Innovative EGYPT

Invest in EGYPT

Communications and Information Technology

Sector Performance and Success Stories

Exports

- The Information Technology Industry Development Agency (ITIDA) remained committed to supporting CIT export promotion through several initiatives and programs. ITIDA ventured to recognize new funding sources and cooperation for CIT projects.

- Egypt has a significant IT and business-processes outsourcing industry in place, serving international customers. Major multinational corporations including Intel and France Telecom's Orange are developing products in Egypt for export to the global marketplace.

- Local players including ITWorx, ITsoft, Sakhr, Harf and Arabize export software ranging from Arabic-language solutions to plug-ins and modules for popular software packages globally. Major MNCs including Microsoft, Adobe and Corel also develop their products in Egypt for global export. New R&D centers in niche areas of data mining and wireless technologies are exporting to major markets as well.

- In 2013, Egypt's total exports from the CIT sector reached USD 1.3 billion. MCIT is targeting to reach USD 2.5 billion in 2017 of ICT exports.

Performance Attributes

Egypt's communications and information technology sector is a leading global outsourcing destination, Egypt is the leader in the MENA region and 4th worldwide on A.T. Kearney's 2011 Global Services Location Index (GSLI)[1]. This puts Egypt ahead of competitors in the region including UAE which ranked 15th.

Egypt, one of the highest-growth potential IT markets in the Middle East, is receiving increasing attention from tier-one vendors and distributors, most of which are already very familiar with the market. Given the huge population, rising economy and relatively low PC penetration, the country will continue to be an important market over the forecast period.

A pro-active policy and clear long-term vision by the government of Egypt, in partnership with the private sector, seeks to make the CIT sector a key one in the country's economy.

CIT sector targeted 3.5% growth rate for the FY 2014/15 compared with 2.7% for the FY 2013/14, and contributes 2.7% to real GDP.

Egypt offers easy access to markets in the Arabian Gulf, the Levant, North Africa and Sub-Saharan Africa as well as Europe. Open to the world and investor-friendly, Egypt is an ideal location to base a business with regional – and even global - ambitions. It is a key communications node, notably hosting SEA-ME-WE2, the world's first submarine cable linking South-East Asia, the Middle East and Europe.

Leading global players ranging Intel and Oracle to Orange and Vodafone have established product development divisions and call centers serving global operations. Home-grown players are making their marks nationally, regionally and globally.

Egypt's CIT businesses cover the entire sector. Call centers based in Egypt serve customers worldwide at all ends of the value chain. Software developers produce Arabic-language solutions for major global software packages and plug-ins for popular English-language programs from Adobe and Microsoft. A research-based technology house created part of the global WiMAX standard. Niche businesses conduct research and data mining operations, and still others focus on telecom and infrastructure projects.

The total number of direct employees in the CIT sector reached 43 thousand employees in the first half of FY 2013/14.

A key to the success of this industry sector is the close partnership between the government and businesses. In keeping with the government's reform efforts, there has been a significant and ongoing deregulation of the business environment. The state endeavors to promote international and domestic investments into the CIT sector in order to increase Egypt's share into global exports of software. This industry brought about to Egypt some EGP 1300 million in the value of exports during 2013. Therefore, the number of companies working in the sector increased to 5644 companies, 4 while the number of companies established in this sector amounted to 665 and 309 companies during FY 2012/13 and the first half of FY 2013/14 respectively. Total implemented investments in the sector amounted to EGP 17701.9 million and EGP 8837 million during FY 2012/13 and the first half of FY 2013/14 respectively.

Success Stories

Etisalat Misr

Is a leading international telecom company operating in 15 countries around the world. Egypt is one of the countries where operation was launched in May 2007 as the first 3.5G operator. Etisalat's entry to the Egyptian market ushered in a new era for the telecom industry.

Today, Etisalat Misr's 2G and 3G robust and high quality network covers and serves 99% of the population in Egypt. Moreover, Etisalat Misr is the first and the only operator in Egypt that has an exclusive international gateway and its customers enjoy competitive international rates to all destinations around the globe. In order to complete Etisalat Misr's product portfolio, two well-established ISPs (Internet Service Providers) were acquired and provide broadband services to customers while at home and while on the move.

Likewise, Etisalat Misr is an active corporate citizen, taking every opportunity to engage in many social activities to serve the various groups of the Egyptian society.

Vodafone Egypt

In 1998, Vodafone Egypt (formally Misrfone Telecommunication Company/Click GSM) entered the Egyptian telecom market as the second operator; a consortium between Vodafone international, Air Touch, and local/ international partners.

In January 2002, Click GSM was rebranded to Vodafone Egypt. Since 2007, Vodafone Egypt's shareholders structure consisted of Vodafone Group with 54.93%; Telecom Egypt with 44.94% and a minority free float of 0.13%.

2006 witnessed another important step as Vodafone Egypt launched its off-shore operations under the name of Vodafone International Services. This subsidiary is dedicated to outsourcing business processes and IT services for Vodafone operators and beyond. Both its Business Process Outsourcing and Information Technology Outsourcing business units have seen success year after year with over 2,200 employees who collectively speak ten different languages to provide world class customer and technical support for customers in 80 countries.

Vodafone Egypt has grown over the years to become the leading mobile operator in Egypt, not only in revenue share but also to become the number 1 mobile operator in Egypt with the largest customer base. Vodafone proudly serves more than 36.3 million customers (December

2011) offering the most advanced technology for its customers, the best working environment for its 6,500 employees and the strongest corporate responsibility initiatives for the community.

Vodafone Egypt reputation and the value of its brand are built on Vodafone's global commitment to responsible, ethical and honest behavior within the communities in which it operates. Since its inception, corporate responsibility was an integral part of Vodafone Egypt's operation in Egypt. To further expand the impact of Vodafone's corporate responsibility initiatives, Vodafone Egypt Foundation was established in 2003, as a corporate foundation donor, supporting NGOs and civil society organizations to implement developmental project in the areas of health and education for children, community development, the usage of mobile technology for development and access to communications.

Global Telecom Holding

Global Telecom Holding began as Orascom Telecom Holding (OTH), a member of the Orascom group of companies established in 1976. Orascom initially entered the field of information technology and telecommunications by trading and distributing equipment in Egypt. It eventually became the market leader acting as a regional representative for the most important names in this sector including Microsoft, Hewlett Packard, Compaq, IBM, Lucent Technologies (AT&T), Oracle, and Novell.

Orascom continued to build upon its solid foundation in 1994 by acquiring an interest in Egypt's first internet service provider, InTouch, marking its first step in offering services. As the communications sector in Egypt began to be privatized in the following years, Orascom continued to add more service companies to its portfolio. It participated in a joint venture that was awarded Egypt's first license for VSAT technology as well as acted as a lead member of the consortium formed to create Egypt's first private telephone network.

In 1997, Orascom Telecom Holding (OTH) was established as a separate entity to consolidate the telecommunications and technology interests of the Orascom family of countries led by its controlling shareholders the Sawiris family. The new organization quickly proved itself as an IT and telecom leader by becoming Egypt's only company to hold licenses in all three privatized sectors: wireless, fixed-line payphones and VSAT.

Throughout the following decade, OTH grew and expanded its portfolio of investments to include telecommunication services in promising markets throughout Africa, Asia, Europe, North America, and the Middle East. In 2012, OTH merged with Vimplecom Ltd, creating Global Telecom Holding and the world's sixth-largest mobile telecommunications provider by number of subscribers with more than 86 million customers.

Xceed Contact Center

Xceed is a rising star of quality, multilingual contact centers and Business Process Outsourcing services provider. With a total capacity of 2000 web-enabled multi channels, Xceed manages various outsourcing programs with commercial and governmental clients worldwide. Our core objective is to deliver superior quality and value to our clients in every aspect of the CRM cycle.

Xceed has the competence to execute complex project ramp ups for large organizations with an uptime of 99.9% through leveraging its multisite capability. Currently, Xceed has four sites where three are in Cairo and one site located in the Casablanca, Morocco.

Xceed is owned by Telecom Egypt, the incumbent Telco operator of Egypt.

TE Data

TE Data was established in 2001 by Telecom Egypt to function as its data communications and Internet arm. TE Data was awarded a Class A license, from Egypt's National Telecommunications Regulatory Authority (NTRA), which allows TE Data to build its own national network, and operate its international data gateway.

 The company is the Internet Service Provider market leader in Egypt with a DSL market share of more than 60% ending 2010. Currently, with operations in Egypt and Jordan and ambitious plans in other parts of the MENA region, TE Data's portfolio includes narrowband and broadband Internet access services, managed dedicated Internet access services, IP VPN connectivity services, and global connectivity services. TE Data's portfolio of services covers the communications needs of all whether consumers, small and medium enterprises, large corporations, and Internet Service Providers. TE Data service's purpose is to cater for everybody's needs online.

Link Development

LINK Development, an OTVentures subsidiary, is a leading Technology Solution Provider in the Middle East and Worldwide. Founded in 1996, the company now operates through offices in Egypt (HQ), UAE, KSA, Qatar, Italy and Canada. The company provides a wide range of solutions and services including Internet & Intranet portals, E-services Automation, E-commerce, Enterprise Integration, Microsoft Dynamics CRM & ERP, Mobile-based solutions, and Infrastructure solutions.

LINK Development's client portfolio includes Fortune 500 companies in the region such as Microsoft, Intel and Pfizer in addition to leading governments as well as regional and multinational businesses and many more.

With a 250+ strong force of young certified professionals, LINK Development boasts best of breed team of developers, designers, architects, project managers and quality engineers. Being a Microsoft Gold Certified Partner, the highest level of partner certification from Microsoft, the company has positioned itself at the forefront of the industry in the region. LINK Development also acquired both ISO 9001:2000 certified and CMMI level 3 accreditation.

ITWorx

ITWorx is a global software professional services organization. Headquartered in Egypt, the company offers Portals, Business Intelligence, Enterprise Application Integration, and Application Development Outsourcing services to Global 2000 companies. ITWorx serves Governments, Financial Services firms, Educational institutions, Telecommunication operators, and Media companies in North America, Europe, and the Middle East.

ITWorx has partnered with Magic Quadrant technology vendors - Microsoft, Vignette, IBM, Oracle, MicroStrategy, Informatica, Ounce Labs, and Intel. We leverage these partnerships, our global delivery model capability, our ISO 9001:2008 and CMMI level 3 certified processes, and model-driven development tools to extend our customers IT organization; augmenting it with agile, high quality, productive capabilities, technology competences, and vertical industry know-how.

ITWorx engagement model is based on forging long term strategic partnership relationships with its customers. It has thus since 1994 amassed a list of industry-leading Fortune 500 repeat customers the likes of United Technologies, Microsoft, Vodafone, and Mellon Bank.