

## IDSC IN BRIEF

Acting as the Egyptian Cabinet's Think Tank...Our mission is to impartially support the government decisions through proposing best policy scenario mix and preparing analytical research to improve the socio-economic well-being of the Egyptian society.

Since Egypt has embarked on an ambitious reform process, the climate surrounding such process has increasingly become more complex and interconnected. It has become evident that public policy design demands a variety of professional policy options.

IDSC derives its success from being a multidisciplinary institution which is capable of meeting these outstanding demands. Moreover, operating at the heart of the decision-making process in Egypt, IDSC encourages public debate on its research findings, which are openly available to all members of the society.

Being a progressive organization, IDSC works to establish cooperation linkages with international counterparts. The main purpose is to share knowledge and integrate best practices into its operations. We appreciate our existing partnerships and we look forward to developing new ones hoping that through cooperation in mutual areas of interest, we will have a significant impact on developing the decision-making process in Egypt.

## Inside this issue

April 2010

<i>IDSC in Brief</i> .....	1
<i>Reports</i> .....	2
<i>Figures to Remember</i> .....	8
<i>Other Figures</i> .....	9
<i>Economic Observatory</i> .....	10
<i>Forthcoming Events</i> .....	11

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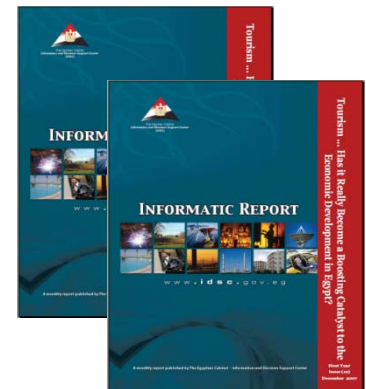
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## Reports:

THE INFORMATION AND DECISION SUPPORT CENTER RELEASES A SERIES OF INFORMATION REPORTS ABOUT DIVERSE ISSUES OF INTEREST TO THE PUBLIC AND DECISION-MAKERS.

THE FOLLOWING INTRODUCES ONE OF THESE REPORTS.



### Electronic Media in Egypt: Reality and Challenges

Electronic Media is a term used to describe all forms and services of new media that utilizes digital broadcasting technology, and it is a significant result to the fruitful integration of information technology into the media space.

Over the past few years, e-media has proven that it is more capable to reach audience than the traditional forms of media, and it often meets the needs of newspaper readers, television viewers, and radio listeners at the same time. It has also introduced an innovative channel to interact with all types of audience with all the interactive methods it has provided for direct communication between people, such as Facebook, Youtube, and blogs.

The Egyptian Cabinet's Information and Decision Support Center has issued an information report that presents, throughout 3 sections, an overview of the characteristics of social network websites in Egypt; a highlight on the utilization of e-media in Egypt through the fields of journalism, television and radio, and finally, it presents examples for the advantages of e-media, and a set of challenges that impedes its development in Egypt, with some suggestions to counter these challenges.

#### 1. Facebook

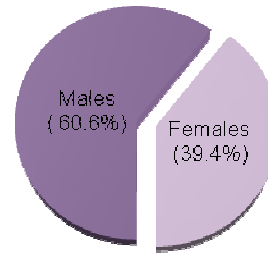
facebook

- In January 2010, Facebook came second among the websites preferred by the Egyptians, preceded by (Google.com.eg), as the number of Egyptian Facebook users reached 2.4 million users at that date.
  - Egypt ranked first among Arab countries and 23<sup>rd</sup> worldwide, in global traffic rank of Facebook, as the percentage of its Egyptian users reached 1% of website total users around the world.

**Facebook Users' Characteristics:** 🇪🇬

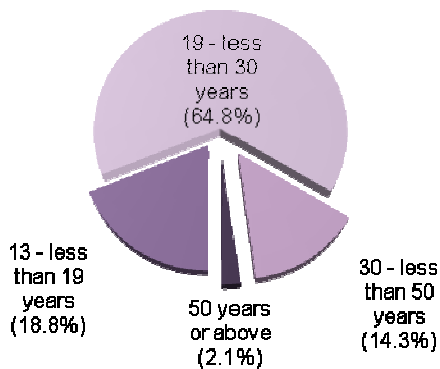
- Males constitute the majority of Facebook users, representing 60.6% of Facebook users up until mid-January 2010.

Facebook Users in Egypt (by Gender)  
January 2010



Source: www.facebook.com (January 18, 2010)

Facebook Users in Egypt (by Age)  
January 2010



Source: www.facebook.com (January 18, 2010)

- University students and graduates constitute 89.8% of Facebook users in Egypt, and the remaining 10.2% are high school students.
- Most Facebook users in Egypt are in the age group 19 to less than 30 years as their percentage reached 64.8% of total Facebook users, while only 2.1% are 50 years or above.

**2. YouTube**



- Egypt came second among Arab states, preceded by Saudi Arabia, and 23<sup>rd</sup> worldwide, in the global traffic rank of YouTube, as Egypt constitutes about 0.9% of total Youtube users. Youtube comes in the fourth place among websites most visited by Egyptians.

**3. Blogs**

- Up until April 2008, the number of Egyptian Blogs was 160 thousand blogs, approximately 30.7% of total Arabic blogs, and 0.2% of total global blogs.
- Egyptian blogs have several types: 30.7% of them tackle a variety of issues, 18.9% are politically oriented, 15.5% tackle personal issues, 14.4% are cultural, 7% are of religious nature, and 4.8% deal with social matters. As for blogs concerned with science and modern technology, they constitute only 4% of the Egyptian blogosphere.

- Most of the Egyptian bloggers (53.1%) are between 20 and 29 years old, and the least percentage (11.1%) was for the bloggers who are 40 years old or above.
- 73% of Egyptian bloggers are males, while females are 27% only.
- 67.8% of total Egyptian blogs are in Arabic language, 9.5% in English, and 20.8% use both languages.

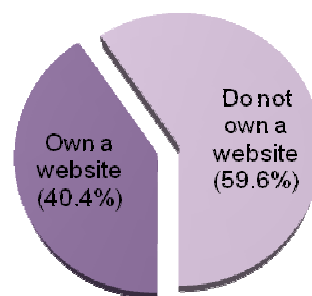
## ***Section II: Internet as a Window for Egyptian Media***

- The number of internet users in Egypt has increased during the past ten years, as the total number of Internet users rose to approximately 14.5 million in November 2009, compared to 300 thousand in October 1999. Moreover, the percentage of Internet users also increased to 19% in November 2009, compared to only 1% in October 1999.
- 50% of Internet users in Egypt are concentrated in Greater Cairo, followed by Nile Delta region (20.8%), then comes Upper Egypt (13%), Alexandria and Matrouh governorates (10.2%), and finally Sinai, Red Sea, and Suez Canal region representing only 5.9% of internet users in Egypt.

### ***1. Electronic Journalism in Egypt***

- Sixty three of printed newspapers and magazines in Egypt provide their audiences with an online electronic version of their published content, representing 40.4% of the 3 types of publications most preferred by Egyptians (national, partisan, and independent newspapers and magazines).
- Out of the previously mentioned 63 newspapers websites, 17 websites only provide the readers' comments service, 12 of which are independent newspapers websites, 3 national, and 2 partisans.

The percentage of newspapers' websites



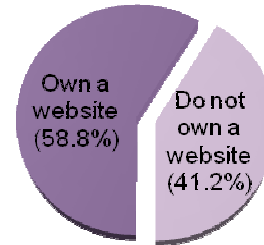
Source: Based on Journalism Supreme Council data.

- It is worth mentioning that up till February 10<sup>th</sup>, the number of printed publications in Egypt reached 520 publications of various types.

### 2. Internet Television in Egypt

- In December 2009, 30 television channels out of 51 private and government owned channels broadcasting on the NILESAT, own internet websites, only 3 of which present a live broadcasting through the website.

The percentage of television channels websites

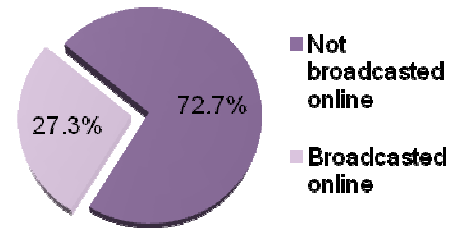


Source: The Egyptian Satellite Company "NILESAT".

### 3. Internet Radio in Egypt

- Thirty three radio stations representing 91.7%, of total Egyptian stations broadcasting on the NILESAT, own a website on the internet.
- Egyptian radio stations use their websites to broadcast their transmission live through the internet.

The percentage of online broadcasted radio stations



Source: The Egyptian Satellite Company "NILESAT".

### Section III: Analysis of the Current Status of Electronic Media in Egypt

- The third section of the report provided an analysis of the status of electronic media in Egypt, giving examples for the advantages of electronic media which contributed to supporting and improving the media profession in Egypt.
- The report also mentioned some of the challenges that counter progress in the field of media, and provided some suggestions to overcome those challenges.

## 1. Advantages of Electronic Media

The report mentioned some of the advantages contributed by electronic media to support the media sphere, like:

- **Full accessibility and rapid updating for the latest news** by providing audiences with an up-to-date, closer look on the events.
- **Overcoming geographical distances** through providing readers with full coverage of the world main events, wherever it happens, timely and efficiently.
- **Communication and sharing knowledge** as e-media helps readers from all over the world communicate and share knowledge with others.
- **Rich and Varied Knowledge content** e-media has contributed to enriching the information content of various issues and topics as it gave people the opportunity to create their own media, which expresses their views and reactions toward daily events, the fact that enhances their sense of responsibility and community participation.
- **Supporting freedom of expression** as it is free from all restrictions and controls set by policies or media corporation agendas. New media poses a threat to the domination of traditional media over the news; it has arguably become the fourth estate, monitoring traditional media, and interacting instantly with events and citizens.
- **Low production costs** as e-media has an economic benefit that is important for both investors and readers, for it offers the investors a chance to create media channels on the internet, with a much less cost than traditional ones. On the other hand, it grants audiences a variety of news sources with almost no cost mentioned.

## 1. Electronic Media Challenges

- **Technological Challenges:** Such as the inadequate use of some of the modern techniques of electronic media, along with poor infrastructure for information technology and the Internet in some areas of Egypt's governorates. Those challenges can be faced through expanding internet services to reach those areas, by establishing information technology clubs, and providing the cultural centers spread all over Egyptian governorates with internet connected computers.

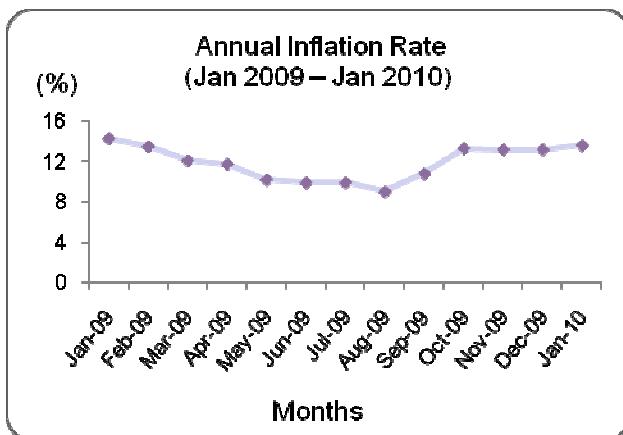
- **Human Challenges:** A high ratio of technological illiteracy among a wide sector of literate Egyptians. Also the lack of adequately qualified and trained staff to work in the field of electronic media. Those challenges can be countered through exerting more efforts in computer literacy programs and adult education, as well as teaching computer sciences more effectively in schools. Such challenges can also be countered by developing the appropriate institutional structures and organizational skills for those who are working in the field of electronic media, to be involved in the technical possibilities and developments of digital media, especially production and distribution of media content via the Internet.
- **Economic Challenges:** Weak investments in the different areas of electronic media, despite the promising investments in information technology fields. It is also represented by the notable impact of the electronic media on the financial resources of printed media, especially after attracting the attention of a wide range of audiences who used to depend on printed media. Those challenges can be faced through establishing advertising agencies that can attract advertising opportunities on the newspapers' websites, in order to cover some of the losses which result from declining rates of paper copies distribution, and encouraging such initiatives.
- **Legislative Challenges:** A significant legislative challenge is the insufficiency of legislations concerning electronic media in Egypt, there is a clear legislative gap in this area, particularly regarding the issues of electronic publishing, Internet crimes' laws of and other related issues, in addition to the lack of attention to intellectual property rights and the ways of protecting it, along with poor community awareness of this issue. These challenges can be countered through creating and developing a legislative infrastructure to cope with new trends in the field of electronic media, and enforce legislation and ethical principles governing the professional practice of electronic media. Such legislative infrastructure should be established in order to enhance freedom of expression and safeguard intellectual property of internet media content associated with the liability as a prerequisite to the growth of electronic media.

# Figures to Remember:

*The IDSC Economic and Social Indicators Bulletin is a monthly summarized record of the most important facts about the financial, real, and social aspects of the Egyptian economy. The newsletter presents a number of these vital figures and indicators that provide you with a quick snap shot on the Egyptian economy.*

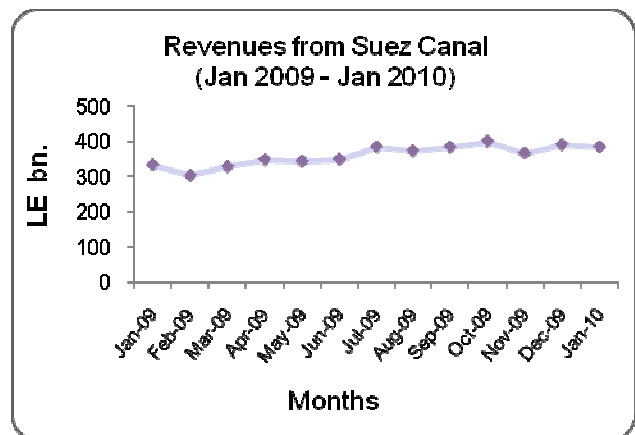
## Financial Indicators:

- Inflation Rate:** The Egyptian economy enjoyed a decrease in its inflation rate from 14.3 % in January 2009 to 13.6 % in January 2010.

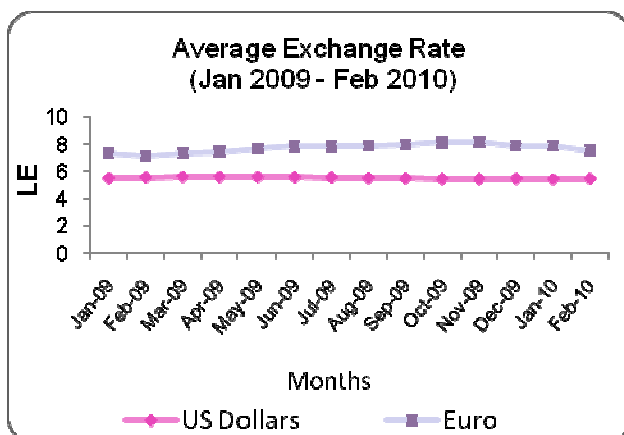


## Real Economy Indicators:

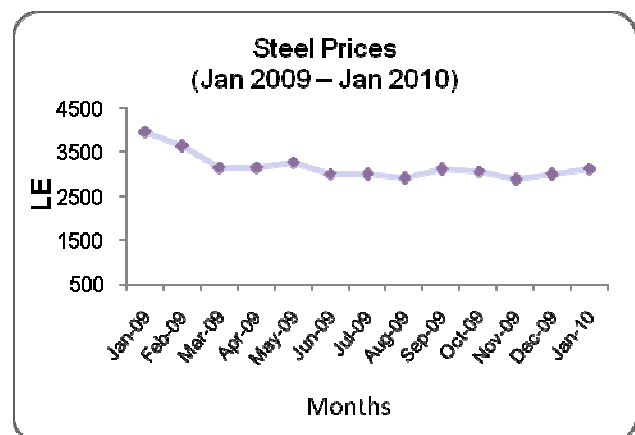
- Revenues from Suez Canal:** Suez Canal revenues witnessed minor fluctuations from January 2009 to January 2010.



- Exchange Rate:** The exchange rate of the Egyptian pound can be described as stable since the beginning of 2009.



- Average Steel Prices:** Steel prices have decreased through 2009 from LE 3981 in January 2009 to LE 3144 in January 2010.



Average exchange rate (February 2010):

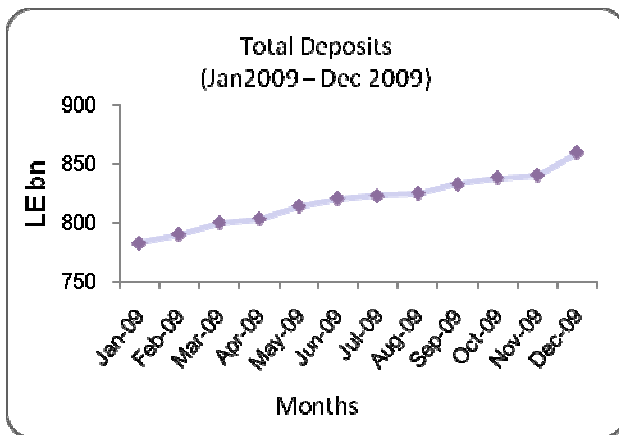
EUR: L.E 7.52

USD: L.E 5.47

# Other Figures:

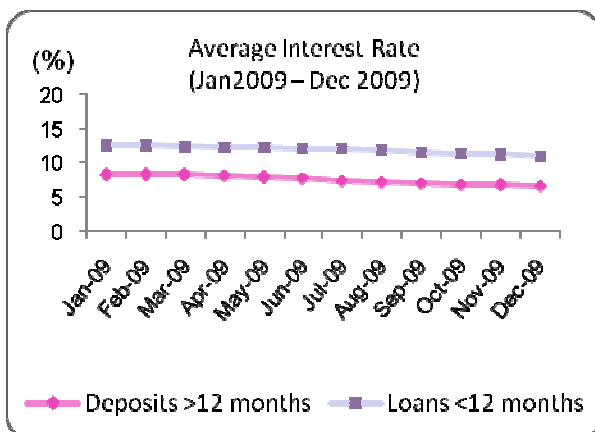
## Banking Indicators:

- **Total Deposits:** Total deposits have enjoyed an increase through 2009 from LE 780.5 billion in January 2009, to LE 859.2 billion in December 2009.



Source: Central Bank of Egypt.

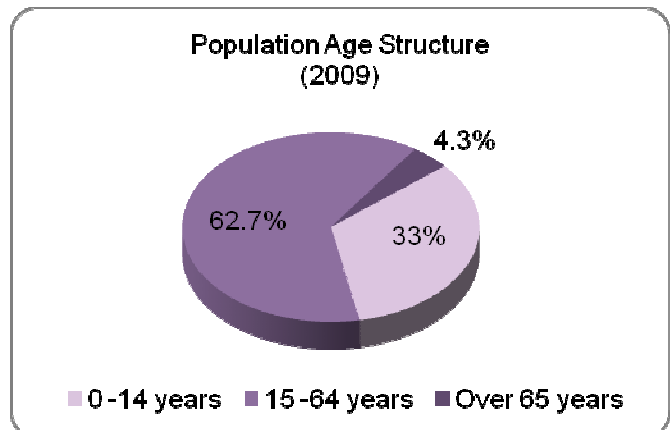
- **Interest Rates:** As a result of the decrease in the Central Bank's rate, average interest rate on deposits have decreased – from 8.3% in January 2009 to 6.7% in December 2009 – accompanied by a decrease in loans interest rate from 12.6% in January 2009, to 11.0% in December 2009.



Source: Central Bank of Egypt.

## Social Indicator:

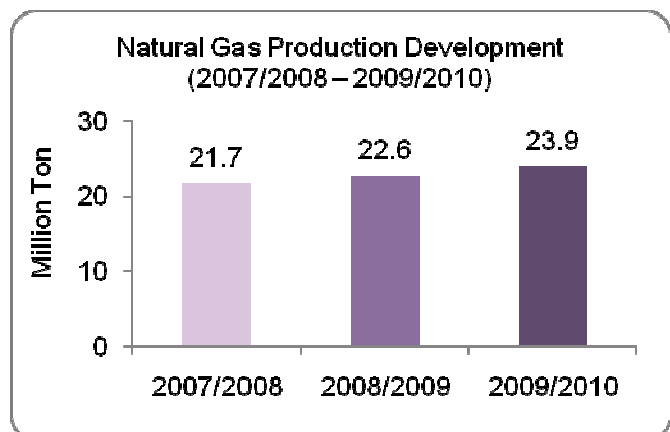
- o In 2009, 62.7% of Egypt's population were among the age group (15-64 years), while only 4.3% were 65 years and above, which reflects a possible population increase in the future.



Source: CIA World Fact Book (2009 est.)

## Petroleum Sector:

- o Natural gas production in Egypt has increased during the previous three years, from 21.7 million tons in 2007/2008, to 23.9 million tons in 2009/2010.



Source: Ministry of Economic Development.

# Economic Observatory Report:

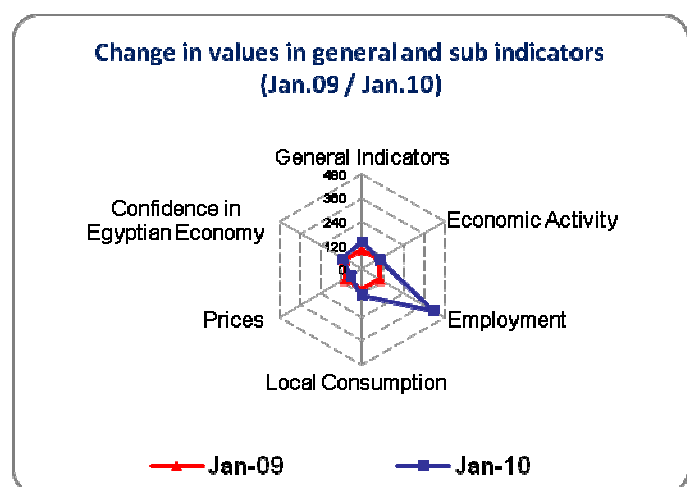
## Assessment of the global financial crisis effects on the Egyptian economy

The global financial crisis has affected most of the world's economies; as Egypt is becoming more integrated into the world economy, it was not guarded from the repercussions of the crisis. A need, therefore, has risen for measuring the effects of the financial crisis on the Egyptian economy and for identifying the time when Egypt's economy will recover from these effects. This will help develop the policies necessary to avoid negative implications on economic growth and standard of living. The Information and Decision Support Center has published an economic observatory report for this purpose.

Indicators (points)	November 2009	December 2009	January 2010	Change from November to December	Change from December to January	September compared to situation before the crisis
General Indicators	199.6	161.8	136.9	▼	▼	●
Economic Activity	107.0	113.9	101.2	▲	▼	●
Employment	579.1	385.8	411.4	▼	▲	●
Local Consumption	137.4	126.1	126.6	▼	▲	●
Prices	64.8	67.1	69.3	▲	▲	●
Confidence in Egyptian Economy	109.7	116.7	111.0	▲	▼	●

- ▲ Improving
- ▼ Diminishing
- No Change
- Recovered
- Not Recovered

The observatory is comprised of a main index in which the economic performance is measured from Zero to 100 points; zero reflecting lowest performance and 100 reflecting the improvement of the indicators to the pre-crisis situation; and scoring more than 100 means the situation has improved compared to that before the crisis. The major index is divided into sub-indices, which measure the performance of the economy's different sectors.



## Forthcoming Events:



### **KM Egypt Conference 2010 "Knowledge Management: a Catalyst for Innovation"**

The Egyptian Cabinet's Information and Decision Support Center will hold KM Egypt Conference 2010 titled "Knowledge Management; A Catalyst for Innovation" on April 20<sup>th</sup> through 21<sup>st</sup> April 2010. The conference is the first knowledge management conference in Egypt that focuses on KM theories and KM practices. It will be held in cooperation with UNESCO Egypt, Konrad Adenauer Foundation, Ministry of Finance, and The Industrial Development Authority. A number of professional European and Arab speakers will present their latest KM research during the conference sessions. Thus, the conference will be an opportunity for Knowledge Management professionals to exchange Knowledge Management common practices for organizations, and share Knowledge Management success stories.

KM Egypt 2010 aims to highlight the role of Knowledge Management in creating innovative results, driven working environment within the organization, providing insights on how business objectives can be delivered and competitive advantage can be gained by sharing knowledge and information, in addition to exploring how government departments can use Knowledge Management in working collectively to ensure the accuracy and efficiency of the organizations' outputs, and enhancing actionable decision-making.

KM Egypt 2010 seeks to achieve its aim through discussing 5 main areas: Knowledge Management from Theory to Practice, Knowledge Workers and Social Networks, Innovation for a Knowledge-Based Economy, Successful Innovation Management, Knowledge Transfer and Sharing Projects, Knowledge Management in Egypt - The Way Ahead.

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