

EMBARGOED: Not for newswire transmission, posting on websites, or any other media use until October 31, 2017, 10am EDT (2pm UTC/GMT)



NEWS RELEASE

Egypt strives to keep pace with international business reforms: Doing Business report

CAIRO, October 31, 2017—Marking its 15th anniversary, the World Bank Group's latest *Doing Business 2018: Reforming to Create Jobs* report indicates that Egypt has made some improvements, however the country still needs to do more to keep up. Egypt has carried out 29 reforms over the last 15 years, in comparison to Jordan (with 19 reforms), Tunisia (19) and Algeria (16). In the Middle East and North Africa, it is only surpassed by Saudi Arabia (30), Morocco (31), and the United Arab Emirates (33).

Egypt has adopted a number of key business reforms over the past year, including one to improve the business climate for domestic small and medium enterprises, which was recognized in the report.

Another focused on Protecting Minority Investors, and has strengthened minority shareholder rights and their role in major corporate decisions, a continuation of efforts over the past four years. The country now ranks 81st globally in this area.

"Egypt has made ambitious economic reforms over the past few years, which have helped boost investor confidence and attract foreign capital. This year, IFC, has tripled its investments in the country," said Walid Labadi, IFC Country Manager for Egypt, Libya and Yemen

"There are signs that Egypt's economic reforms are starting to bear fruit. For example, we are seeing an increase in capital flow into Egypt, especially in the energy and manufacturing sectors," said Merza Hassan, Dean of Executive Board and Executive Director World Bank Group. "With Egypt starting the difficult reform process, I am confident that we'll soon see more investments and job creation. The current reforms are already adding a new dynamic to the market, which is going to reflect positively on the economy."

Egypt performs best in the area of Dealing with Construction Permits, where it is ranked 66th globally. For example, obtaining a construction permit and building a warehouse in Egypt costs just 1.9 percent of warehouse value, compared to an average of 4.3 percent in the Middle East and North Africa region.

Several improvements have also been made in the area of Getting Credit, including the establishment of a well-functioning private credit bureau. The bureau earns the maximum 8 points on the depth of credit information index, compared to a regional average of just 4.8 points.

The report shows that registering property was made more difficult, however, because of a rise in the cost of verifying and ratifying a sales contract.

It also shows Egypt underperforming in the areas of Paying Taxes, where it is at 167, and Trading Across Borders, where it ranks 170th globally. It takes 265 hours to obtain the right paperwork to import, for example, four times longer than the global average of 66 hours.

In the area of Starting a Business, Egypt has implemented seven reforms over recent years. As a result, the time and cost to start a business has been more than halved to 14.5 days and 7.4 percent of income per capita, respectively, from 39.5 days and 65.6 percent of income per capita 15 years ago.

The full report and its datasets are available at www.doingbusiness.org

Contacts

In Cairo: Riham Mustafa +202 2461 4230 , rmustafa@ifc.org

In Washington: Indira Chand +1 (202) 458-0434, +1 (703) 376-7491, ichand@worldbank.org