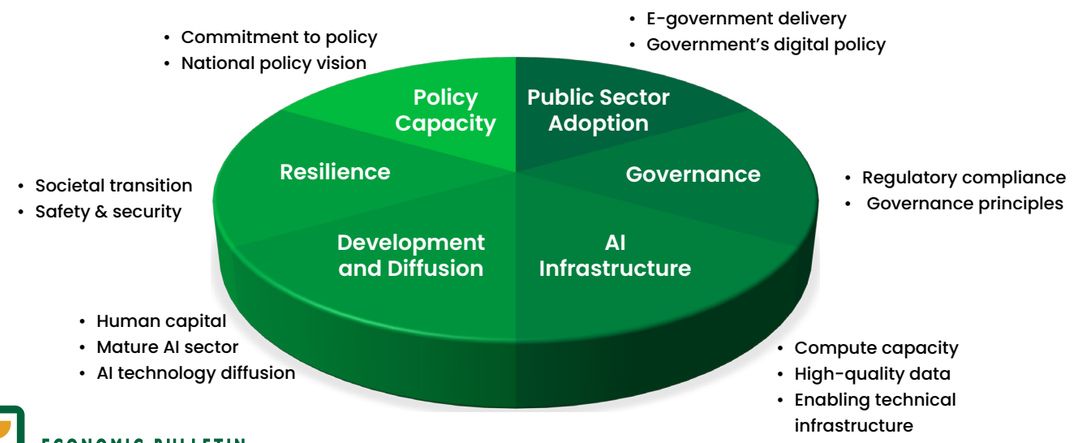
About the Index:

Oxford insights	Annually	195
Issuer	Frequency	Number of countries assessed on 2025 Index

Components of the Index:

The Index assesses countries' performance and readiness to leverage AI for citizen benefit, from public services, to sectoral use-cases, and the pivotal role of governments in building the skills and expertise for the 21st century digital economy. In this context, the Index explores government readiness by examining 69 indicators across 14 dimensions within six core pillars .

14 dimensions within 6 core pillars



Top ten ranking countries on the Index

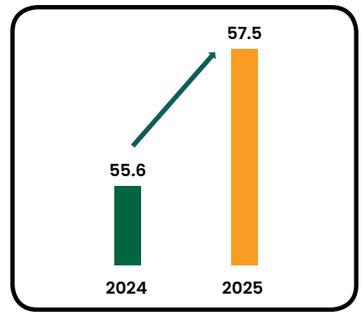
1	2	3	4	5
USA	UK	France	Netherlands	Germany
Score on the Index 87.2	Score on the Index 77.7	Score on the Index 77.3	Score on the Index 75.6	Score on the Index 75.5

6	7	8	9	10
China	Singapore	South Korea	Australia	Norway
Score on the Index 75.4	Score on the Index 75.1	Score on the Index 73.6	Score on the Index 73.11	Score on the Index 72.3

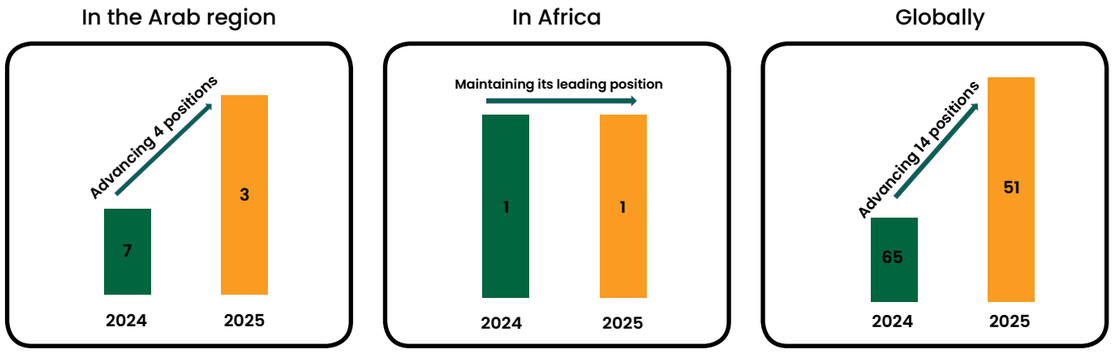
Egypt's position on the Government AI Readiness Index 2025

Egypt has climbed 14 places on the Government AI Readiness Index 2025, ranking 51st globally out of 195 countries with a total score of 57.5 points, compared to 65th out of 188 countries with 55.6 points in 2024.

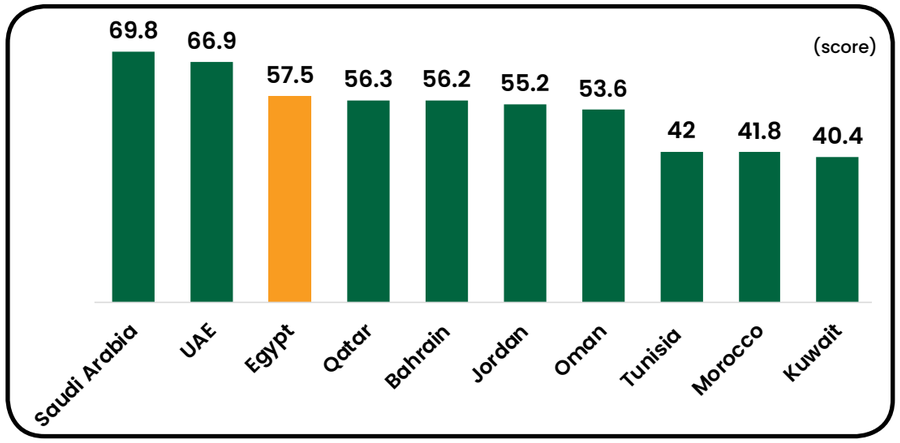
Egypt's score on the Index



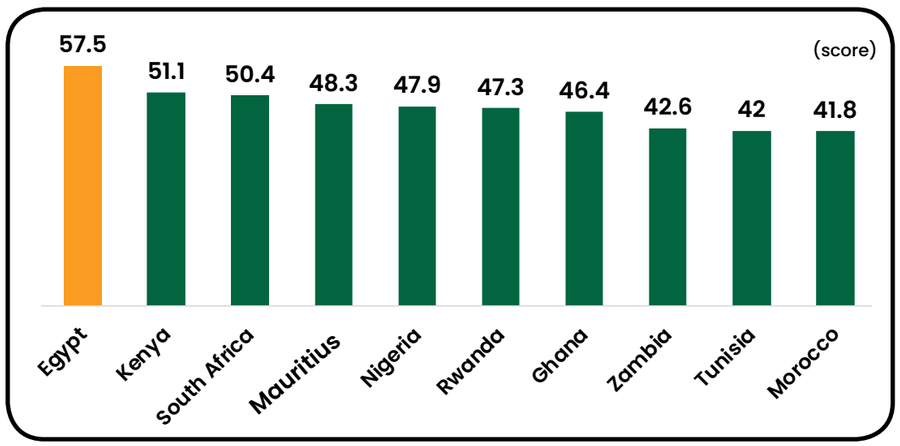
Egypt's position on the Government AI Readiness Index 2025



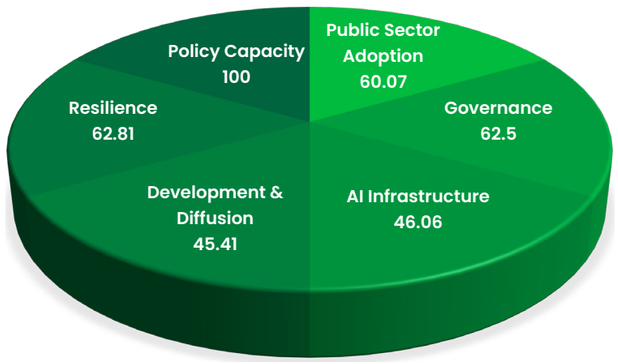
Scores of the top 10 Arab countries on 2025 Index



Scores of the top 10 African countries on 2025 Index



Egypt's pillar performance



Source: Oxford insights, Government AI Readiness Index 2025

In this context, the following is noted:

- Egypt ranked first globally in the Policy Capacity pillar, scoring 100 points, alongside the United Kingdom, Serbia and Australia. This pillar measures the government's ability to design and implement effective AI policies aligned with a clear, national policy vision for how AI benefits the country. In addition, it assesses the availability of resources necessary to achieve this vision, and engagement in relavant international agreements.

Egypt ranks first globally in the Policy Capacity pillar

- Egypt ranked first in the Arab world in the Resilience pillar, which measures the governments's ability to manage the social, economic, and environmental challenges brought by widespread AI adoption. This includes preparing for potential risks to national safety as AI diffusion progresses.

Egypt ranks first in the Arab world in the Resilience pillar

- In general, the improvement of Egypt's ranking on the "Government AI Readiness Index" reflects the country's successful efforts to leverage AI technologies for society benefit. This was achieved through establishing a comprehensive framework for policies supporting responsible and efficient AI use, mainly the second edition of the National Artificial Intelligence Strategy in early 2025. This Strategy is based on six main pillars, including:

Governance
Ensuring responsible AI use

Technology
Developing applications to implement AI technologies for improving service efficiency and advancing sectors

Data
Enhancing data accessibility and quality through the regulation and governance of data sharing

Infrastructure
Providing advanced IT, telecom, and AI infrastructure

Ecosystem
Shaping an innovation ecosystem by supporting local startups and amplifying venture capital investments

Skills
Developing and expanding the AI national skill and competency base

Short-term strategic goals include:

- Build a robust scalable AI infrastructure, cloud services, and innovation business models, and create a good digital foundation for the development of the AI industry
- Strengthen the quantity and quality of local AI skills
- Create a healthy AI ecosystem by supporting local startups, small and medium-sized enterprises (SMEs), and innovation efforts, and strengthen venture capital investments in Egypt
- Ensure data accessibility and sharing by developing frameworks for national data governance and strengthening life cycle management of domestic data
- Ensure ethical and responsible AI use by establishing a comprehensive AI regulatory system, activate the ethical framework, and put a nucleus for a clear regulatory body
- Enhance quality of life and sectoral efficiency through AI applications

Long-term strategic goals include:

At the macro level:

- By 2030, the information and communications technology (ICT) sector can contribute 7.7% to Egypt's GDP.
- 26% of Egypt's workforce would benefit from AI tools and applications.
- As AI technology develops, 36% of the general public will have access to AI and AI-powered products in their daily lives in 5 years.

At the analytical level:

- The number of AI professionals and experts is expected to reach 30,000 by 2030.
- The establishment of over 250 successful AI-driven companies in Egypt will be enabled and supported.
- AI technology could help accelerate academic research, establishing Egypt as a regional research cooperation center.

Source: The National Council for Artificial Intelligence, Egypt National Artificial Intelligence Strategy, Second Edition (2025-2030)

Egypt achieves significant progress on GTMI over five years

Egypt advanced 47 places on the GovTech Maturity Index (GTMI) 2025, ranking 22nd globally, up from the 69th place in 2022, which consolidated its position among the countries of Group "A", the GovTech Leaders. This comes in line with the implementation of the "Digital Egypt" strategy, reflecting the state's endeavors to expand digital services and upgrade digital infrastructure.

GOVTECH MATURITY INDEX 2025

WORLD BANK GROUP

GTMI is issued by the World Bank (WB) as a tool to assess the governments' progress and readiness to use technology to provide effective services, raise efficiency, improve transparency and promote engagement and digital equality taking into consideration dimensions such as strategy, infrastructure and service delivery.

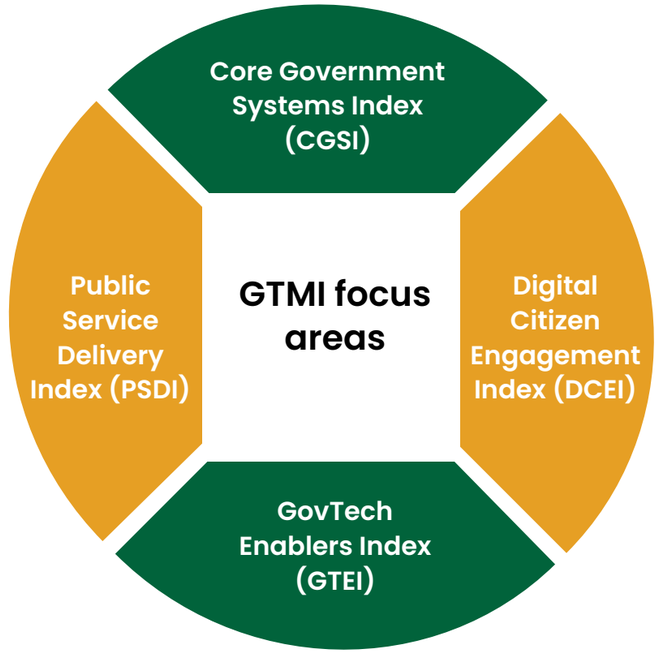
GTMI includes data of 197 economies worldwide, as it measures GovTech maturity through four focus areas as follows:

It includes 17 key indicators

covering critical dimensions for a whole-of-government approach, including government cloud, interoperability framework and government platforms such as Financial Management Information System (FMIS), Human Resources Management Information System (HRMIS) or e-Procurement System

It consists of 9 key indicators

measuring the maturity of online government portals, with a focus on citizen centric service design, and universal accessibility, as well as the availability and use of digital identity systems when interacting with public administration services.



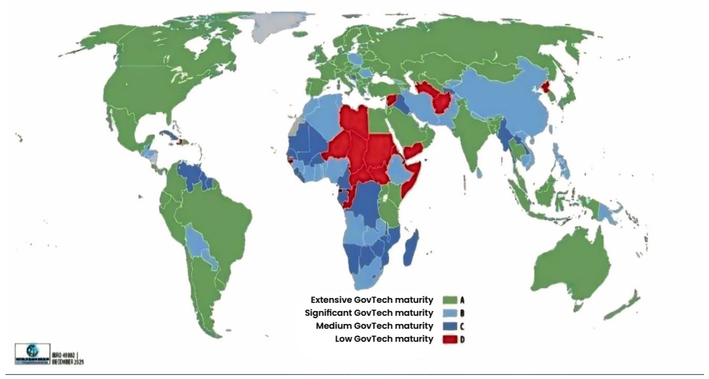
It encompasses 6 key indicators

covering aspects of public participation platforms, citizen feedback and complaint handling mechanisms, as well as open data and open government portals.

It incorporates 16 key indicators

including dimensions such as strategy, institutions, laws and regulations, as well as digital skills and innovation policies and programs to enhance GovTech.

Economies classified by GTMI groups

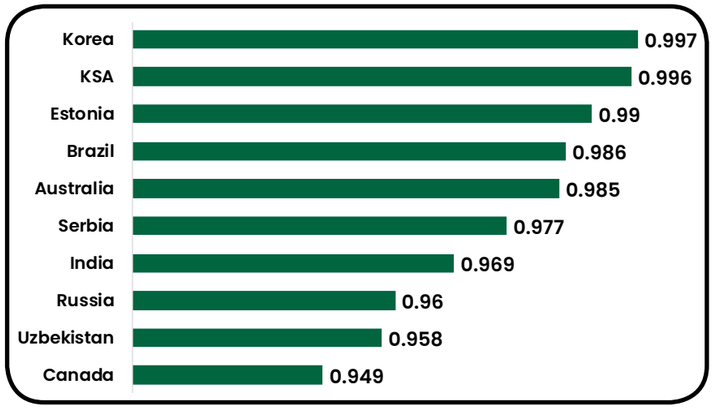


Source: GovTech Maturity Index, World Bank 2025.

In this vein, the GTMI 2025 report showed overall progress in the index's focus areas compared to the previous report issued in 2022. However, there is a growing disparity between higher-income economies (Group A) and lower-income economies (Group D). Progress has been observed in core systems (such as government cloud) and service delivery (such as customs services and digital identity). Meanwhile, citizen engagement remains limited, and whole-of-government (WoG) adoption remains low.

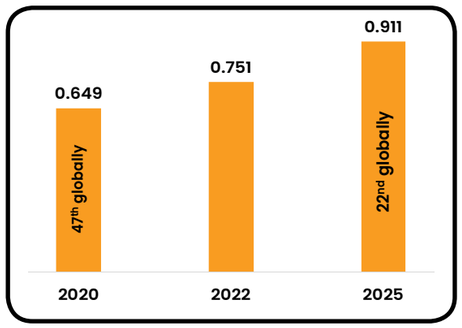
Korea ranked first on the GTMI 2025, followed by KSA in the second place globally.

Top 10 economies on GTMI 2025 (Score points)



Egypt continued to excel in the GTMI, moving to Group A (top tier) with a score of 0.911 up from Group B with a score of 0.751, placing Egypt among global GovTech Leaders.

Overall GTMI (score points)

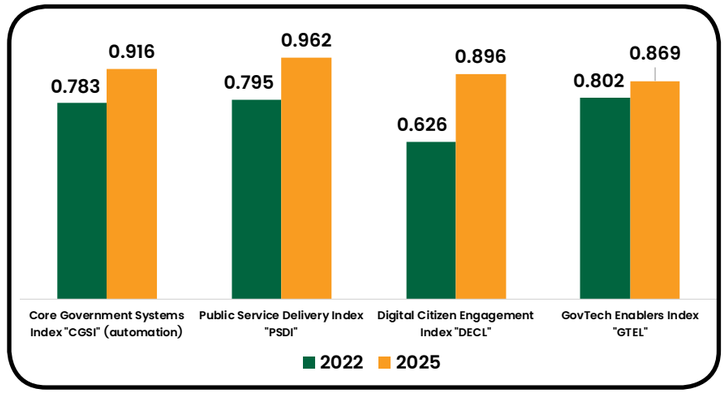


21.3%

Progress achieved in digital maturity in 2025 against 2022

Egypt achieved progress across all GTMI 2025 focus areas, compared to the previous report issued in 2022.

GTMI focus areas in Egypt (Score points)



The Cabinet approves Egypt's accession to the Preferential Trade Agreement of D-8 Organization for Economic Cooperation

Egypt is a member of several regional and international blocs, especially economic blocs, aimed at strengthening cross-cutting ties. In this context, Egypt joined the D-8 (Developing Eight) Organization for Economic Cooperation three decades ago, with a view to expanding the scope of economic cooperation and integration among member states and augmenting its international and regional weight, particularly in light of its huge potentials including natural resources, manpower and strategic geographic location. Egypt hosted various events geared towards promoting cooperation and sharing expertise, most recently in December 2025 when it hosted the 4th meeting of the D-8 Trade Ministers Council (TMC). The Egyptian Cabinet also approved Egypt's accession to the D-8 Preferential Trade Agreement (PTA).

Overview of member states

June 1997

The date on which the D-8 was established pursuant to Istanbul Declaration of Summit of Heads of State.

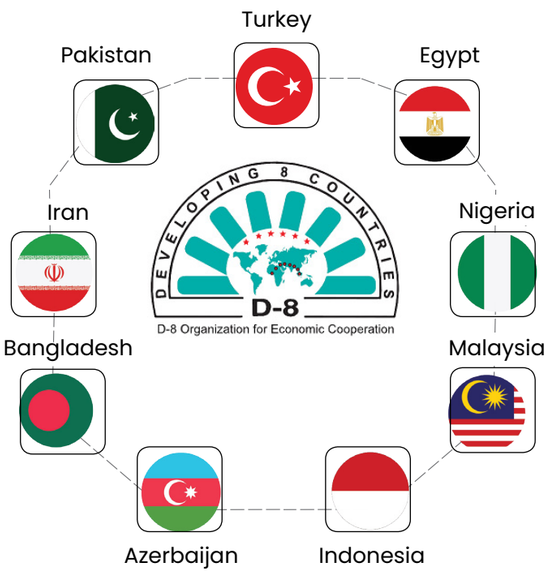
7.6 mn. km²

Total area of member states.

October 2014

The United Nations (UN) grants the observer status to the D-8.

Member States



Turkey

Headquarters of the D-8 General Secretariat.

Pakistan

D-8 Secretary General as of 1 January 2026.

Azerbaijan

The latest member state (joined in 2025).

Objectives

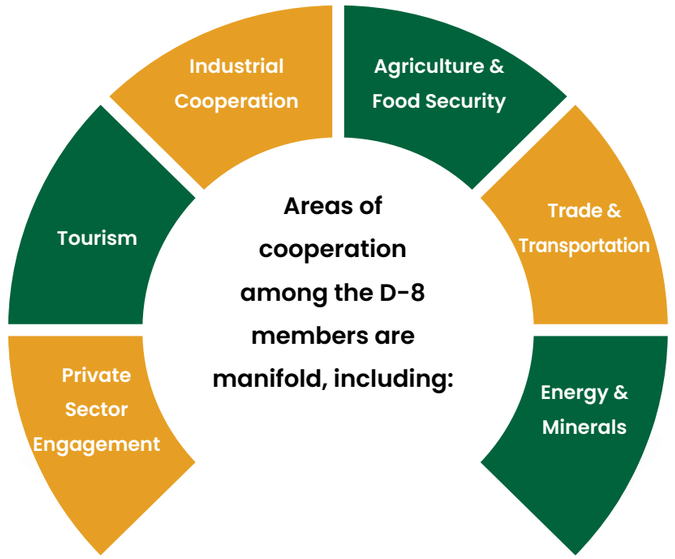
The main objective is to achieve economic and social development for member states, including:

1. **Diversify and strengthen intra-trade relations.**
2. **Provide a better standard of living by fostering cooperation among member states in all areas.**
3. **Enhance participation in decision-making at the international level.**
4. **Improve developing countries' position in the global economy.**

Organizational Structure

The D-8 organizational structure comprises several organs, including:

1. **The Summit,** which is the supreme organ of D-8, convenes the Heads of State/ Government of member states once every two years.
2. **The Council** is composed of the Ministers of Foreign Affairs of member states. It acts as a forum for thorough and comprehensive consideration of the issues at hand.
3. **The Commission** is the executive body of D-8. It is composed of senior officials appointed by their respective governments.
4. **The Secretariat** is responsible for coordination and follows up all activities and meetings.

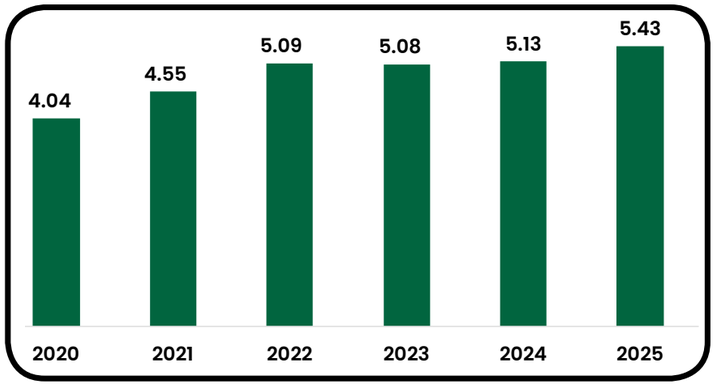


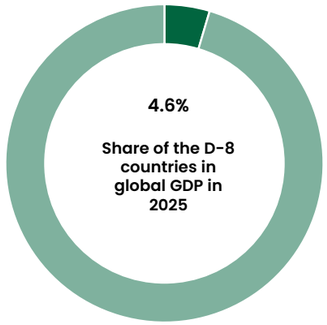
D-8 economic indicators

D-8 countries possess a diverse and complementary package of potentials, including various natural resources, where several member states have huge reserves of oil and gas (such as Iran, Nigeria and Azerbaijan), vast agricultural resources (such as Bangladesh, Indonesia and Egypt), and an advanced industrial and technological base (such as Turkey and Malaysia). This opens up broad prospects and numerous areas for cooperation among D-8 countries, enabling them to play a principal role in international trade. In addition, they have a broad market with diverse preferences and purchasing powers, helping them accommodate a huge range of products.

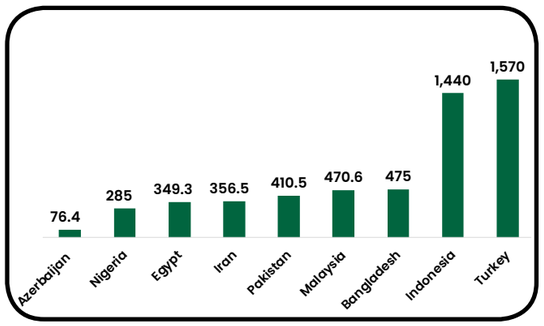
In 2025, the **GDP** of the D-8 countries accounted for USD 5.4 tn., i.e. 4.6% of the global GDP in the same year. It is also worth noting that there is a clear disparity of GDP among D-8 countries. While Turkey and Indonesia are on the list of trillion-dollar economies, with a GDP of USD 1.57 tn. and USD 1.44 tn. respectively in 2025, the GDP of Nigeria and Azerbaijan stood at USD 285 bn. and USD 76.4 bn. respectively in the same year.

Progression of D-8 GDP (USD tn.)

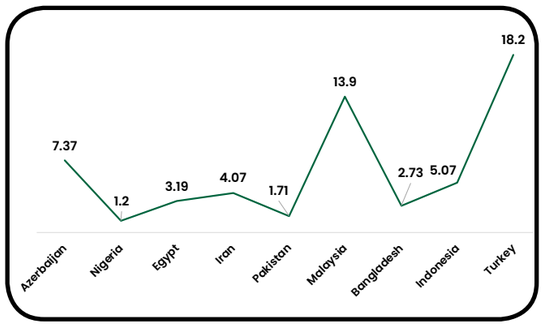




GDP of member states in 2025 (USD bn.)

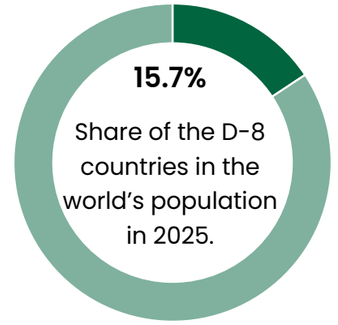


Average GDP per capita in 2025 (USD 000s.)



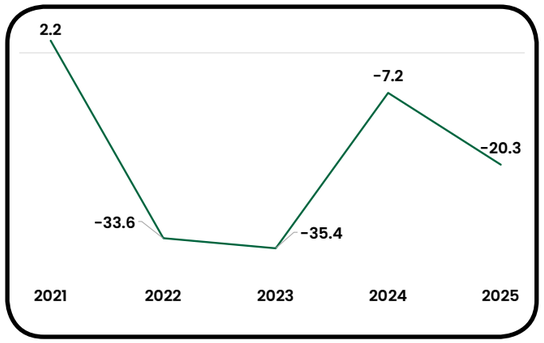
Source: IMF database.

The D-8 countries possess **enormous human resources,** with a population of 1.26 bn. by the end of 2025, i.e. 15.7% of the world's total population in 2025. This offers a broad market for trade exchange, in addition to the workforce required for achieving economic development.

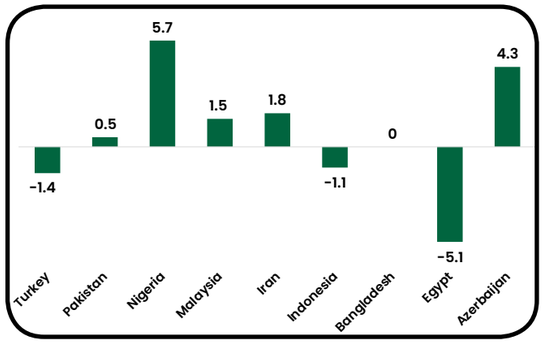


Regarding **foreign trade**, the current account of the D-8 countries suffers a limited deficit of USD 20.3 bn. in 2025 .

D-8 current account balance (USD bn.)

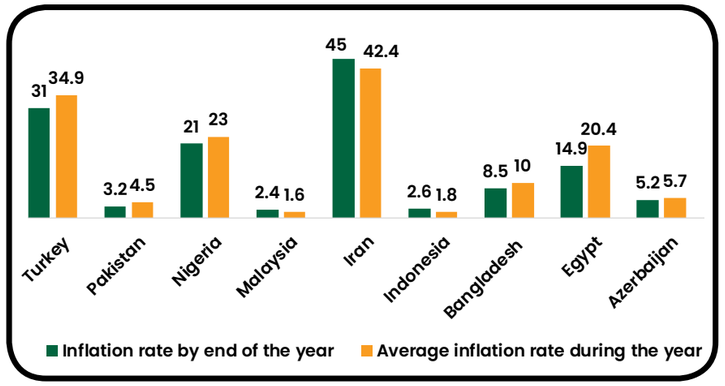


Current account to GDP in 2025



By end-2025, **inflation** rates ranged between single-digit figures in Malaysia, Indonesia, Pakistan, Azerbaijan and Bangladesh, and double-digit figures in Egypt, Turkey and Iran.

Inflation rates of member states in 2025 (%)



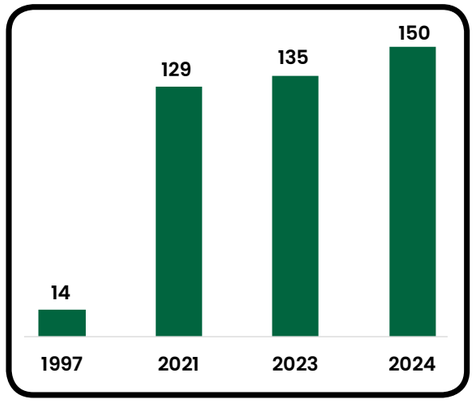
Source: IMF database.

D-8 intra-trade

The volume of trade exchange among the D-8 countries multiplied manyfold over its history, reaching USD 150 bn. in 2024. However, the volume of intra-trade is targeted to reach USD 500 bn. by 2030.

USD 500 bn.
Targeted volume of intra-trade among D-8 countries by 2030.

D-8 intra-trade volume (USD bn.)

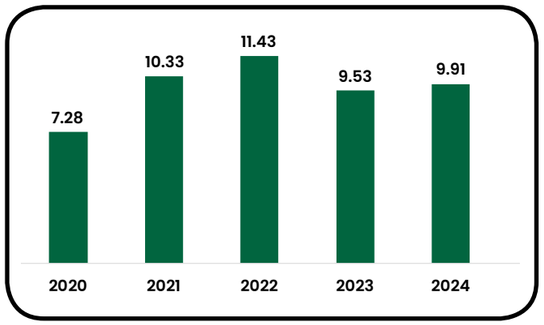


Source: - D-8 website.
- The Egyptian Cabinet website.

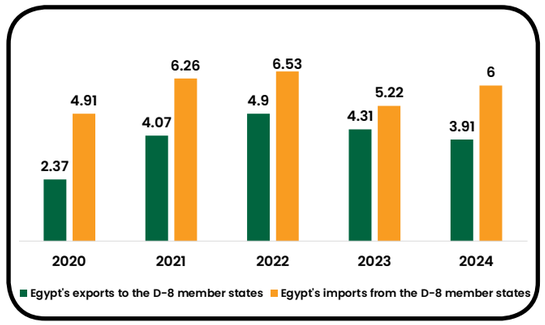
Egypt's trade exchange with D-8 countries[1]:

Trade exchange: The total trade volume between Egypt and the D-8 countries accounted for USD 9.91 bn. in 2024, with a 4% increase YoY. Egypt's exports to the D-8 countries totaled USD 3.9 bn. in 2024, where Turkey came on top with 85% of these exports. Meanwhile, Egypt's imports from the D-8 countries amounted to USD 6.0 bn. in 2024, where Turkey led the way with 54.4% of these imports.

Trade exchange between Egypt and the D-8 countries (USD bn.)



Egypt's exports and imports to/from the D-8 countries (USD bn.)

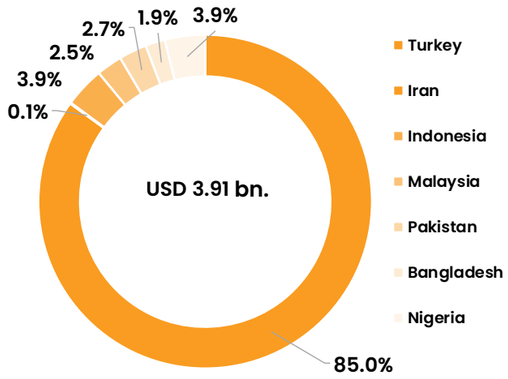


Source: Central Agency for Public Mobilization and Statistics (CAPMAS).

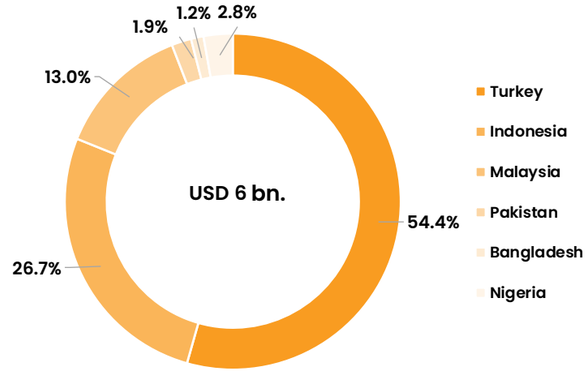
(1) Excluding Azerbaijan which joined the D-8 in December 2025.

Egypt's trade exchange with the D-8 countries in 2024

Breakdown of Egypt's exports



Breakdown of Egypt's imports



Source: CAPMAS.

Commodity composition: Chemical and plastic products headed the list of Egyptian exports to the D-8 countries, accounting for 30% of these exports in 2024. Meanwhile, animal and plant products, beverages and tobacco topped the list of Egyptian imports from the D-8 countries, with 31.6% of Egypt's total imports in 2024.

Intra-trade breakdown in terms of commodity groups between Egypt and D-8 countries in 2024

	Egyptian exports		Egyptian imports	
	Value (USD mn.)	(%)	Value (USD mn.)	(%)
Total	3,909.4	100	5,997.5	100
Chemicals and plastics	1,174.5	40	719	12
Yarns, textile fibers, textile products and garments	703.4	18	595.3	9.9
Animal and plant products, beverages and tobacco	495.8	12.7	1,895.8	31.6
Fuels, petroleum products and extractive industry products	418.2	10.7	449.7	7.5
Metal products	402.8	10.3	812.8	13.6
Machinery, mechanical and electrical devices, transport equipment and their parts	268.2	6.9	920.6	15.3
Articles of marble, stone, ceramic, glass and similar materials	137.9	3.5	55	0.9
Rubber, leather, wood, plant materials, paper and paper products	42.5	1.1	413.4	6.9
Scientific instruments	7.1	0.2	22.1	0.4
Other varieties	259	6.6	113.8	1.9

Source: CAPMAS.

D-8 Trade Ministers Council (TMC) Meeting

Cairo hosted the 4th Meeting of the D-8 Trade Ministers Council (TMC). The meeting resulted in a number of conclusions and recommendations aimed at strengthening cooperation among the D-8 countries, including:

- Welcoming the efforts aimed at enhancing the implementation of the Preferential Trade Agreement (PTA), and encouraging several countries to speed up their procedures to ensure the full implementation of the Agreement.
- Endorsing the work of the Supervisory Committee on the Preferential Trade Agreement and mandating the Committee, in cooperation with the team of experts, to expand the scope of the Agreement to adopt a broader and more inclusive framework.
- Expressing a joint determination to explore ways to reach a comprehensive economic partnership agreement.
- Emphasizing the pivotal role of the private sector, including small and medium enterprises (SMEs), in boosting sustainable trade growth and promoting enhanced cooperation among companies operating within the D-8 economies.

On a related note, the Cabinet approved on 17 December 2025 the draft presidential decree regarding Egypt's accession to the D-8 Preferential Trade Agreement and joining D-8 PTA Dispute Settlement Mechanism (DSM). The PTA is considered one of the most important contractual frameworks aimed at strengthening trade and economic ties between the D-8 countries. In August 2011, the Agreement entered into force between four countries (i.e. Iran, Malaysia, Nigeria and Turkey), following the completion of the Agreement ratification procedures by the above-mentioned countries.

Key objectives of D-8 PTA

- Reduction of tariffs and elimination of non-tariff barriers and para-tariffs.
- Promotion and expansion of trade, contributing towards the harmonious development of economic relations among the Contracting Members.
- Creation of enabling conditions for fair competition among the Contracting Members.
- Facilitation of mutual trade and contribution towards the expansion of world trade.
- Creation of a more predictable and secure environment for sustainable growth of trade among the Contracting Members.
- Streamlined diversification of commercial exchanges among the Contracting Members.

In conclusion, strengthening the joint efforts of D-8 countries to open up prospects for sustainable development and broaden opportunities for sharing expertise and resources among the D-8 countries is highly important. In this respect, the Organization can serve as an outstanding platform for pushing forward relations among its countries towards viable productive projects that benefit their people and establish a more stable and integrated economic future.

Egypt's messages at the World Economic Forum 2026

In 1971, the World Economic Forum (WEF) was established with a vision that it is vital to extend the role of the business sector beyond merely creating economic value to serving the entire international community. Since then, the WEF's role has grown to become a premier global platform for cooperation, bringing together leaders from business sectors, governments, international organizations, civil society associations and academia to drive progress on critical issues facing the international community. The 2026 Forum's activities were held under the theme "A Spirit of Dialogue", with the aim of restoring confidence and exploring ways of international cooperation in light of the current geopolitical and economic tensions. At this year's edition of WEF, Egypt demonstrated active participation, delivering a number of messages that highlight the Egyptian economy's developments and performance indicators.



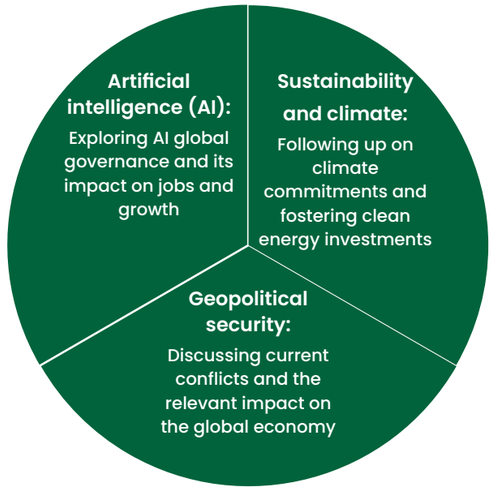
The 2026 WEF activities

- **3,000** cross-sector leaders from 130 countries
- **400** top political leaders
- **65** heads of states or governments
- **850** world's CEOs and chairpersons
- **100** technology pioneers



19-23 January 2026

The 2026 WEF's key topics



Egypt's messages at Davos 2026:

The Egyptian economy's structural reforms reflect a well-calibrated steady trajectory

- The Egyptian experience represents a successful model for addressing crises. In March 2024, Egypt adopted a major economic reform package, including the monetary and financial policies. Moreover, Egypt carried out ongoing structural reforms that opened new prospects for the economy, unleashed its latent potentials, bolstered investors' confidence and created a favorable environment for both local and foreign private investments.
- Egypt's economy witnesses a structural shift towards a model relying more on the real economy to generate resources and drive growth, while enhancing productivity and increasing the contribution of export-oriented sectors.
- Human resources development, industrial localization, increased investments, and labor market high efficiency are the key pillars of implementing the "National Narrative for Comprehensive Development", which aims to achieve a more sustainable and inclusive growth, led by the private sector.
- Efforts to reduce the fees and charges imposed by various local authorities are accelerating, through launching a unified "whole-of-government" digital platform, to contribute to reducing tax burdens and streamlining business operations.
- The monetary policy is effectively anchored while targeting controlled inflation rate is yielding positive results with no concerns in the current phase.
- A new law on micro, small and medium enterprises (MSMEs) is ratified, aiming at integrating informal economy players into the formal economy through offering a comprehensive package of regulatory and financial incentives.
- For the first time, a program and performance-based budget (PBB) will be implemented, by linking the government's development performance and financial performance, while committing to vertical goals for each ministry until 2030 and horizontal goals that bring together various departments and ministries, so that each ministry has clear goals and method for following up implementation.

Egypt's economy is recovering with robust performance indicators

110 mn. people
Egypt's large population functions as a major consumer base and a significant catalyst for economic growth and development. Almost 60% of the population is under the age of 30, creating a promising young workforce for the future.

4.4%
Egypt's GDP growth rate in FY 2024/25, propelled by real productive sectors, particularly manufacturing, ICT and tourism.

5.3%
Egypt's GDP growth rate during Q1 and Q2 of FY 2025/26.

USD 550 bn.
Total investment costs of infrastructure development in Egypt during the period 2014-2024.

9 mn. feddans
Total cultivated land, in addition to a plan to add about 4.5 mn. new feddans.

65%
Private sector contribution to total investments, with a target to increase to around 70% by 2030.

USD 51.5 bn.
Net international reserves at the end of December 2025, representing an increase of about 9.2%, compared to the corresponding period of the previous year.

12.3%
Headline inflation rate at the end of December 2025, compared to 24.1% YoY.

USD 12 bn.
Foreign direct investment (FDI) inflows into Egypt, with a targeted increase of 20% in 2026.

2 days
Slashing customs clearance average time from 16 days down to 5.8 days, with a target of just two days.

Renewable energy sources in Egypt
Massive capacities and promising prospects

1,000 GW

Egypt's total theoretical renewable energy capacities from solar and wind energy.

42%

The targeted share of renewable energy in the total energy mix by 2030, alongside increasing the energy sector's contribution to GDP to 9.5%, in line with the National Narrative for Comprehensive Development. Egypt adopts an integrated vision to diversify its energy sources, including expanding the use of renewable energy (solar, wind, and hydropower) and nuclear energy.

10 GW

Total capacity of energy projects under the NWFE Program. Within this framework, an amount of USD 4.5 bn. was mobilized in concessional financing from development partners to the private sector to implement energy projects of 5.2 GW. Under this framework, power purchase agreements were signed for projects with a total capacity of 8.25 GW.

El Dabaa Nuclear Power Plant

El-Dabaa Nuclear Power Plant is a mega national development project in Egypt and Africa. Its role transcends generating clean electricity to be a driver for economic growth and job creation. The Plant also contributes to local community development, fosters technology transfer and boosts Egypt's industrial and service base.

Effective cooperation with development partners and international institutions

United Nations (UN): Within the framework of the strategic partnership with the United Nations, the relationship between the Egyptian government and the United Nations Development Program (UNDP) is a model for development cooperation. Egypt-United Nations Sustainable Development Cooperation Framework (UNSDCF) 2023–2027 reflects full alignment with the United Nations Strategic Sustainable Development Cooperation Framework, and focuses on human capital development, sustainable growth, governance, climate action, and women's empowerment.

UNITED NATIONS

European Union (EU): The European Union (EU) is a premier strategic development partner, contributing to the implementation of priority projects in various sectors through grants and blended finance. In this context, the EU-Egypt Strategic Comprehensive Partnership Agreement was signed on 14 March 2024. It is a framework that defines the strategic priorities and objectives of joint cooperation, ensures their alignment with the Egyptian national priorities, and fosters their agility to address the emerging needs.



European Bank for Reconstruction and Development (EBRD): EBRD is one of Egypt's most prominent multilateral development bank partners. Coordination is underway with EBRD to increase innovative financing for the private sector, given the benefits of the European Investment Guarantees Mechanism activated in 2025. In this context, Egypt-EBRD relationship has remarkably grown over the past five years, as both parties collaborate across various levels to pave the way for empowering the private sector and reinforcing development efforts. Since the start of its operations in 2012 in Egypt, which is a founding member, EBRD invested an amount exceeding € 13.8 bn. covering 209 projects in Egypt. Roughly 80% of this amount is channeled to the private sector. In 2024, Egypt became the EBRD's largest country of operations in the Southern and Eastern Mediterranean (SEMED) region for the seventh year in a row .

European Bank
for Reconstruction and Development

World Bank (WB): The partnership with the World Bank Group witnessed a paradigm shift in recent years, to focus more on supporting policies and reforms that enhance the private sector empowerment, improve business environment, and boost the national economy competitiveness. This shift emphasizes the Bank's role as a knowledge partner through various programs such as the consultancy services for the public offering program, the cooperation with the State-Owned Enterprises Unit, and other areas of cooperation.

WORLD BANK GROUP

Multilateral Investment Guarantee Agency (MIGA): Egypt is actively leveraging innovative financing tools in the fields of infrastructure and energy. Renewable energy plans rely mainly on partnerships with the private sector, supported by concessional loans, MIGA guarantees, and blended financing mechanisms that include grants of development partners. This financing model has contributed to the implementation of mega projects in the fields of renewable energy, wind energy, and green hydrogen, in addition to climate adaptation projects in water and waste management sectors.

WORLD BANK GROUP
Guarantees | MIGA

Launching the second edition of Egypt's Narrative for Comprehensive Development: Reforms for Growth, Jobs & Resilience

Egypt's Narrative for Comprehensive Development serves as an overarching development framework that ensures alignment and integration between Egypt Vision 2030 and the different sectoral strategies, in light of the accelerated changes imposed by regional and international developments. The Narrative aims to support Egypt's transition toward a more diversified economic model based on maximizing the efficient use of human resources, improving quality of life, and prioritizing higher value-added and export-oriented (tradable) sectors. It builds on the country's advanced infrastructure achievements and includes a redefined role for the state in the Egyptian economy to enhance its competitiveness, and stimulate private sector participation, continuing the path of economic reform and consolidating macroeconomic stability.



Core pillars of Egypt's Narrative for Comprehensive Development

Intensifying efforts supporting human development to improve quality of life: This pillar serves as the foundation upon which all the remaining pillars of the Narrative are built. Investment in human capital leads to tangible improvements in quality of life, enhances competitiveness of the Egyptian economy, and consolidates an integrated development path that promotes equity, increases productive capacity, and ensures sustainability. This entails a multidimensional approach that includes:

Providing comprehensive, high-quality healthcare services

This includes expanding the Universal Health Insurance (UHI) system, upgrading the healthcare infrastructure, training and qualifying medical personnel, and localizing pharmaceutical industries.

Developing a comprehensive education system aligned with labor market demand

Such system is based on equal access without discrimination, high-quality learning outcomes, and linking technical, technological, and university education to the needs of the productive economy and digital transformation.

Developing skills, enhancing innovation and building digital capability

This will be achieved through the implementation of the National Artificial Intelligence Strategy and the National Strategy for Science, Technology, and Innovation.

Enhancing social justice and protection for the most vulnerable groups

This will be achieved through an integrated framework that combines sustainable social protection with economic empowerment.

Improving quality of life and spatial equity

This will be achieved through "Haya Karima" (Decent Life) Initiative.

Empowering women and youth

Women and youth are considered the main pillars for expanding the production base and increasing economic participation rates.

Supporting economic empowerment and decent work

This will be achieved through platforms and programs such as "Tamkeen" (Empowerment) platform and the Strategic Financial Framework for Empowerment.

Strategic shift toward tradable sectors: The state's new economic model is anchored upon leveraging the latent potential of high value-added, tradable sectors, with a particular focus on manufacturing, tourism, agriculture, and information and communications technology (ICT). Meanwhile, energy, water resources, and irrigation serve as enabling pillars that support these sectors by meeting their energy and water needs and enhancing their capacity for expansion and growth. Tradable sectors are accordingly considered the primary drivers of development.



Redefining the role of the state in the economy and empowering the private sector: As part of the transition towards a more open and flexible economy, the Egyptian government is implementing a comprehensive strategic vision to redefine its role in economic activity. This approach seeks to reinforce the private sector as the primary driver of growth and job creation. The transition is guided by the principle of shifting gradually from a direct operational role to that of an enabling regulator and investment partner. It is expected to enhance resource allocation efficiency and optimize returns on public assets.

The vision is implemented by three key entities, each with specialized and complementary roles

The State-Owned Enterprises (SOE) Unit, operating under the Cabinet

is in charge of implementing the State Ownership Policy (SOP).

The Sovereign Fund of Egypt (SFE)

represents the state's investment arm that manages public assets according to the principles of effeciency and economic return.

The Asset Monetization Unit

was established as a specialized executive body to oversee the implementation of the public asset divestment program.

Quantitative targets of Egypt's Narrative for Comprehensive Development

The Narrative summarizes structural reform priorities into a coherent set of quantitative targets. These targets are part of a streamlined macroeconomic framework that specifies a set of measurable objectives for 2030, along with aspirational deliverables for 2050. This framework is based on three scenarios:

Baseline Scenario

reflects the expected trajectory under ongoing reform efforts.

Accelerated Reform Scenario

accelerates the reform process.

Conservative Scenario

takes into account the potential downside risks arising from heightened global uncertainty and geopolitical tensions, as well as their potential spillover effects on the national economy.

The table below presents the key targets and underlying assumptions for the "Accelerated Reform Scenario", which spans the period up to 2030. It also outlines the long-term objectives and aspirations for 2050. In addition, it provides a comparison of the three scenarios (Baseline, Accelerated Reform and Conservative) focusing only on the 2030 projections.

Gross domestic product (GDP):

Indicator	2024/25	2025/26	2026/27	2027/28	2028/29	2030			2050
	Actual	Accelerated Reform Scenario				Baseline	Accelerated Reform	Conservative	Reforms
GDP growth rate (%)	4.4	5.3	6	6.5	7	6.2	7.5	5	8
GDP per capita growth rate (%)	3.2	3.8	4.5	4.9	5.5	4.6	5.9	2.9	6.5
GDP contribution of the private sector (%)	79.4	79.9	80.2	80.6	81.9	81.2	83	75	89
Economic activity sectors									
Manufacturing sector:									
*GDP contribution of oil and non-oil manufacturing sectors (%)	15.1	15.7	16.2	17.2	18.5	18.8	20	16	25
*GDP contribution of non-oil manufacturing sector (%)	12.1	13	13.7	14.9	16.4	16.4	18	13	21
Tourism sector:									
*GDP contribution (%)	3.7	3.9	4	4.2	4.3	4.3	4.9	4	6
*Number of tourists (mn.)	19.1	20.8	22.8	24.9	27.2	22	30	19	50
Energy sector:									
GDP contribution of the energy sector (%)	8.7	8.7	8.8	8.8	9.1	8.8	9.4	8.5	10
Share of clean energy in the total energy mix (%)	12	18.6	19	23	33	39	42	20	55
GDP contribution of the telecommunications sector (%)	2.4	2.7	3	3.4	3.9	3	4.5	2.5	8
GDP contribution of the agriculture sector (%)	17.3	17.3	17.4	17.5	17.6	17	17.7	17	20

Investment

Indicator	2024/25	2025/26	2026/27	2027/28	2028/29	2030			2050
	Actual	Accelerated Reform Scenario				Baseline	Accelerated Reform	Conservative	Reforms
Total investments as a percentage of GDP (%)	11.7	13.3	14.9	16.5	18.1	17.3	20	14	25
Private investments as a percentage of total investments (%)	56.5	60.9	64.4	67.3	69.6	67.7	71.9	60	75
Private investments as a percentage of GDP (%)	6.6	81	9.6	11.1	12.6	11.7	14.4	10	22.5
FDI flows (USD bn.)	12.2	16.1	17.8	20	22.8	20.5	24.6	17.6	75
Green public investments as a percentage of total public investments (%)	45	50	55	60	65	70	75	65	85
Exports									
Exports of goods and services (USD bn.)	72.3	84.4	97.7	110.2	125.3	100	145	90	250
Exports of goods (USD bn.)	40.2	47.1	54.3	61.3	69.7	56.3	80.7	50	150
Net exports of goods and services as a percentage of GDP (%)	-11.7	-7.6	-5.5	-4.8	-4.3	-6.1	-2.4	-10	5
Job creation and unemployment									
Annual job creation (mn.)	0.9	0.9	0.9	0.95	0.95	1.1	1.5	0.9	2.5
Labor force participation as a percentage of the population aged 15 and above (%)	45.3	46	46.6	47.3	48	46.4	48.7	45	75
Female labor force participation rate (%)	19.7	20.3	20.9	21.5	22.2	22.3	22.8	20	50
Fiscal consolidation									
Tax revenues (% of GDP)	12.3	13.4	14.4	14.7	15	14	15.2	13	25
Overall fiscal deficit (% of GDP)	7.3	7	4.9	4.9	4.9	6	4.9	7	0
Debt of budgetary agencies (% of GDP)	83.8	79.7	75.5	72	70	72	68	75	55

Action plan for Egypt's Narrative for Comprehensive Development

The action plan serves as the practical framework for the implementation of Egypt's Narrative for Comprehensive Development. The plan adopts a medium-term budget framework, in accordance with the program and performance-based budgeting methodology as a mechanism to ensure the budget is aligned with strategic objectives and boosting expenditure efficiency and effective implementation through various relevant entities. The action plan is divided into:

Horizontal targets: They are a set of shared strategic priorities derived from the Narrative, and aimed at achieving broad-based development outcomes. Their realization requires rigorous coordination among the various relevant entities to ensure coherent and integrated implementation. The targets include:

Strengthening macroeconomic stability and fiscal sustainability

- Achieving a primary surplus and reducing the debt-to-GDP ratio
- Increasing the financial inclusion rate
- Boosting net FDI flows as a percentage of GDP

Fostering an attractive competitive business environment and enhancing private sector participation

- Expanding the scope of public free zones and reducing the turnaround time required for new company formation
- Sustaining support frameworks for micro, small, and medium enterprises (MSMEs)
- Reinforcing the private sector's role as a key development partner in infrastructure and service delivery projects

Enhancing competitiveness, productivity, and structural transformation toward tradable sectors

- Achieving a high annual growth rate for non-oil merchandise exports
- Doubling the budgetary allocation for the export support program within the state's general budget
- Increasing the number of inbound tourist arrivals and tourist nights
- Increasing the number of Suez Canal transits

Investing in human capital and enhancing quality of life

- Expanding beneficiary coverage under the UHI system
- Reducing average class size and increasing enrollment rates in higher education
- Scaling up the share of investments directed toward human development and better quality of life within the national investment plan

Ensuring social and spatial equity

- Narrowing geographical development gaps
- Increasing the financial inclusion rate of women
- Expanding the base of "Takaful & Karama" cash transfer program beneficiaries who have health insurance and ration cards

Improving labor market efficiency and flexibility, and creating decent jobs

- Doubling the employment rate within various sectors
- Leveraging sectoral skills councils to align training outcomes with labor market demand
- Scaling up the number of applied technology schools, and ensuring that technological universities cover all governorates

Technological transformation, and promoting innovation and entrepreneurship

- Enhancing Egypt's ranking on related global indicators, such as the Global Innovation Index (GII) and the GovTech Maturity Index (GTMI)
- Increasing the share of companies incorporated electronically relative to total new business registration
- Increasing the percentage of secondary schools integrating computer-based learning and expanding the network of STEM Schools

Transitioning to green economy and ensuring just transition

- Increasing the proportion of green projects to total public investments
- Enhancing the contribution of green industries to GDP
- Improving the share of clean energy in electricity generation
- Boosting the total supply of potable water derived from seawater desalination

Enhancing transparency and governance

- Improving the Public Investment Efficiency Index (PIE)
- Enhancing Egypt's ranking on the Statistical Performance Index
- Increasing the rate of internet users in government transactions
- Improving Egypt's ranking on the Open Budget Survey (OBS) and the Budget Oversight Index

Vertical targets: They are specific and mandate-driven goals tailored to each ministry or entity, and directly linked to their sectoral responsibilities. Examples include:

A number of key performance indicators (KPIs)

Ministry of Finance

Strategic objective: Achieving fiscal discipline, reinforcing fiscal sustainability, and enhancing the efficiency of tax and customs systems

Indicator	Latest data	Target			
		2026/27	2027/28	2028/29	2029/30
Average time to maturity (ATM) of budgetary agencies' tradable debt in EGP (years)	2.92 (June 2025)	3.1	3.7	4.2	4.8
Annual reduction in external debt (USD bn.)	4 (2023/24)	1 - 2	1 - 2	1 - 2	1 - 2
Egypt's score on the Budget Oversight Index (0-100)	54 (2023/24)	58	60	63	66

A number of KPIs

Ministry of Investment and Foreign Trade

Strategic objective: Attracting more foreign and domestic investments, and maximizing the volume of Egyptian exports

Indicator	Latest data 2024/25	Target			
		2026/27	2027/28	2028/29	2029/30
Annual growth rate of Egyptian non-oil exports (%)	14	17	18	19	20
Share of free zone exports to total national exports (%)	20	20	22	22	25
Number of public free zones (zones)	9	9	11	13	14
Number of investment zones (zones)	18	21	22	23	24
Turnaround time for new company formation (days)	7	4	3	2	1
Companies given the "Golden Licence"/ cumulative (companies)	42	62	82	102	122

Ministry of Industry

Strategic objective:

Enhancing the quality and competitiveness of the industrial sector and accelerating the transition toward sustainable industries

A number of KPIs

Indicator	Latest data	Target			
		2026/27	2027/28	2028/29	2029/30
Egypt's ranking on the Competitive Industrial Performance (CIP) Index (ranking)	67 (2022)	53	50	47	44
Number of established factories (000's)	68 (2024)	84	89	95	100
Additional land service area (Avg. 5,000 m^2 per factory) (million m^2)	14 (2024)	55.8	69.5	83.3	97

Ministry of Public Business Sector

Strategic objective:

Restructuring public business sector companies and enhancing their export competitiveness

A number of KPIs

Indicator	Latest data 2024/25	Target			
		2026/27	2027/28	2028/29	2029/30
Value of exports of public business sector companies (USD mn.)	975	1,075	1,129	1,185	1,244
Export revenues as a percentage of total operating revenues (%)	40	45	46	47	48
Proportion of profitable public business sector companies to total public business sector companies (%)	78	83	89	97	100

Ministry of Tourism

Strategic objective:

Reinforcing Egypt's tourism position, and developing and upgrading museums and archaeological sites

A number of KPIs

Indicator	Latest data 2024	Target			
		2026/27	2027/28	2028/29	2029/30
Hotel capacity (thousand rooms)	228	319	375	427	484
Tourist nights (million nights)	164.4	216	236	258	300

Ministry of Transport

Strategic objective:

Transforming Egypt into a regional hub for clean transport and logistics, while upgrading the quality of transport services

A number of KPIs

Indicator	Latest data 2024/25	Target			
		2026/27	2027/28	2028/29	2029/30
Seaport capacity (million tons)	185	265	310	355	400
River transport cargo capacity (million tons/year)	7.2	8.5	9.0	9.5	10
Dry port handling capacity (thousand tons)	600	2,000	5,000	7,000	8,800
Railway passenger capacity (million passengers/day)	1.2	1.6	1.7	1.9	2.0

Ministry of Labor

Strategic objective:

Ensuring decent job opportunities for all

A number of KPIs

Indicator	Latest data 2025	Target			
		2026/27	2027/28	2028/29	2029/30
Informal employment rate (% of paid informal employment in total labor force)	60	58	55	53	45

Ministry of Communications and Information Technology

Strategic objective:

Promoting ICT sector contribution to increasing Egypt's exports, building capacities, and supporting digital transformation

A number of KPIs

Indicator	Latest data	Target			
		2026/27	2027/28	2028/29	2029/30
Annual value of digital exports (USD bn.)	7 (2024/25)	7.8	8.2	8.6	10
Egypt's ranking on the Offshore BPO Confidence Index	9 (2024)	6	5	4	3
Percentage of internet users in government transactions (%)	33.6 (2023/24)	34	35	36	50
Coverage ratio of innovation centers at the governorate level (%)	48 (2023/24)	74	82.7	91.3	100

Ministry of Housing, Utilities, and Urban Communities

Strategic objective:

Achieving integrated and sustainable urban development and providing decent housing services

A number of KPIs

Indicator	Latest data 2025	Target			
		2026/27	2027/28	2028/29	2029/30
Urban sanitation coverage nationwide (%)	96	98	98.7	99.3	100
Rural sanitation coverage nationwide (%)	60	62	70	77	85
Ratio of treated wastewater to total wastewater (%)	70	72	75	77	80
Potable water coverage nationwide (%)	44	45	46	47	48
Share of renewable energy in buildings (%)	Less than 5	5	10	15	20
Total potable water supply from seawater desalination (million m^3 / day)	1.3 (2024/25)	1.5	1.7	1.85	2.0

Ministry of Electricity and Renewable Energy

Strategic objective:

Transitioning to clean energy, and enhancing the efficiency of electricity generation, transmission, and distribution

A number of KPIs

Indicator	Latest data	Target			
		2026/27	2027/28	2028/29	2029/30
Share of the population with access to electricity (%)	99.7 (2017)	99.8	99.87	99.94	100
Egypt's electricity export capacity (megawatts)	870 (2024)	4,090	4,090	4,090	4,090
Egypt's ranking on the Energy Transition Index (ETI)	74 (2025)	68	65	61	58

Ministry of Agriculture and Land Reclamation

Strategic objective:

Achieving food security and promoting sustainable agriculture

A number of KPIs

Indicator	Latest data (2024/25)	Target			
		2026/27	2027/28	2028/29	2029/30
Agricultural land area (million feddans)	10	10.5	11.5	12.5	13
Wheat self-sufficiency ratio (%)	48	52	54	56	56
Share of agricultural land utilizing water-efficient practices (%)	30 (2023/24)	50	65	76	89.5

Central Bank of Egypt

Strategic objective:

Ramping up financial inclusion efforts and expanding access to banking financial services

A number of KPIs

Indicator	Latest data (2024/25)	Target			
		2026/27	2027/28	2028/29	2029/30
Financial inclusion rate of total adult population (%)	76.3	77	78	79	80
Financial inclusion rate of women (%)	70	70.5	71	71.5	72
Financial inclusion rate of youth (%)	54.4	55	55.5	56	56.5

Suez Canal

Strategic objective:

Maximizing the role of the Suez Canal in global maritime navigation

A number of KPIs

Indicator	Latest data (2024/25)	Target			
		2026/27	2027/28	2028/29	2029/30
Number of transiting vessels (vessels)	12,375	14,996	16,495	18,145	19,959
Capacity utilization rate (%)	37	41	45	50	55

National Council for Women

Strategic objective:

The economic empowerment of women

A number of KPIs

Indicator	Latest data (2024/25)	Target			
		2026/27	2027/28	2028/29	2029/30
Female labor force participation rate (%)	14	16	18	19	20
Private sector share of total female employment (%)	63.7	65	67	69	70
Percentage of microfinance directed to women (%)	47.2	48	50	52	53
Percentage of small enterprises directed to women (%)	45	48	50	52	53

IMF signals positive outlook for the Egyptian economy in its report on fifth and sixth reviews of EFF arrangement

In March 2026, the International Monetary Fund (IMF) published its report on the fifth and sixth reviews of Egypt's economic reform program supported by Egypt's "Extended Fund Facility (EFF)" arrangement and the first review under the "Resilience and Sustainability Facility (RSF)" arrangement, allowing Egypt to draw the equivalent of about USD 2.3 bn. (USD 2 bn. under the EFF and USD 273 mn. under the RSF) bringing Egypt's total purchases under the EFF and RSF to about USD 5.2 bn. Egypt's 46-month EFF arrangement that was approved on December 16, 2022, has been extended through December 15, 2026.



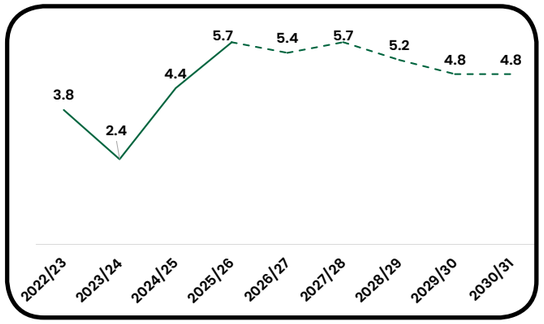
In this context, the IMF highlighted the following:

- Egypt's macroeconomic situation has improved amid sustained stabilization efforts. Tight monetary and fiscal policies together with exchange rate flexibility have helped restore macroeconomic stability, reduce inflation, and strengthen the external position.
- Implementation under the RSF—which supports reforms to accelerate decarbonization, strengthen environmental risk management, and enhance climate resilience—is progressing well. The authorities have completed two key reform measures, including publication of an implementation schedule for renewable energy targets and issuance of a directive requiring banks to monitor and report exposure to climate transition risks.
- Reducing the state's economic footprint and leveling the playing field remain critical to securing durable, private-sector-led and inclusive growth.
- Egypt's priority is to transition toward a more sustainable, private sector-led growth model. "The National Narrative for Economic Development" provides an important framework to enhance competitiveness and strengthen private sector participation.
- At the same time, downside risks remain significant, particularly those associated with heightened regional geopolitical tensions and tighter global financial conditions. On the upside, a faster pickup in the Suez Canal activity or rebound in hydrocarbon production could support growth and strengthen the fiscal and external positions. Gulf-backed mega projects announced in recent years pose upside risks to foreign direct investment (FDI) projections.

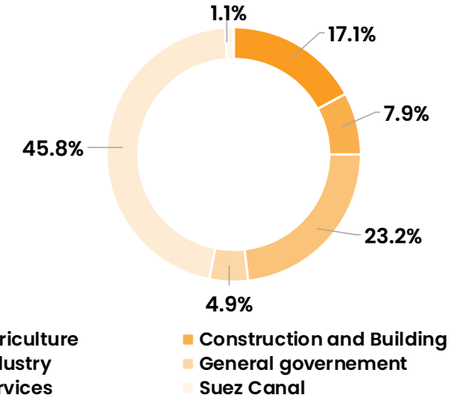
IMF outlook for a number of Egyptian economic indicators

Economic growth: The Egyptian economy has maintained a strong growth trajectory, despite regional geopolitical tensions, and heightened global uncertainty. GDP growth rate picked up to 4.4% in FY 2024/25 against 2.4 % YoY. The recovery was supported by robust performance in non-oil manufacturing, transportation, finance and tourism. This momentum carried into Q1 of FY 2025/26, with growth accelerating to 5.3% against 3.5% YoY.

Real GDP growth rate (%)

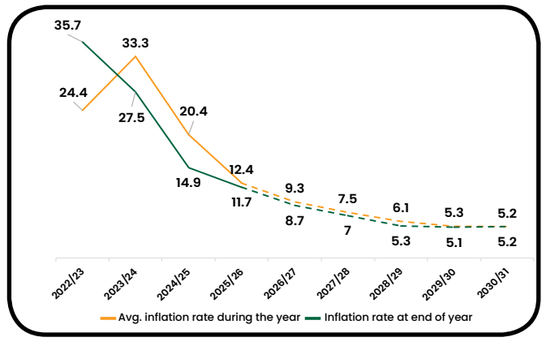


Real GDP at factor cost during FY 2025/26



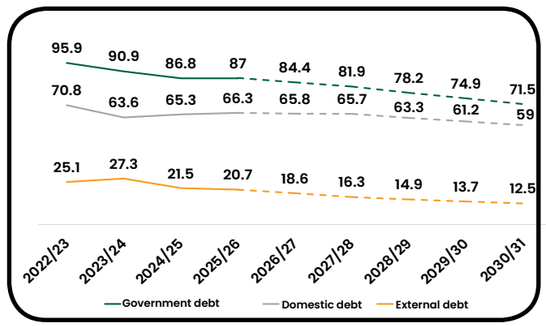
Inflation and monetary policy: Inflation continued its downward trajectory. Headline inflation reached 12.3% YoY in December 2025. In this vein, the IMF noted that the significant disinflation observed since end-FY 2023/24 reflects the combined effects of tighter monetary and fiscal policies, elimination of foreign exchange (FX) shortages, and the fading impact of earlier exchange rate depreciation. Core inflation also fell markedly from 26.6% at end-FY 2023/24 to 11.8% by December 2025.

Inflation (%)



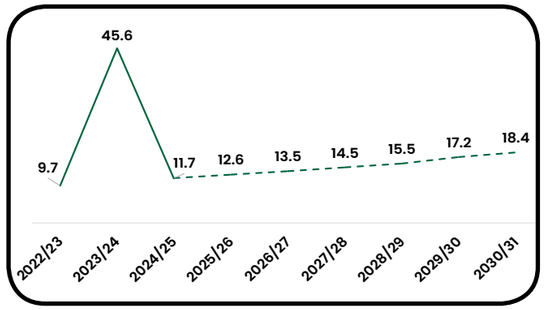
Public debt: Gross general government debt as a percentage of GDP fell to 86.8% in FY 2024/25, compared to 90.9% and 95.9% in FY 2023/24 and FY 2022/23, respectively. While the IMF anticipates a marginal uptick during FY 2025/26, this ratio is projected to resume its downward trajectory over the following years reaching an estimated 71.5% by FY 2030/31.

Gross general government debt (in percent of GDP)



- **Foreign direct investment:** FDI inflows to Egypt reached USD 11.7 bn. in FY 2024/25. IMF projections indicate that inflows are expected to grow at a steady pace, reaching an estimated USD 18.4 bn. by FY 2030/31.

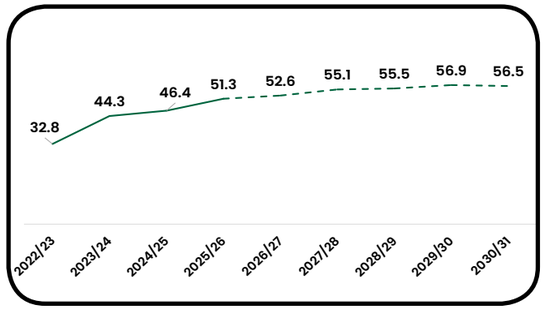
Net FDI inflows (USD bn.)



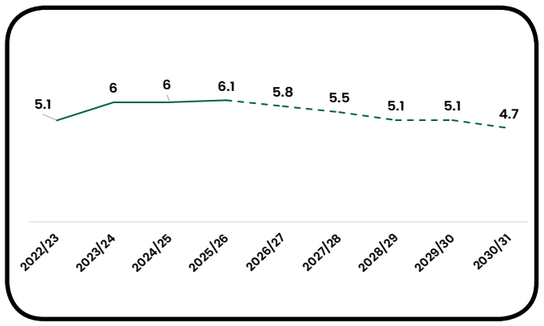
- The significant surge in FDI inflows to Egypt during FY 2023/24 is primarily attributed to inflows from Ras El-Hekma deal concluded with the United Arab Emirates.

- **International reserves:** Egypt's international reserves accounted for USD 44.3 bn. in FY 2023/24, up from approximately USD 32.8 bn. YoY, building upon revenues from Ras El-Hekma deal with the UAE. Reserves continued to rise, reaching USD 46.4 bn. in FY 2025/26. On the same note, the IMF projects that reserves would continue its upward trajectory in the coming years, reaching USD 56.9 bn. in FY 2029/30.

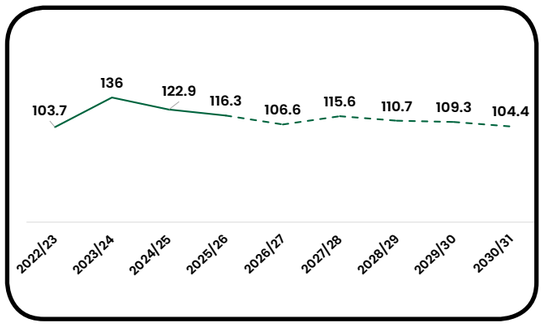
International reserves (USD bn.)



Number of months of goods and services imports covered by reserves (Month)

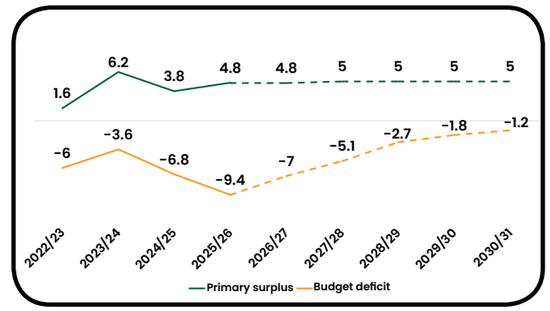


Reserves as a percentage of short-term external debt (%)



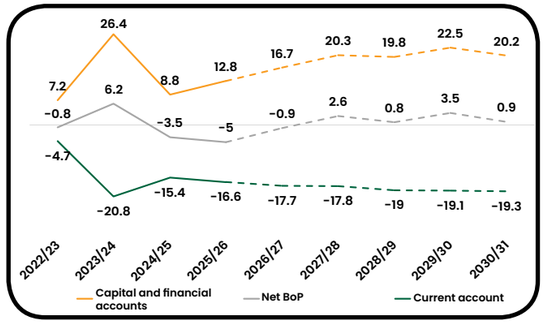
- **Public budget:** The primary budget surplus recorded a remarkable increase in FY 2023/24, counting on the public budget's share of revenues from Ras El-Hekma deal. The surplus recorded 6.2% as a percentage of GDP. In the same vein, the IMF indicated that the primary budget surplus is estimated to reach 4.8% during FY 2025/26 and FY 2026/27, and to maintain high levels of nearly 5% as a percentage of GDP until FY 2030/31. This would be accompanied by a significant improvement in the overall budget deficit, declining from 9.4% as a percentage of GDP to around 1.2% in FY 2030/31.

Public budget performance as a percentage of GDP (%)

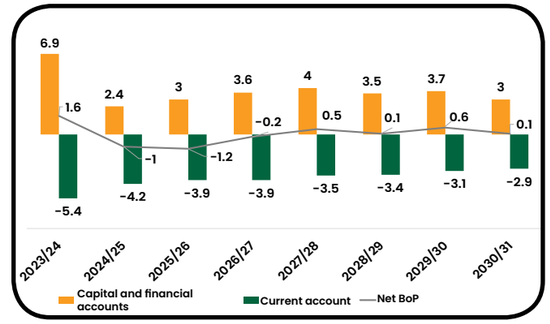


- **Balance of Payments (BoP):** The current account deficit narrowed to 4.2% as a percentage of GDP in FY 2024/25 against 5.4% YoY. Such improvement is mainly attributable to the strong remittances amounting to USD 36.3 bn. against USD 21.9 bn. YoY, and the rising tourism receipts accounting for USD 16.7 bn. against USD 14.4 bn. YoY.

BoP outcome (USD bn.)



BoP as a percentage of GDP (%)



The Green Sustainable Industry (GSI) Program: A strong step towards a more sustainable Egyptian industry

The Ministry of Environment launched the GSI Program in 2025, as one of the initiatives aiming to support the industry to improve environmental performance, rationalize resources consumption and ensure the compliance with environmental regulations. The program aligns with the targets of Egypt's National Climate Change Strategy 2050 (NCCS) and the relevant initiatives that Egypt adopted during the past years such as the national platform of "NAWFE" program for green investment and the "Egyptian Pollution Abatement Program (EPAP)".

On a related note, green transformation is a core pillar of Egypt's National Narrative for Economic Development, which targets boosting green investments to 70% of the total public investments by 2030.

Being prepared since 2022, the Green Sustainable Industry (GSI) program supports the transition of the Egyptian industry towards a green economy nationwide. It focuses on industrial facilities and sites where the population and surrounding environment are negatively affected by pollution. GSI provides financing and grants to both public and private industrial companies in Egypt to make investments in various fields.



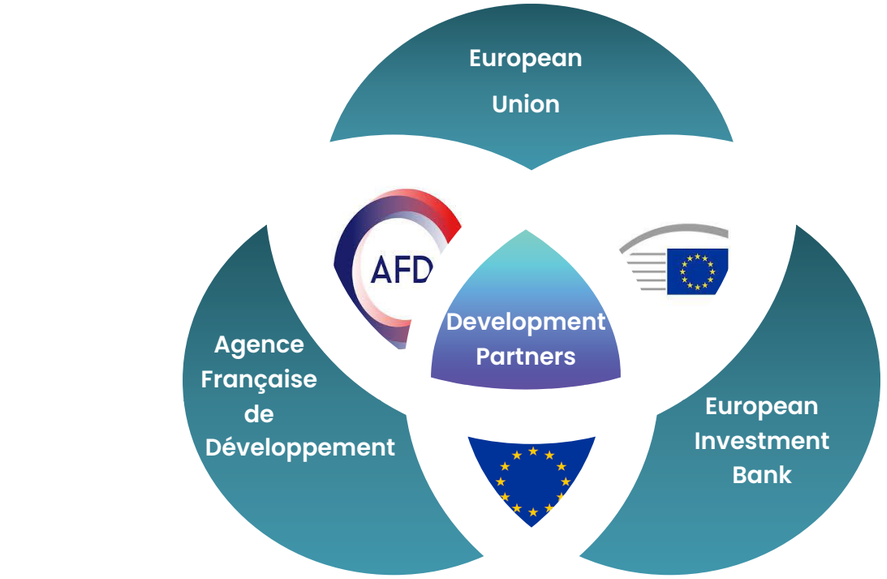
As planned, more than 10 sectors will benefit from the program in enhancing the competitive edge of the Egyptian industry in international markets, including cement, fertilizers, iron and steel, aluminum, heavy industries and chemicals, etc. which are labor-intensive industries, with the goal of boosting the global competitiveness of their exports.

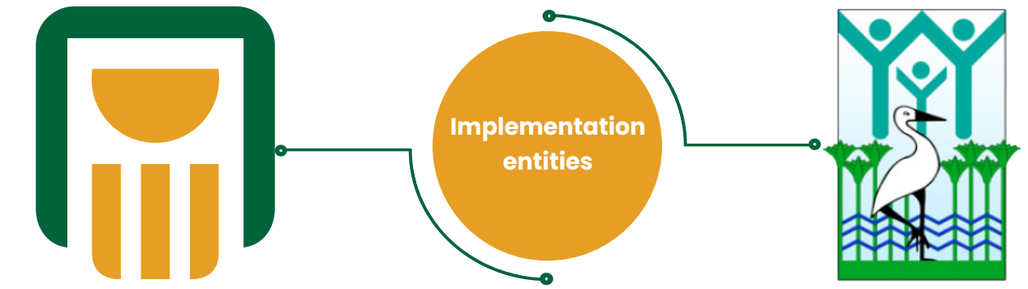
More than 10 sectors
"particularly labor-intensive industries" will benefit from the program

EUR 271 mn.
"EGP 14.8 bn."
Targeted finance

The GSI program demonstrates the crucial role of international cooperation to promote economic development through providing a total package of EUR 271 mn. (EGP 14.8 bn.), backed by our development partners including the European Investment Bank (EIB), the European Union (EU), and the Agence Française de Développement (AFD). The program is implemented by the Environmental Affairs Agency and the National Bank of Egypt.

Moreover, the GSI program enhances the private sector involvement in low-carbon projects and encourages it to increase its investments in green projects, by channeling its funds directly to the private sector without state financial burdens.





AATC breaks ground at the New Administrative Capital: A step towards boosting intra-African trade

In December 2025, the African Export-Import Bank (Afreximbank) announced the establishment of the Afreximbank African Trade Centre (AATC) in Egypt's New Administrative Capital. The establishment marks a significant step towards strengthening intra-African trade and investment, building capacities, and fostering innovation and continental connectivity. Furthermore, this reflects Egypt's position as a driving force in the future of African trade and as a continental gateway for investments and trade.



Afreximbank is a premier Pan-African multilateral financial institution mandated to build platforms to help enhance intra-African trade, foster innovation and promote Africa's active participation in the global economy.

1993
The Bank's establishment date
Cairo, Egypt
The Bank's headquarters

USD 5 bn.
The authorized capital, divided into 500,000 shares with a share value of USD 10,000.

USD 37.6 bn.
Total assets as at 30 September 2025.

USD 28 bn.
Loans and facilities granted to customers as at 30 September 2025.

Source: Afreximbank Nine Months 2025 Financial Results

Partnership between Egypt and Afreximbank: The partnership between Egypt and Afreximbank covers a broad range, supporting Egyptian companies' participation in numerous projects across African countries. The Bank offers finance for a wide array of industrial projects, including sugar manufacturing, petrochemicals, tyres and steel, as well as oil trade and storage, and funds cross-border strategic projects such as pipeline interconnections. It also cooperates with Egypt in a continental project aimed at enhancing agricultural production, manufacturing and food trade across Africa, which reinforces Egypt's role in supplying fertilizers and basic commodities.

AATC in Egypt

AATC is intended to be a distinguished hub comprising platforms for trade information and market monitoring, offering spaces for training, research and innovation to African companies, and serving as a venue for holding major trade and investment events in Africa, in line with the goals of the African Continental Free Trade Area (AfCFTA) in this regard.

AATC's establishment in Egypt strengthens Egypt's position as a continental gateway for investments and trade, and complements its role as a host country of Afreximbank's headquarters, a founding member and a promoter of AfCFTA implementation.

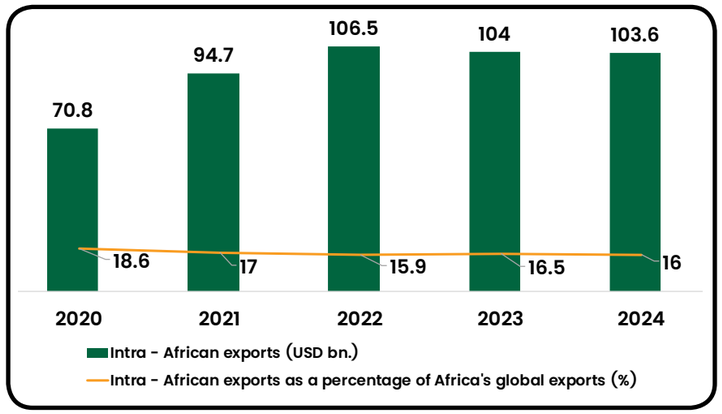
AATC network is intended to extend across several countries including Nigeria, Zimbabwe, Uganda, Côte d'Ivoire, Cameroon, Barbados, Rwanda and Tunisia.

Intra-African trade

Key components of intra-African trade:

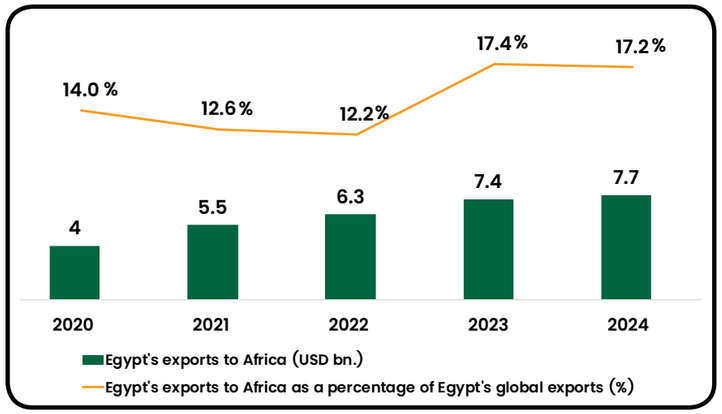
- Mineral fuels and mineral oils
- Natural pearls, gemstones and precious metals
- Electrical machinery, apparatus and equipment and their parts

Intra-African exports

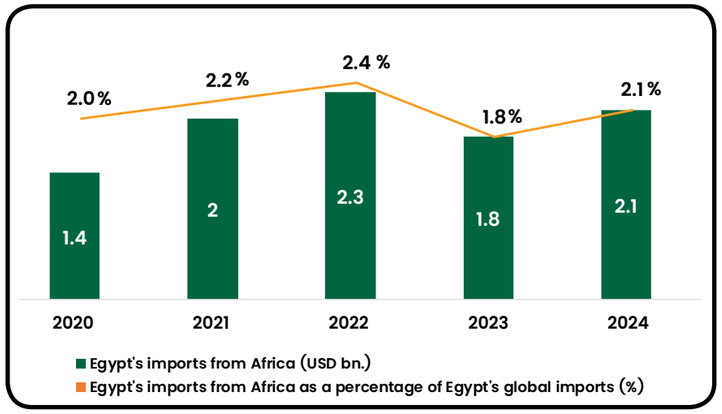


Egypt's transactions with African nations

Egypt's exports to Africa



Egypt's imports from African countries



Source: Trademap

Egypt-Turkey Trade Consultations Mechanism: A driving force for strengthening bilateral cooperation

Egyptian-Turkish relations are particularly important and deeply rooted. In 2025, the two countries commemorated a centenary of bilateral diplomatic relations. In terms of economic relations, the Free Trade Agreement (FTA) was signed between Egypt and Turkey in December 2005 and entered into force in March 2007. Underlining the quantum leap witnessed in the bilateral economic relations, Egypt hosted the second meeting of the Trade Consultations Mechanism in December 2025, to discuss ways to enhance bilateral cooperation in trade and investment, strengthen economic partnerships, and increase promising opportunities in the next stage.



USD 8 bn.
Trade exchange volume in 2024

Egypt is Turkey's first trade partner in Africa.

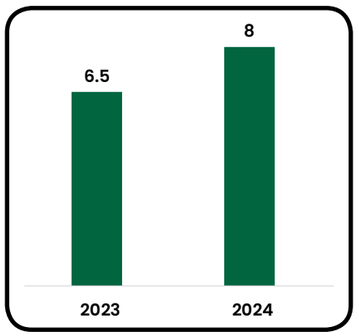
Indicators of trade and investment relations between Egypt and Turkey

Textiles, home appliances and food industries are among the key promising sectors for Turkish investments in the future in Egypt.

USD 3 bn.
Investments of 200 Turkish companies in Egypt, providing more than 100k direct jobs.

USD 15 bn.
Targeted volume of bilateral trade over 5 years.

Trade exchange between Egypt and Turkey (USD bn)



The Egyptian government unveils 28 promising industries and opportunities targeted for potential investments

Investment is a key driver of comprehensive economic development. It has a direct impact on boosting production and deepening local manufacturing, which helps meet market needs and promote exports, in addition to cutting the import bill, creating more jobs and improving incomes. In this vein, the government announced, in December 2025, targeting 28 promising industries and opportunities for potential investments or expansion.

Bases and criteria for selecting the presented industries and investment opportunities

1. Availability and prices of energy (gas, electricity, fuel oil, coal).
2. Availability of resources and raw materials in Egypt.
3. Leveraging Egypt's geographical location for industrial product distribution.
4. Availability of production technology and plants necessary for the industry.
5. The Egyptian market's need for these industries.
6. Average monthly wages & salaries of workers, technicians and engineers.

Investment opportunities are concentrated in key sectors, as follows:

Automotive industry

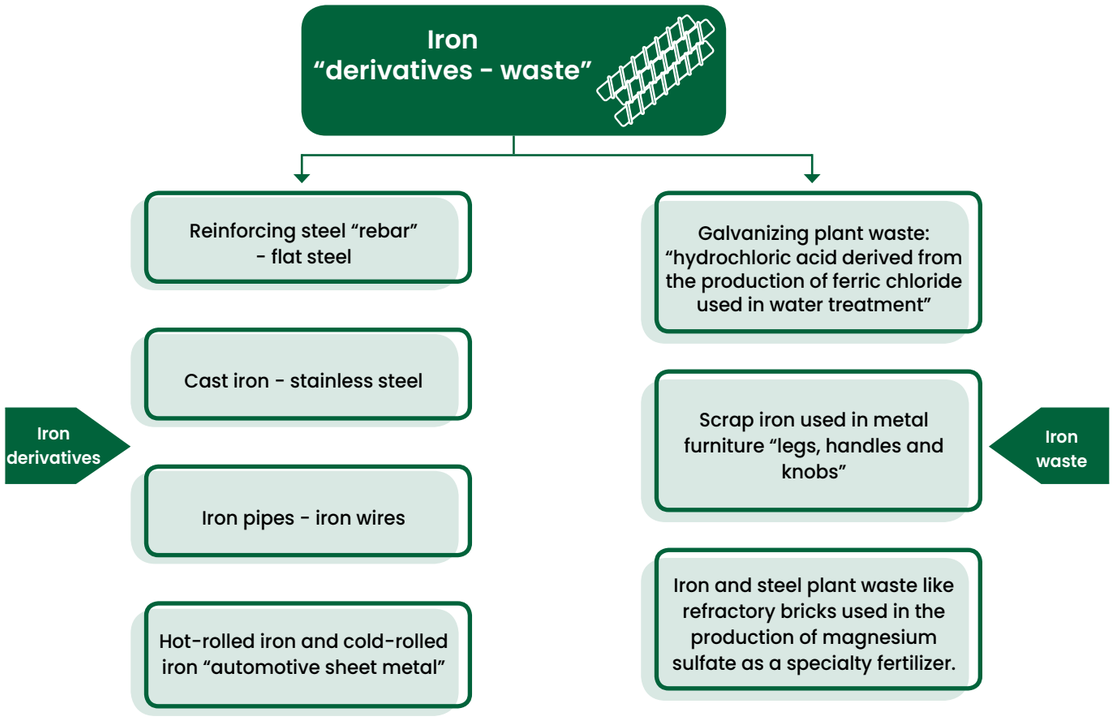
- Electric vehicles
- Vehicle tyres
- Vehicle and bus body structures
- Vehicle batteries
- Engines
- Inverters
- Steering systems
- Suspension systems
- Brakes
- Glass
- Discs
- Lighting

Elevators and escalators

- Remote-controlled smart elevators
- Solar-powered elevators
- Escalators with advanced safety technologies
- Energy-efficient escalators
- Lightweight elevators for residential hotel applications
- Elevators with multifunctional control systems
- Fire-resistant escalators

Aluminum industry

- Heat-treated aluminum
- Anodized aluminum
- Aluminum profiles
- Aluminum panels
- Aluminum wires
- Containers and vessels
- Industrial spare parts
- Cladding
- Foil



Seamless pipes

- Pipes
- Ribbed pipes
- Corrosion-resistant pipes
- Thermally insulated pipes

Water lifting pumps and appliance motors

- Horizontal pumps - submersible pumps
- Motors of dishwashers/washing machines
- Motors of stationary/portable air conditioners
- Motors of heavy-duty professional mixers

Wind power components

- Generators
- Blades
- Inverters
- Transformers
- Support towers
- Storage systems
- Control systems
- Monitoring systems

Water treatment and desalination components

- Reverse osmosis membranes
- Pressure pumps
- Filtering systems
- Water tanks
- Filtration equipment
- Electrical and control units
- Chemical disinfection systems
- Monitoring and maintenance equipment
- Treated water quality control systems
- Strainers

Solar power components

- Solar cells
- Storage batteries
- Solar tracking systems
- Smart monitoring solutions
- Engines
- Conventional transparent solar panels
- Innovative printable solar panels
- Advanced energy storage technologies
- Inverters

Green hydrogen industry

- Hydrogen production using clean energy
- Water electrolysis using clean energy
- Green hydrogen as an alternative fuel in transportation and heavy industries
- Low-cost hydrogen storage technologies

Recyclable materials industry

- E-waste recycling
- Advanced recycling of glass and paper
- Manufacturing of biodegradable materials
- Recycling of bioplastics
- Production of biodegradable bags
- Advanced metal recycling

Soda ash industry

- The production of sodium carbonate used in the production of caustic soda or sodium bicarbonate “as byproducts”.
- It is the basic material used in industries such as detergents.

Inks

- Printing on paper or plastic

Petrochemicals

- Polyethylene terephthalate (PET)
- Polypropylene (PP)
- Polyvinyl chloride (PVC)
- Polyurethane (PU)
- Synthetic rubber
- Polyethylene (PE)

Food industries

- Healthy and alternative foods “organic and gluten-free products”
- Specialized dietary food products
- Healthy frozen ready meals
- Dairy alternatives such as almond milk
- Healthy canned snacks
- Protein-enriched foods
- Plant-based meat
- Whey protein
- Citric acid

Polyester industry

- High-performance polyester fiber
- Heat-treated polyester
- Fire-retardant polyester
- Fiberglass reinforced polyester
- Highly efficient recycled polyester

Textile industries

- Ready-made garments
- Textiles
- Natural and synthetic fiber yarns
- Textile waste recycling
- Synthetic fibers
- Polyester fabric recycling

Infant formula from the beginning of its manufacturing, not its assembly

- Raw milk collection
- Packing and packaging
- Milk processing and purification
- Pasteurization
- Milk drying
- Nutrient fortification

Central Air Conditioning Chillers

- Absorption chillers
- Dry or ammonia chillers
- Highly energy-efficient chillers
- Remote-controlled smart chillers
- Hybrid solar-electric chillers
- AI-powered chillers for performance monitoring and automatic control
- Smart application-based cooling systems
- Chiller components meeting operational safety requirements

Leather industries

- Footwear, bags, apparel and belts
- 3D-printed leather products
- Custom leather furniture in complex colors and patterns
- Recycling of tannery waste to produce amino acids used in improving textile dyeing and gelatin dyeing “medical - industrial”.

Pharmaceuticals and cosmetics

- It relies on the cultivation of aromatic and medicinal plants and the extraction of essential oils and natural extracts which are used in manufacturing pharmaceutical and cosmetic products.

Software industry

- Autopilot applications for autonomous vehicles
- Smart software for electronic devices
- Smart healthcare solutions
- AI solutions for e-commerce
- AI solutions for industrial sectors

Advanced robotics industry

- Industrial robots to enhance production lines automation
- Medical robots for surgical and therapeutic purposes
- Robots to assist with tasks such as cleaning contaminated areas
- Smart robots for storage and delivery

Systems

- Surround sound systems
- 4K surveillance cameras
- 3D advanced sound systems
- Integrated sound systems for events and conferences
- AI-powered surveillance cameras
- Surveillance systems using thermal imaging
- Integrated sound systems for smart buildings

Electrical transformers

- Extra high voltage (EHV) transformers
- Smart switches and advanced control systems
- Advanced cooling systems
- Precision measurement technologies (PMT)
- Dry transformers
- Advanced electrical insulators

Electric motors and their components

- Turbine engines
- High-performance permanent magnet motors
- Engines for specialized industrial applications
- High-efficiency synchronous motors

Electrical components

- Smart switches
- Smart fuses
- Advanced lighting fixtures, such as remote-controlled lighting fixtures
- Wi-Fi light switches
- High-temperature resistant sockets
- Smart safety switches
- Transducers for industrial applications
- Electrical capacitors

Electric generators

- Large turbines
- Solar-powered generators
- High-efficiency gas generators
- Portable high-capacity emergency generators

Egypt emerges as Africa's top destination for foreign direct investment in 2025, according to UNCTAD

The Global Investment Trends Monitor report released by United Nations Conference on Trade and Development (UNCTAD) in January 2026 highlights that Egypt topped the list of fastest-growing and most attractive African countries for foreign direct investment (FDI) in 2025, solidifying its position as Africa's leading FDI host.



USD 11 bn.

Value of Egypt's foreign direct investment inflows in 2025.

1

For the fourth year in a row, Egypt is the top FDI destination in Africa.

18.6%

Egypt accounted for 18.6% of Africa's total FDI in 2025.

64.7%

Egypt seized 64.7% of North Africa's total FDI in 2025.

USD 1 bn. investment to set up the largest phosphate chemical industries complex in the Middle East located in Egypt

Within the framework of Egypt's endeavors to maximize the added value of phosphate rock, to be converted from a primary raw material into high-value products, such as phosphate fertilizers to increase agricultural productivity, and the purified phosphoric acid used in food and pharmaceutical industries, an agreement was signed to build one of the largest specialized phosphate chemical industries complexes in the Middle East, in Ain Sokhna Industrial Zone at the Suez Canal Economic Zone (SCZONE). The agreement was signed between Elsewedy Industrial Development and China's Kunming Chuan Jin Nuo Chemical Co. (CJN), a global leader in phosphate industries. This is a new great leap towards building an industrial base that enhances local production capabilities and supports national exports, relying on Egypt's distinguished logistic capacity, which witnessed a great boom during the past years, especially in SCZONE. The complex will help facilitate exports and rapid access to various markets.

Ain Sokhna Industrial Zone
Project location

USD 1 bn.
Project investment cost

10,000 direct and indirect jobs
created by the project

905,000 m²
Project area

The project will be implemented in three phases:

1

Launching in 2026, with commercial operation expected in 2028. It covers producing phosphoric acid, as well as DAP and TSP fertilizers, each with a capacity of 300,000 tons annually.

2

Launching in 2029, with commercial operation in 2031, to produce high-purity specialty phosphate chemicals, including purified phosphoric acid and potassium dihydrogen phosphate, which are first introduced in the Middle East.

3

Launching in 2032 and commencing operations in 2034, the phase focuses on manufacturing new energy materials for the production of electric battery materials, most importantly lithium iron phosphate (LFP) and lithium dihydrogen phosphate (LDP), thus strengthening Egypt's position as a regional hub for electric battery manufacturing.

The majority of the complex production will be allocated to exports to markets in South Asia, the Middle East, Africa, and South America.

A dedicated "Research and Development Center" is to be established during Phase I of the project to advance scientific research in phosphate-based chemical industry technologies to ensure industry localization within the Egyptian market.

With USD 100 mn. investments and 90% export targets: An integrated complex for spinning, weaving and ready-made garments is being established

The spinning, weaving and ready-made garment industry is a cornerstone of the Egyptian economy, enabling high-added value to be achieved through transforming raw materials into finished products to boost the GDP. Furthermore, it is a labor-intensive industry that offers plenty of jobs, and reduces unemployment rates accordingly. While the spinning, weaving and ready-made garment industry effectively contributes to meeting the needs of the local market, its importance is further amplified in supporting the state's trade balance through increased exports. In this context, the General Authority for Suez Canal Economic Zone (SCZone) signed an agreement with China's "JASAN Group," one of the world's largest companies specialized in garment manufacturing, to establish an integrated industrial complex for spinning, weaving and ready-made garments in Qantara West Industrial Zone.



Information about the project

90%
of the project's production is targeted to be exported to global markets

300,000 m²
Project's area

USD 100 mn.
Investment cost

6,000
Direct jobs created by the project

3 stages
are comprised in the project, including spinning, weaving, ready-made garments, sportswear and others

S&P: Egypt's supportive macroeconomic environment pushes forward the Egyptian banking sector's business growth trajectory

In its report issued in February 2026, S&P Global Ratings revealed a positive outlook for the Egyptian banking sector, driven by improved economic indicators and ongoing easing of monetary policy.

S&P Global

25%
Expected lending expansion in FY 2026 and FY 2027, compared to FY 2025.

18.6%
Capital adequacy ratio in June 2025, exceeding the Central Bank of Egypt's (CBE) minimum requirement of 12.5%.

20%
Return on equity (RoE) in 2026, from an estimated 24% in 2025, reflecting the impact of declining interest rates on banks' profitability.

2%
Non-performing loans (NPLs) ratio over the subsequent 12–18 months, driven by improved economic conditions which bolster borrowers' ability to meet their obligations.

4.8%
GDP growth rate in FY 2025/26, against 4.4% in FY 2024/25, driven by increased investments, particularly from the private sector, which underpin corporate credit expansion, backed by the stable exchange rate.

12.1%
Egypt's expected average inflation rate in FY 2025/26, compared to 20.1% in FY 2024/25.

On the same note, S&P forecast the following:

- Improved credit demand by the private sector in 2026, as new investments funding will drive corporate credit demand, benefiting from a more stable currency.
- Sustained momentum within the tourism sector, as well as a loosening monetary policy, with decelerating inflation forecast, will provide tailwinds to lending expansion.
- Continued growth in deposits, particularly from households, which constitute approximately 74% of the private sector deposit base.

It is worth noting that in October 2025, S&P upgraded Egypt's long-term credit rating to "B" from "B-" with a stable outlook, for the first time in seven years.

CBE launches the contactless payment acceptance service through smart devices

Egypt made accelerated efforts to develop scalable infrastructure to expand electronic payment systems and facilitate financial transactions. These efforts promote financial inclusion and the shift to a cashless society and enhance citizens' access to electronic financial services anytime and anywhere. In this context, the Central Bank of Egypt (CBE) announced the launch of the contactless electronic payment acceptance service through smart devices (mobile phones/ tablets), using Soft POS applications. In this regard, the service enables smart devices to operate as electronic acceptance points, allowing merchants to receive payments from various types of contactless cards, through downloading a Soft POS application on their smart devices, with card PINs entered safely on the smart device in an internationally accredited and secured manner.



The service is introduced through downloading Soft POS applications on smart devices.

Soft POS applications enable smart devices to operate as electronic acceptance points, allowing merchants to receive payments using contactless cards.

This newly launched service eliminates the purchase and maintenance costs of traditional POS terminals.

Steps to execute a transaction through Soft POS application on the merchant's smart device (mobile phone/ tablet):



The customer places his/ her contactless card on the merchant's smart device (mobile/ tablet) running the Soft POS application.



The customer enters his/ her card PIN on the smart device screen in a secured manner.



The transaction value is withdrawn from the contactless card.

NBE achieves outstanding performance indicators and gains more awards

NBE ranks first as the top bank in the Egyptian banking market for syndicated loans in 2025.

According to Bloomberg's league tables, the National Bank of Egypt (NBE) took the top spot in the Egyptian banking market as an administrative agent, mandated lead arranger, bookrunner and documentation agent for syndicated loans in 2025. Results revealed that the Bank also ranked first as a documentation agent, and third as an administrative agent, a mandated lead arranger and a bookrunner in Africa. In addition, it acquired first place as a documentation agent and sixth place as an administrative agent, a mandated lead arranger and a bookrunner in the Middle East and North Africa (MENA) region. NBE managed 33 finance deals, 23 of which were as an administrative agent, with a total amount of EGP 442.3 bn. in 2025.

Bloomberg

NBE acquires 3 awards from "World Economic Magazine".

- Best Marketing Campaign – Egypt 2025
- Best Trade Finance Bank – Egypt 2025
- Excellence in Financial Inclusion – Egypt 2025

WORLD ECONOMIC MAGAZINE

NBE receives 2 awards from World Business Outlook in 2025, highlighting its leadership in sustainability and its ongoing commitment to environmental, social and governance (EGS) criteria.

- "Best Environmental and Sustainability Initiatives in Egypt 2025", which is awarded to institutions as a recognition for implementing significant environmental and sustainability initiatives in the Egyptian market.
- "Best Bank for ESG Egypt 2025", which underscores NBE's excellence in integrating such criteria into its operational strategy to enhance transparency and achieve responsible growth.

WORLD BUSINESS OUTLOOK

NBE's performance indicators for the fiscal period ending in September 2025

Total assets

EGP 8.93 tn. — September 2025

EGP 7.39 tn. — September 2024

Customers' deposits

EGP 5.63 tn. — September 2025

EGP 4.69 tn. — September 2024

Total loans and facilities to customers and banks

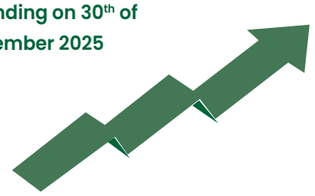
EGP 4.53 tn. — September 2025

EGP 3.64 tn. — September 2024

NBE's net profit for the financial period ending on 30th of September 2025

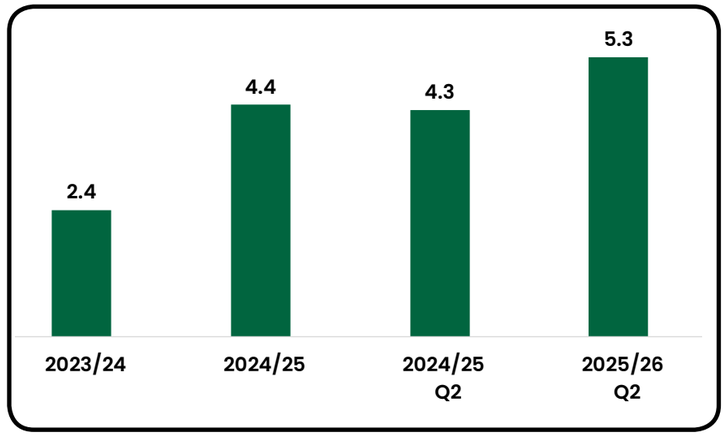
EGP 118.4 bn. — September 2024

EGP 132.2 bn. — September 2025

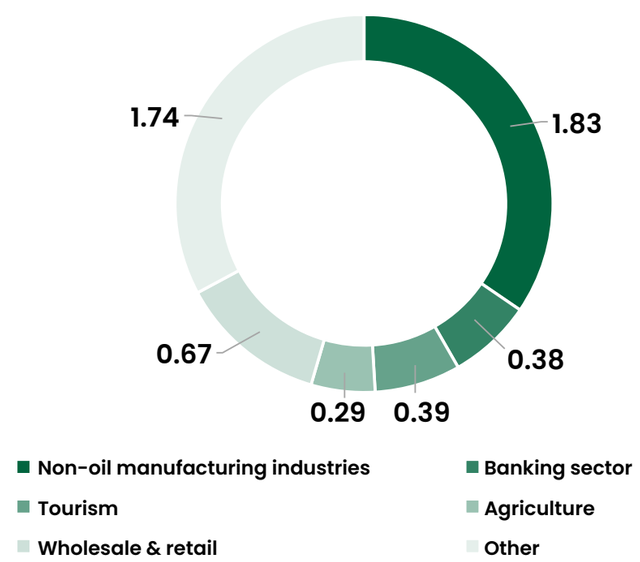


Egyptian Economy in Brief

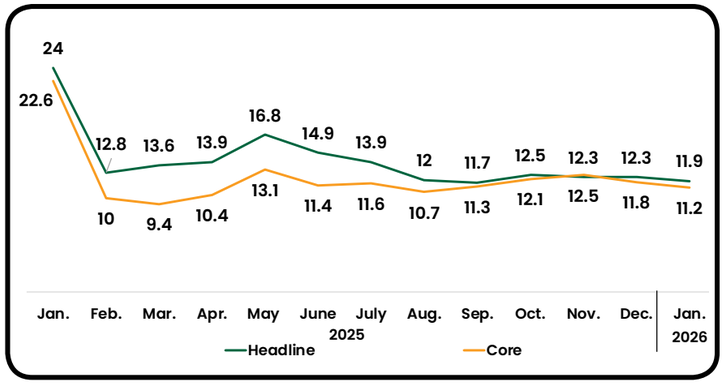
Real GDP growth rate (%)



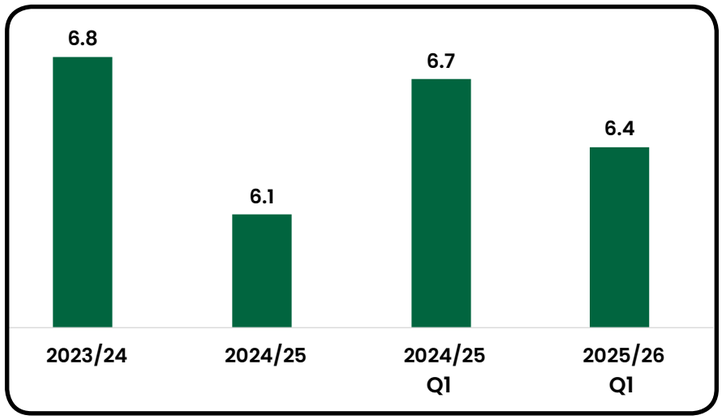
Contribution of economic activities to GDP in Q1 FY 2025/26



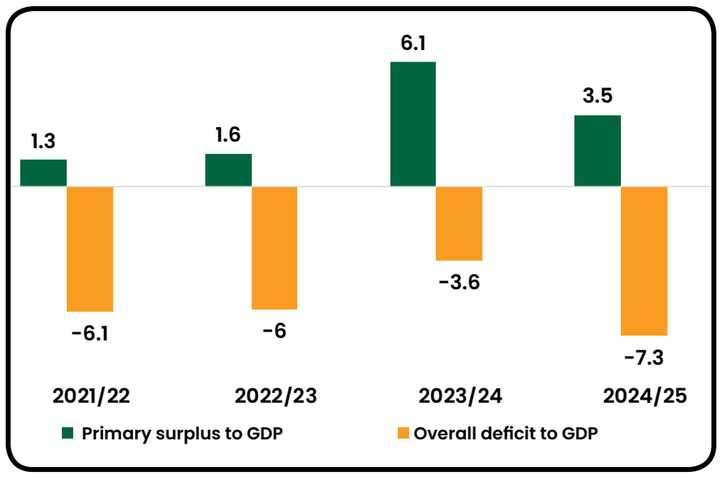
Inflation rate (%)



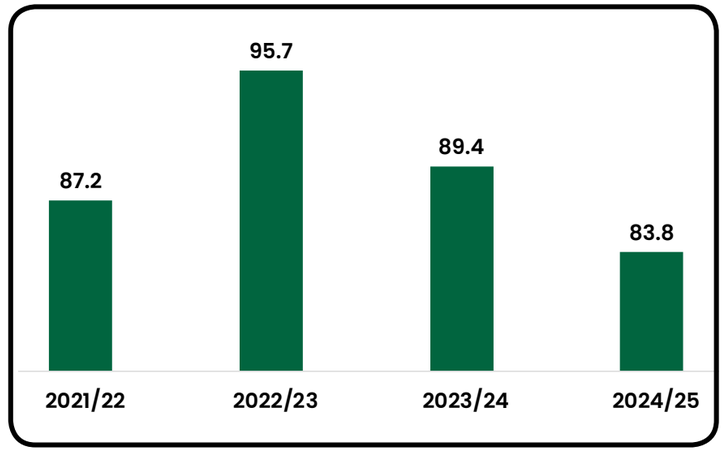
Unemployment rate (%)



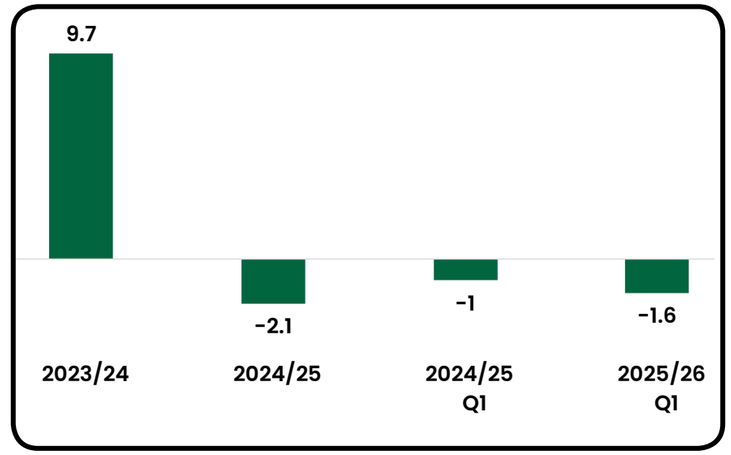
Budget's overall deficit and primary surplus (%)



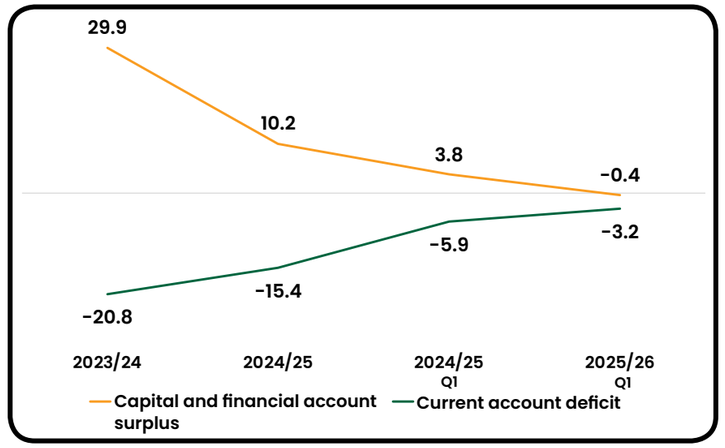
Budgetary authorities' debt to GDP (%)



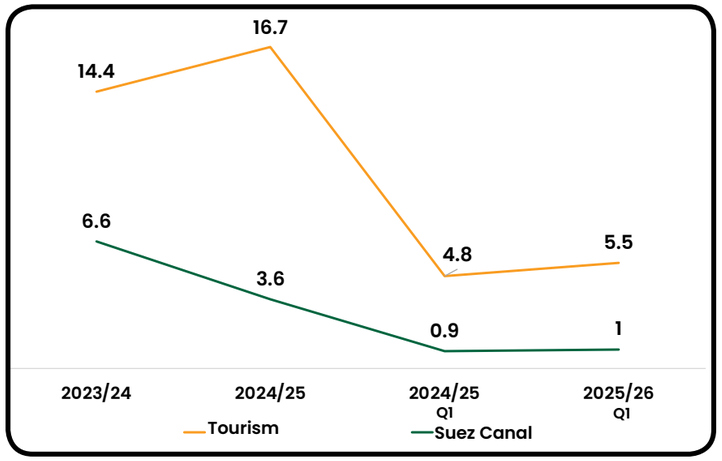
Overall balance outcome (USD bn.)



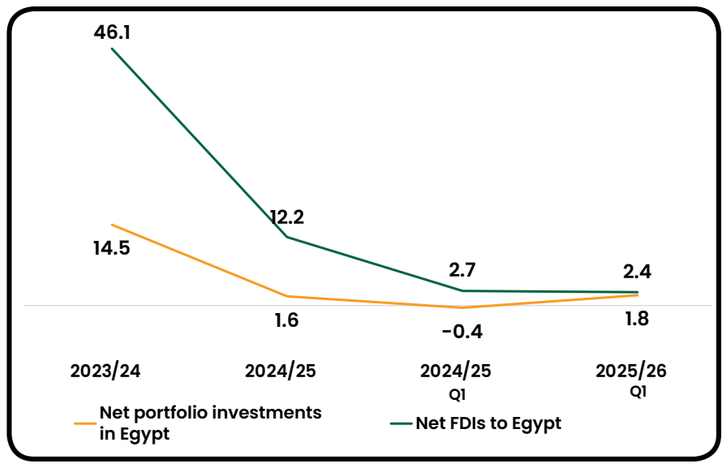
Outcome of current account and capital and financial account (USD bn.)



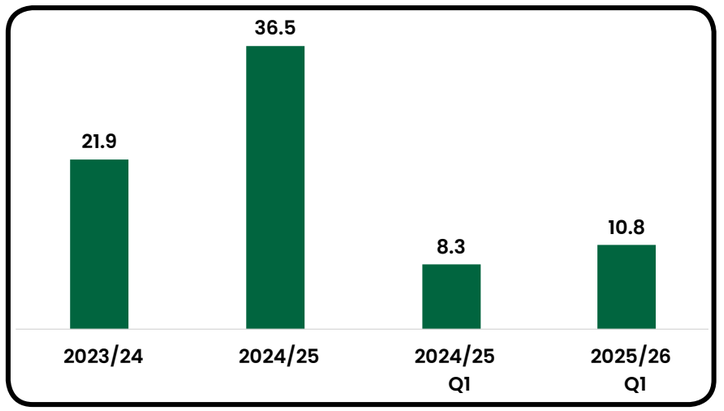
Tourism and Suez Canal revenues (USD bn.)



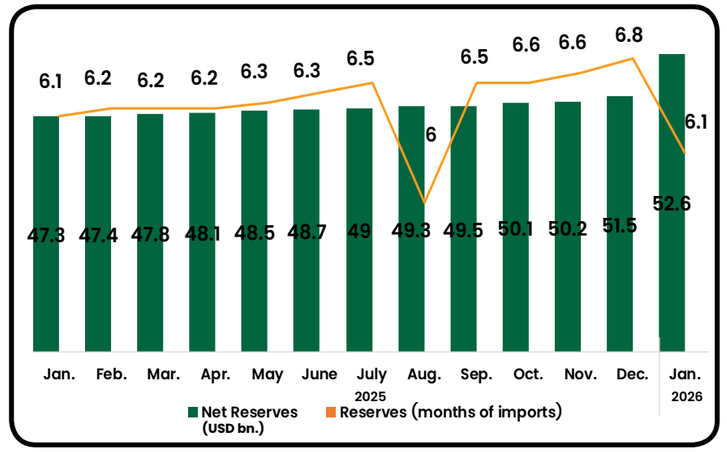
Net inflows of direct and indirect foreign investment to Egypt (USD bn.)



Remittances of Egyptian expatriates (USD bn.)



Net international reserves (USD bn.)



Best Regards

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This Bulletin is published in the Arabic and English languages for circulation in Egypt and abroad free of charge to those who are interested in following up Egyptian economic developments. The staff of the Research Division have taken all due care to ensure the accuracy of the facts and figures, but the Bank assumes no responsibility for interpretations or opinions expressed. Reprints are permitted provided that the source is acknowledged.

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