



ITIDA, USAID, and AmCham Gear towards Advancing the Thriving Entrepreneurship and Startup Ecosystem in Egypt

ITIDA CEO: We are foreseeing a significant growth rate as investment deals in Egyptian startups set to double last year's record numbers

Cairo- July 29, 2021: The Information Technology Industry Development Agency (ITIDA) has participated in the “Towards Creating an Enabling Environment for Venture Capital and Start-ups in Egypt” symposium, jointly arranged by USAID, The American Chamber of Commerce in Egypt (AmCham) and ITIDA.

The symposium, held on the 28th of July 2021, aims at empowering and scaling up the thriving startup business environment in Egypt by shedding light on the best practices and the governance of venture capital.

The symposium was inaugurated by Eng. Amr Mahfouz, ITIDA’s CEO, Ms. Leslie Reed, Mission Director of USAID Egypt, and Dr. Hossam Osman, ITIDA’s VP, Mr. Hermann Thiel, Chief of Party of the Economic Governance Activity, and Mr. Tarek Tawfik - President of AmCham Egypt.

In his opening remarks, ITIDA’s CEO Amr Mahfouz said: “Entrepreneurship has become the key engine in different economies for the investments it attracts and the jobs opportunities it creates”.

“This year, we are foreseeing significant growth rate in the number of investments and number of deals on **the Egyptian startups where they have already collected 26% of deals in the MENA region, amounting to nearly USD194m in the first half of 2021,**” Mahfouz stated.



“The Egyptian startups had recorded the highest venture investment of USD190m, up 30% YoY in 2020, with a CAGR of 100% from 2015-2020,” Mahfouz noted.

Several prominent startups and local and international VCs have also attended the symposium including, Flat6Labs, Algebra Ventures, 500 startups, Shorooq, FinBi, and Nile Capital, in addition to some entrepreneurs and tech startup founders.

Several interactive sessions were held during the symposium, chaired by many field experts and specialists. The sessions discussed topics of best practices for attracting more venture capital firms to Egypt, advancing regulatory reforms to create a prosperous ecosystem, and availing a roadmap for entrepreneurs and tech-enabled Startups.

“International VCs represent 32% of all investors supporting Egyptian startups in 2020, compared to 21% in UAE and 18% in KSA”, he added.

According to MAGNiTT, the number of VCs in Egypt more than doubled in the last 3 years and is expected to furtherly double in terms of investments and the number of deals. The total funding deals grew by 30% YoY in Egypt, higher than the 13% growth in venture investment recorded across the entire MENA region.

These figures marks that the Egyptian government, over the past few years, has ramped up its entrepreneurial activities, making the country one the fastest growing ecosystem in the Middle East and North Africa (Mena).

“Egypt didn't get this far by luck as the government has been giving unprecedented support to further boost the Startup ecosystem and help its youth kickstart their technology and innovation-driven entrepreneurship and accelerate their growth; capitalizing on many advantages and the right mix of strengths the country enjoys”, Mahfouz noted.



“We are investing heavily to spread digital innovation hubs "Creativa" to act as a one-stop-shop for tech entrepreneurs, and we’re also upskilling talent with an investment that exceeds EGP 400m to help 115k Egyptian youth to excel in future jobs and acquire the digital and freelancing skills”. ITIDA CEO added.

ITIDA is working on a five-year strategy; in collaboration with USAID and a global consultancy firm, that aims at taking the Egyptian startup and entrepreneurship ecosystem to a more advanced stage from where it currently stands especially in policy and regulations domains and finance capital, market penetration elements.

The Egyptian startup and entrepreneurial ecosystem continues to grow and evolve dramatically attracting strong momentum both regionally and globally and making the most Arab populous country a global contender in the technology startups scene.

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