

# Egypt

## Tourism in the economy

In 2018, total revenue from tourism reached EGP 174.1 billion, a 124% increase on the previous year, representing 15% of the country's GDP. The tourism sector is one of the largest employers in Egypt, providing 3.1 million jobs or 9.5% of the total workforce.

In 2018, Egypt recorded 9.8 million international arrivals, an increase of 48% compared to the previous year. The majority of international tourist arrivals were from European countries (59%), with most arrivals from Germany, Ukraine and the United Kingdom, the Middle East (22%), with most arrivals from Saudi Arabia and Jordan and African countries (7%), with Sudan being the key market. The average stay in 2018 was 10.8 nights, up from 7.9 nights the previous year.

## Tourism governance and funding

The Ministry of Tourism is responsible for tourism policy and for establishing a coherent legal and regulatory framework for tourism development. Two tourism authorities fall under the jurisdiction of the Ministry:

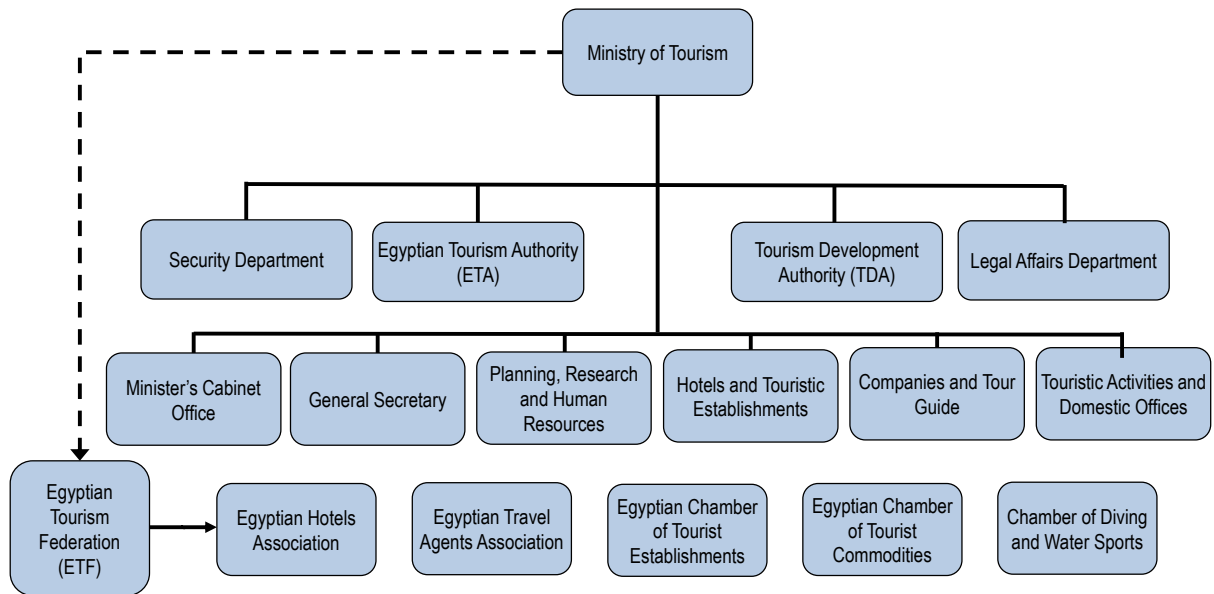
- The Tourism Development Authority - works primarily on setting and implementing regulations for tourism projects and investments, by assisting with the provision of land and facilitating access to loans for developing infrastructure projects.
- The Egyptian Tourism Authority (ETA) - responsible for promoting inbound and domestic tourism. It manages the development and diversification of the tourism product, both regionally and internationally.

Private sector involvement is aided by the Egyptian Tourism Federation (ETF) which is composed of five tourism industry business associations – the Hotels Association, the Travel Agents' Association, the Chamber of Tourist Establishments, the Chamber of Tourist Commodities and the Chamber of Diving and Water Sports. The Federation works closely with the Ministry of Tourism in areas related to tourism planning and in managing the Tourism Workforce Skills Development Project. By law, the views of the ETF are considered before any new legislative measures are taken.

The Ministry collaborates with national and international partners in order to deliver its objectives. This includes: partnerships with intergovernmental and international organisations to align work on UN Sustainable Development Goals; co-ordination with Saudi Arabian authorities and liaison with stakeholders for automated procedures for the Haj and Umrah pilgrimage seasons; collaboration with the Tourism Development Association on infrastructure, water and waste treatment; co-operation with the Ministry of Environment, UNDP and the Global Environment Facility on green tourism initiatives; and, work with UNDP and the National Council of Women to launch the Gender Equality Seal programme.

The tourism budget of Egypt for the 2018/19 fiscal year is EGP 1.8 billion, up from EGP 1.6 billion the previous year.

## Egypt: Organisational chart of tourism bodies



Source: OECD, adapted from Ministry of Tourism, 2020.

## Tourism policies and programmes

In November 2018, the Ministry of Tourism launched the Egypt Tourism Reform Programme (E-TRP), which aims to create a sustainable tourism sector through structural reforms to strengthen competitiveness and alignment with international standards. The overarching objective of E-TRP is to have at least one individual from each Egyptian household employed either directly or indirectly by the tourism sector. Designed as a policy framework, aligning its goals with the UN SDGs the E-TRP has had buy-in from both public and private sector stakeholders.

The five structural reform pillars are:

- **Institutional Reforms** - modernise the ministry's organisational structure, improve and elevate the skillset of the workforce to ensure that the quantity and quality of workforce meet labour market needs. Actions include administrative restructuring and modernisation of the organisational structure, capacity building of the workforce and incentive programmes to strengthen price competitiveness to increase inbound tourism. For instance, a grant was made available for a Tourism Vocational Education Training project in co-operation with the Egyptian Tourism Federation. To date, 8 000 people have been trained in various tourism areas. The hotel sector alone has a target of 9 600 trainees by the end of 2019 and 400 000 by 2030.
- **Legislative Reforms** - E-TRP has made changes to the legal framework governing tourism, which had remained unchanged for nearly five decades. The private sector is playing a role in drafting the new legislation.
- **Marketing and Promotion** – new campaigns to showcase Egypt's contemporary dimension, diversify revenue streams and increase the resilience of the sector through new source markets.
- **Infrastructure and Tourism Development** – including development of a private equity fund aimed at upgrading Egyptian hotels and resorts and helping restructure those struggling financially. Development projects have been completed in 67 tourist areas, with a focus on bringing hotel health, food safety and overall quality up to international standards across the industry.

- Global Tourism Trends - including branding Egypt as a responsible destination with recognised environmental and social sensitivities, promoting the economic empowerment of women, and encouraging innovation and digital transformation (e.g. Smart tourism).

The Ministry launched the first Egypt-Tourism Reform Programme *Progress Report* 10 months after launching E-TRP to highlight what had been achieved in the tourism sector. The Report showed that the Ministry had succeeded in achieving most of the E-TRP goals in less than 10 months. This success is credited to effective co-operation between the government and the private sector.

During the past two years, the Ministry of Tourism in Egypt has been working with various stakeholders to upgrade the TSA system in order to be more inclusive and representative. The Ministry of Tourism signed a new protocol of co-operation with the Ministry of Planning, Monitoring and Administrative Reform to redefine the survey segments and set a comprehensive plan for the new results in 2020.

### Prioritising sustainability and inclusiveness in Egypt's Tourism Reform Programme

The Ministry of Tourism has prioritised the environmental, social and economic impacts of tourism, and includes Global Tourism Trends as one of the five pillars of its Egypt Tourism Reform Programme. The Global Tourism Trends pillar comprises the following sub-pillars:

- Green Tourism - Branding Egypt as a responsible destination to meet future demand relating to green tourism products and services. The Green Star Hotel programme is a certification scheme introduced in 2014 and managed by the Egyptian Hotel Association in collaboration with the Ministry of Tourism. The programme encourages local hotels to adhere to international environmental and social standards in order to reduce their carbon footprint, support economic development and increase competitiveness. To date, 80 hotels (approximately 22 000 rooms) have been certified against the programme's global sustainable tourism criteria. Through close co-ordination and collaboration with the Ministry of Environment and international agencies, a project has also been implemented to preserve biodiversity, reduce the negative impacts of tourism infrastructure on natural resources and promote Egypt as an ecotourism destination.
- Economic Empowerment of Women and Closing the Gender Gap - In May 2019, the Ministry of Tourism launched the Gender Equality Seal programme with the UNDP and National Council of Women to promote the economic empowerment of women by increasing the female workforce within Egypt's tourism sector. In September 2019, the Ministry of Tourism, in collaboration with the World Economic Forum and the National Council of Women, launched a programme to close the gender gap in Egypt. The Closing the Gender Gap Accelerator in Egypt aims to increase the number of women in the labour market, promote more women into economic leadership positions, close wage gaps and ensure that women have the skills that will be demanded in the future.
- Innovation and Digitisation – Aims to encourage innovative and digital solutions for the tourism sector to enhance its competitiveness, including the 'Smart Tourism in Egypt' platform, which harnesses partnerships to create an enabling environment for smart tourism start-ups. Start-up competitions for the tourism sector with local and international partners are also in the pipeline.

The updated system incorporates collecting data of inbound, domestic and outbound tourism surveys in collaboration with the Central Agency for Public Mobilization and Statistics and includes enhancing the collection of data to enable in depth study of the expenditure of international tourists and Egyptians residing abroad through more inclusive and broader segmentation. In addition, tourism surveys will be conducted to assess domestic tourism expenditure for Egyptians and foreign residents.

## Statistical Profile

## Egypt: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
<b>TOURISM FLOWS, THOUSAND</b>					
<b>Domestic tourism</b>					
Total domestic trips	20 053	20 548	..	..	..
Overnight visitors (tourists)	8 928	9 148	..	..	..
Same-day visitors (excursionists)	11 125	11 400	..	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
<b>Inbound tourism</b>					
Total international arrivals	9 900	9 328	5 399	..	..
Overnight visitors (tourists)	9 650	8 984	5 168	..	..
Same-day visitors (excursionists)	250	189	141	..	..
Top markets					
Germany	877	1 011	654	..	..
United Kingdom	906	869	231	..	..
Italy	400	333	131	..	..
France	145	137	101	..	..
Russian Federation	3 139	2 390	54	..	..
Nights in all types of accommodation	97 256	84 128	32 712	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
<b>Outbound tourism</b>					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	2 181	2 134	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
..	..	..	..	..	..
<b>TOURISM RECEIPTS AND EXPENDITURE, MILLION USD</b>					
<b>Inbound tourism</b>					
Total international receipts	7 978	6 897	3 254	8 636	11 615
International travel receipts	7 208	6 065	2 645	7 775	11 615 e
International passenger transport receipts	771	832	609	861	..
<b>Outbound tourism</b>					
Total international expenditure	3 485	3 636	4 351	2 419	2 667
International travel expenditure	3 140	3 442	4 110	2 160	2 667 e
International passenger transport expenditure	346	194	241	259	..

.. Not available; e Estimated value

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888934078452>

## Egypt: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2017	2014	2015	2016	2017	2018
<b>Total</b>	..	..	..	..	..	..
<b>Tourism industries</b>	..	<b>1 752 000</b>	<b>1 992 665</b>	..	..	..
Accommodation services for visitors	..	156 100	188 740	..	..	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	..	408 600	488 240	..	..	..
Passenger transport	..	1 068 000	1 175 486	..	..	..
Air passenger transport	..	24 000	23 710	..	..	..
Railways passenger transport	..	66 000	55 970	..	..	..
Road passenger transport	..	968 000	1 078 428	..	..	..
Water passenger transport	..	10 000	17 378	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	1 000	4 151	..	..	..
Travel agencies and other reservation services industry	..	48 000	63 167	..	..	..
Cultural industry	..	12 700	18 251	..	..	..
Sports and recreation industry	..	26 000	31 290	..	..	..
Retail trade of country-specific tourism characteristic goods	..	13 000	22 897	..	..	..
Other country-specific tourism industries	..	18 600	481	..	..	..
<b>Other industries</b>	..	..	..	..	..	..

.. Not available

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888934078471>

## Egypt: Internal tourism consumption

Million EGP

	2013		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
<b>Total</b>	<b>20 786</b>	<b>78 509</b>	<b>113 139</b>
<b>Consumption products</b>	<b>20 786</b>	<b>75 520</b>	<b>110 151</b>
Tourism characteristic products	13 270	65 023	92 137
Accommodation services for visitors	2 122	9 265	23 173
Food and beverage serving services	3 708	20 361	24 072
Passenger transport services	6 113	15 555	23 468
Air passenger transport services	3 965	9 525	13 490
Railways passenger transport services	288	79	371
Road passenger transport services	1 766	4 781	6 549
Water passenger transport services	94	1 170	3 058
Passenger transport supporting services	..	..	..
Transport equipment rental services	0	299	299
Travel agencies and other reservation services industry	611	5 119	5 730
Cultural services	100	3 243	3 601
Sports and recreation services	518	5 309	5 828
Country-specific tourism characteristic goods	93	4 856	4 950
Country-specific tourism characteristic services	0	1 014	1 014
Other consumption products	7 516	10 497	18 013
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
<b>Non-consumption products</b>	<b>0</b>	<b>2 988</b>	<b>2 988</b>

.. Not available

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888934078490>



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