

CREACT  **MED**

CREATIVE MEDITERRANEAN

Cultural & Creative Industries in Egypt

Salient Features

<https://creativemediterranean.org/> creact4med@euromed-economists.org





Creact4med



Table Of Contents

A General Overview	3
Key CCI Actors	7
Initiatives to promote CCI	8
Challenges and Opportunities	11
Policy Recommendations	12
Bibliography	13

This report is produced by the Euro-Mediterranean Economists Association (EMEA), as part of the mapping of Cultural and Creative Industries (CCI), carried out under the CREAT4MED project funded by the European Union (EU) and coordinated by EMEA.

The report is coordinated by Yeganeh Forouheshfar, Researcher at EMEA, based on the contributions from members of the CREAT4MED Technical Expert Group (TEG): Dr. Heba Zaki (FEPS Business Incubator) and Dr. Maha Khalil (FEPS Business Incubator). This report benefitted from the contribution of Nermine El Tahri, Senior Expert at EMEA, and the review of Prof. Rym Ayadi, President of EMEA and Director of the CREAT4MED project.

Editing and design by Rob Attree, Alanna Irving and Nektar Baziotis.

CREACT4MED engages CCI players to enhance networking, collaboration, visibility, financial opportunities and market access. Join the CREAT4MED community at <https://platform.creativemediterranean.org/>

A General Overview

Population size: 102.33 million in 2020

GDP: \$363.06 billion (USD) in 2020

GDP per capita: \$3547.87 (USD) in 2020

GDP growth rate: 3.5% in 2020

Inflation rate: 5.04% in 2020 (consumer prices)

Unemployment rate: 10.45% of total labour force in 2020 (ILO estimate)

Youth unemployment rate: 26.54% of total labour force aged 15-24 in 2019 (modelled on ILO estimate)

Female unemployment rate: 21.33% of female labour force in 2019 (modelled on ILO estimate)

Female labour force participation rate: 18.46% of female population aged 15+ in 2019 (modelled on ILO estimate)

Rank in the Global Gender Gap Index: 129 out of 156 countries (2020)*



Overall Context

Egypt has implemented a number of macroeconomic and structural reforms over the past few years. These reforms have allowed the economy to stabilize, with improved fiscal and external accounts, but has fallen short in responding to long-term socio-economic challenges. The adverse repercussions of the COVID-19 pandemic placed these challenges in the spotlight:

- persistent high ratio of government debt to GDP, (90.2% in FY2018-19)
- low budget allocation to key sectors, such as health and education (WB, 2020)
- below-potential performance of non-oil exports and Foreign Direct Investment (FDI)
- low (formal) job creation in the private sector
- persistent informality and increasing poverty rate

Source:

World Development Indicators (WB) (<https://databank.worldbank.org/source/world-development-indicators>)

*World Economic Forum's Global Gender Gap Report 2021 (<https://www.weforum.org/reports/global-gender-gap-report-2021>)

*The countries at the bottom of the ranking have longer distance from gender parity

Key CCI Figures⁺ in Egypt

Egypt has a very rich cultural heritage that can be seen in every corner of its main cities, from the north coast to the High Dam in Upper Egypt. Cultural and Creative Industries (CCI) are very diverse, yet their contribution to the economy remains modest. A detailed assessment of CCI is very challenging, as there is no national definition and official data available.

With regards to government expenditure in CCI, the share of “Youth, culture and religious affairs” in the national Egyptian budget represents 2.6% of the total expenditure in 2020. This share was not subject to significant change and remained, on average, around 2.5% from 2016 to 2020.¹ Within this budget, the part dedicated to culture is unspecified. This lack of detailed breakdown of the government’s budget reflects, to a great extent, an institutionalised scattered and unsustainable public policy for the CCI (Med Culture, 2018).

To assess CCI, we adopt a broad definition, inspired by different sources.² We categorise the industries into the following main groups: Arts and Culture, Media, and Design.

The results of the initial mapping carried out by the CREAT4MED TEG³ reveal that Crafts, Design, Publishing, and Digital Media are Egypt’s most visible CCI sub-industries.



¹ Ministry of Finance of Egypt: <https://www.mof.gov.eg/en/posts/stateGeneralBudget/601bdca48e87100007469676/2019-2020%20General%20Budget>

² Amongst numerous CCI classifications available in the literature we are mainly inspired by the ones of UN (EY, 2015), UK (DCMS, 2019), Singapore (ERC-CI, 2002) and the European Commission (EC, 2010)

³ Technical Expert Group (TEG) is a group of renowned regional and local experts, aimed at bringing a multi-disciplinary approach to the mapping process under the CREAT4MED project. This group is composed of external experts, project partners and observers. 5 TEG meetings were held between November 18, 2020 and February 25, 2021. Dr. Heba Zaki and Dr. Maha Khalil are TEG members for Egypt.

Key CCI Figures⁺ in Egypt (continued)

According to the CCI cluster mapping carried out by UNIDO in 2015, the architecture sector has more than 100,000 architects with 6000 new entrants annually. The CCI clusters are mainly concentrated in Cairo and Alexandria, notably for handmade leather products, the furniture industry, garments and home textiles. Advertising and new media (e.g. video gaming) are experiencing high growth, leading to the absorption of a considerable percentage of fresh graduates, yet the high levels of informality and turnover rate remain significant downsides to these sub-sectors (Harriri, 2017).

The handicraft sector is considered to be very promising, as it is historically well established, labour intensive, can be scaled up, and has a high export potential. The sector's exports amount to around \$400 million USD per year (Abdelaziz et al., 2018). The size of the local handicrafts market was estimated to be around \$168.5 million USD in 2017.⁴ The industry relies heavily on the tourism sector, with over 80% of sales carried out by outbound tourists, whilst locals make up 16% and only 2% of sales are business-to-business (TDMEP, 2018).

Although most jobs created in the handicraft sector are informal, the Egyptian Export Council for Handicrafts and the Chamber for Handicraft Industries estimate that the sector employs 2 million people, mostly women in rural or isolated areas (TDMEP, 2018). The three major players in the sector are artisans, designers and traders.

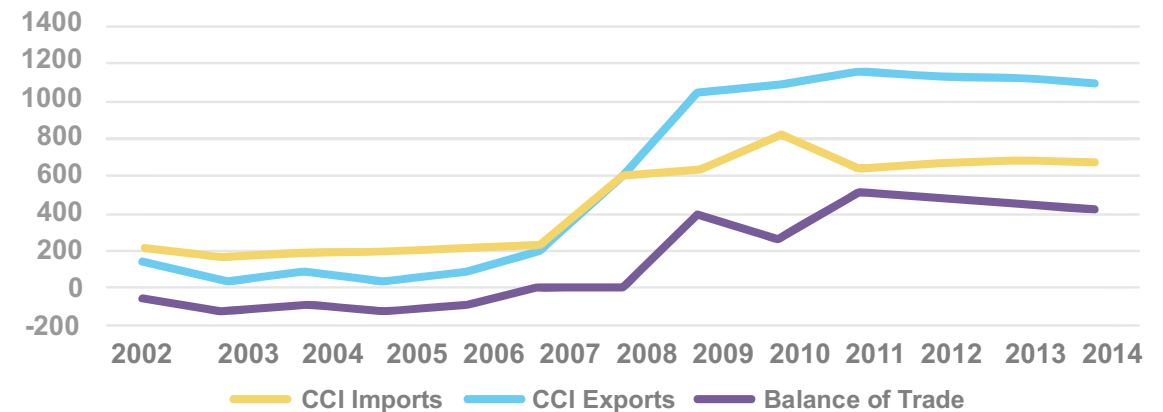


⁴ LE3 billion, the adopted exchange rate is 1 USD equivalent to 17.8 Egyptian Pounds.

Cultural & Creative Industry Exports

According to the UNCTAD report on Creative Industries (UNCTAD, 2018), Egypt has the highest level of CCI exports in the MENA region. The Balance of Trade for CCIs in the period from 2004-2015 shows great improvement, with a surplus from 2008 onwards. This is a positive indicator that CCIs in Egypt have a great potential for growth and could further contribute to the country's exports, as long as CCI is anchored in public policy with a clear roadmap for action. In 2014, 53% of Egyptian CCI exports were in Art and Crafts and 43% in Design. The publishing industry is in third place with 2% of total CCI exports.

Egypt CCI trade performance



Source: UNCTAD global database on creative economy



Cinema and + Film Industry

Egypt hosts a number of film festivals, the most famous being “The Cairo International Film Festival” (<https://www.ciff.org.eg/>), supported by the public sector, and “El Gouna Film Festival” (<http://elgounafilmfestival.com/>), supported by the private sector.



In 2015, 34 feature films were made, all of which were 100% nationally produced (The UNESCO Institute for Statistics, UIS).

The cinema industry has suffered from the lockdown measures during the COVID-19 pandemic. However, the acceleration in the digital transition has created an opportunity for media producers, with more and more films being digitally produced and distributed. Video on Demand (VOD) has become a source of revenue for film makers (Allam, 2019).



Cultural Infrastructure

National Museum of Egyptian Civilization
<https://www.egypttoday.com/Article/4/93846/National-Museum-of-Egyptian-Civilization-a-multi-purpose-entity>



81 Museums

Theater Art House
<https://www.egypttoday.com/Article/4/89621/Egypt%E2%80%99s-Theater-Art-House-performances-to-resume-on-July-16>



40 Theatres

VOX Cinema – Mall of Egypt
<https://www.switch-made.com/story/vox-cinema-mall-of-egypt-cairo/>



78 Cinemas

Cairo Opera House
<https://www.flickr.com/photos/marcoryan/5323322586>



3 Opera houses

National Cultural Center of Cairo
<https://english.ahram.org.eg/NewsContent/50/1205/376492/AIAhram-Weekly/Culture/Cultural-institutions-offerings-on-Egypt-and-the-A.aspx>



374 Cultural houses

The Modern Library of Alexandria
<https://www.keepcalmandwander.com/modern-library-of-alexandria-egypt/>



2222 Libraries

Numbers up to the end of 2020, a non-exhaustive list based on inputs provided by CREAT4MED Technical Experts for Egypt and CAPMAS

Cultural + Infrastructure (continued)

Based on the statistics by the Central Agency for Public Mobilisation and Statistics (CAPMAS), the cultural ecosystem in Egypt is very rich and diverse:⁵

- 250 Cultural Associations in 2019, 75 of them located in Cairo
- 141 Islamic, Coptic, Pharaonic archaeological Regions
- 5,316,000 museum visitors in 2019; 25 out of 81 museums are located in Cairo
- 67 Newspapers in 2019 ⁶
- 1,925 books published in 2019 ⁷

According to the Med-Culture (2018) report:

- There is a high concentration of cultural events: 80% of events in Cairo, 15% in Alexandria and the remaining 5% spread over the country
- Egypt's restrictive legal framework is a barrier for artistic expression, notably:
 - Law 107/2013 on demonstrations was a source of struggle for street art and festivals; many stopped their activities
 - Law 70/2017 restricting the operation of NGOs led to the suspension of activity for many cultural organisations
 - In March 2018, the Ministry of Culture turned cultural palaces in 7 governorates into Art censorship offices

⁵ https://www.capmas.gov.eg/Pages/StaticPages.aspx?page_id=5035

⁶ The number of newspapers in 2018 was 70.

⁷ Against 2284 published books in 2018.

Main CCI Actors

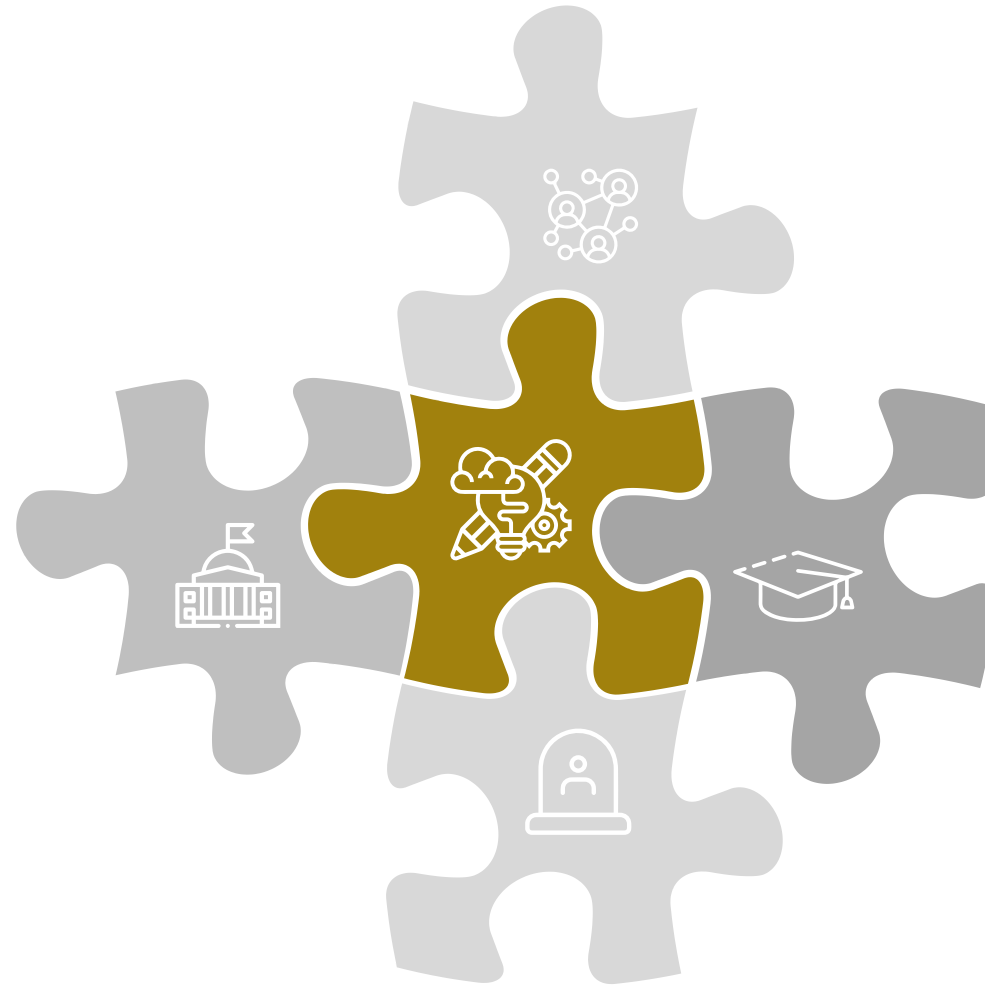
CCI Ecosystem

01

Governmental

02

Private Sector



03

Associations & NGOs

04

Academia

Governmental⁺ Actors



Among the governmental entities active in CCI are:

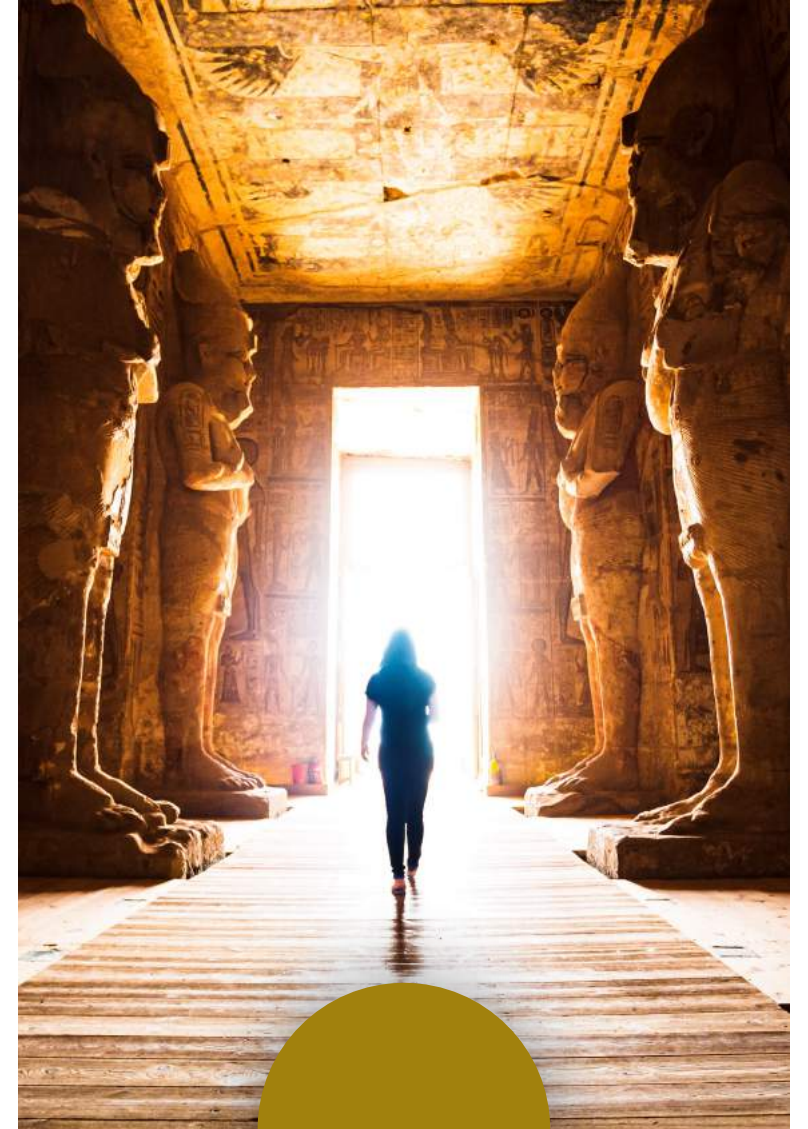
- Ministry of Culture (<http://www.moc.gov.eg/en/home/>)
- Ministry of Trade and Industry (<http://www.mti.gov.eg/English/Pages/default.aspx>)
- Ministry of Social Solidarity (<https://www.moss.gov.eg/ar-eg/Pages/default.aspx>)
- Micro & Small & Medium enterprise Development Agency - MSMEDA (<http://www.msmeda.org.eg/>)
- Ministry of Planning and Economic Development (<https://mped.gov.eg/home?lang=en>)
- Ministry of Youth and Sports (with 4400 youth centres)
- The National Library and Archives of Egypt
- National Centre for Translation
- General Egyptian Book Organisation (<http://www.gebo.gov.eg/>)
- Federation of Egyptian Industry (<http://www.fei.org.eg/index.php/en/>)
- The Chamber for Handicraft Industries
- Cultural Development Trust and Export Development Programme
- Industrial Modernisation Centre (<http://www.imc-egypt.org/index.php/en>)
- Egyptian Export Council for Handicrafts - EECH (<http://www.ch.org.eg/>)
- Cultural Development Fund (<http://www.cdf-eg.org/>)
- Foreign Cultural Relations Sector (<http://www.fcr.gov.eg/Default.aspx?lang=1>)
- National Organisation for Urban Harmony (http://urbanharmony.org/ar_home.asp)
- The National Cultural Centre – Cairo Opera House (<https://www.cairoopera.org/operahous.php?lan=En>)
- National Centre for Translation (<http://nct.gov.eg/>)
- Cultural Production Affairs Sector
- Fine Arts Sector (<http://www.fineart.gov.eg/Eng/About/about.htm>)
- National Council for Women

Governmental⁺ Actors (continued)



- Supreme Council of Culture
- Industrial Modernisation Centre
- Egypt Future Foundation
(<http://egyptfuturefoundation.com/en/about.php>)
- Egyptian Forum for Handicrafts

We did not observe any systematic coordination to further develop CCI among these actors.



Private Sector

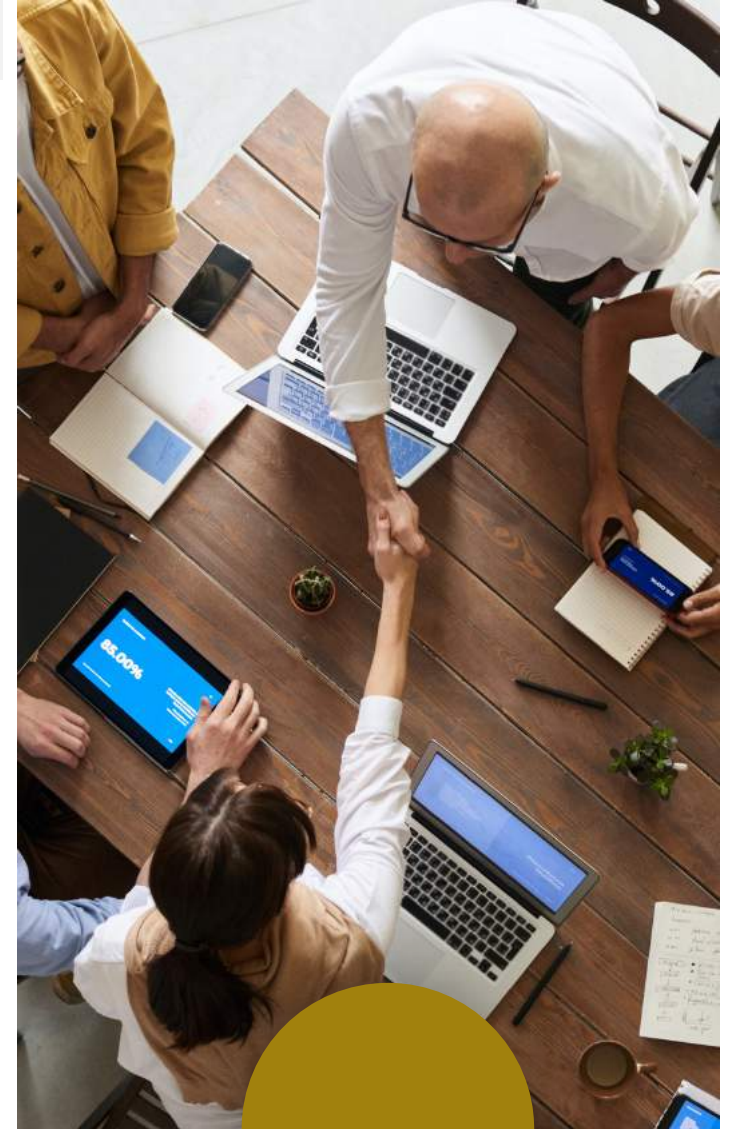


In addition to artists, designers, architects, writers, filmmakers and all creative workers, the key CCI actors in the private sector are the financing bodies that provide financial support to CCI players, notably the micro-financial institutions active in rural areas, E-finance (<https://www.efinance.com.eg/>), and Alex Bank, which support initiatives with a focus on the handicraft sector.

Furthermore, incubators, accelerators and other business support organisations, with a focus on one or more CCI subsectors, are key actors in the private sector, including:

- Nilepreneurs (<https://np.eg/en/>)
- Nahdet El Mahrousa (<https://www.facebook.com/nahdetelmahrousa/>)
- FEPS Business Incubator (<https://fepsbi.net/>)
- Flat 6 Lab (<https://flat6labs.com/Location/egypt/>)
- IceAlex (<https://icealex.com/>)
- AUC Venture Lab (<https://business.aucegypt.edu/centers/vlab>)
- ENACTUS (<https://enactusegypt.org/>)

We did not observe any systematic coordination to further develop CCI among these actors.



Associations + & NGOs



Various associations promote CCI in Egypt, including:

- Arab Digital Expression Foundation - ADEF (<https://www.facebook.com/ADEF.xyz/>)
- Misr El Kheir Foundation (<https://mekeg.org/>)
- Sawiris Foundation (<https://www.sawirisfoundation.org/>)
- ASSILA NGO (<https://assila.org/>)
- Egyptian Forum for Handicrafts (<https://bit.ly/3rHORGv>)
- AwtaD Foundation (<https://www.awtad-egypt.org/>)
- Drosos Foundaton (<https://drosos.org/en/about/#egypt>) active in Egypt since 2005
- Alwan Wa Awtar (<https://alwan-awtar.org/about-us/>)
- Azza Fahmy Foundation (<https://www.facebook.com/azzafahmyfoundation/>)
- Cairo Contemporary Dance Centre, CCDC (<https://ccdc.dance/Home>)
- AFAC (<https://www.arabculturefund.org/Grantees/24>)
- Medrar for contemporary art (<https://www.medrar.org/>)
- DOX BOX (<https://dox-box.org/about-us/>)
- Mophradat (<https://mophradat.org/>)
- Culture Resource / Al-Mawred Al-Thaqafy (<https://mawred.org/who-we-are/?lang=en>)
- Noon Arts (<https://www.noonartsprojects.com/about>)

We did not observe any systematic coordination to further develop CCI among these actors.

Academia⁺

There are many academic institutions with at least one programme dedicated to CCI, including:

- Schools of Fine Arts, such as Helwan University and Alexandria University.
- Schools of Applied Arts: Helwan University, Beni Suef University, University for Modern Sciences and Arts (MSA University), GUC University, Badr University, The British University in Egypt (BUE), amongst others.
- Cinema and film making academies: Higher Institute of Cinema (HCI), Academy of Cinema Arts, NEC - Cineology Film School, Arab Film TV School , MediaVision Film School, and more.
- Architecture Programmes either associated with schools of fine art or with schools of engineering: Nile University, The American University in Cairo (AUC), Arab Academy For Science, Technology & Maritime Transport (AAST), BUE, and many more.
- Programmes dedicated to Digital Arts and Media: AAST and BUE, among others.

Source:
<http://www.arabfilmvtschool.edu.eg/>
<http://www.alecso.org/nsite/en/>
<https://nasnahdaartsschool.wixsite.com/school>

- Helwan University hosts a Cultural Industry Program.
- University of Cairo (Faculté des Lettres, Department for the French Literature) has launched a two-year professional diploma programme in Cultural Development, Cultural Management and Cultural Policies.
- French University Cairo has developed a Masters programme that is partially related to cultural management. There is a Heritage Management programme, developed in 2012, but offers only a French diploma from University Paris Sorbonne, as the programme does not meet the requirements of the Supreme Egyptian Council of Universities (a Masters diploma must have a two-year programme).
- The Arab League Educational, Cultural and Scientific Organisation (ALECSO) is a Tunis- based institution of the Arab League, established in accordance with article 3 of the Arab Cultural Unity Charter. It works in the domain of coordination of cultural, educational and scientific activities.
- Nahda Art School (NAS) is a school designed to teach actors and actresses not only performance arts, but also how to bridge the gap between theatre and society.

We did not observe any systematic coordination to further develop CCI among these actors.

Initiatives to promote CCI

NOTABLE GOVERNMENT PROGRAMS

Within the national agenda of **Egypt Vision 2030**, the Ministry of Industry has implemented a strategy for the handicraft sector, to enhance its contribution to job creation (especially amongst women), social development, exports and GDP.

To enhance the county's entrepreneurial capacity, the **Rowad 2030** project is being carried out by the Ministry of Planning and Economic Development.¹¹ Launched in 2017 and with a completion date in 2030, Rowad 2030 aims to enrich the culture of innovation and entrepreneurship and to build an inclusive and integrated entrepreneurial ecosystem for young people and the general population to achieve the goals of Egypt's Vision 2030. So far, it has established 9 business incubators and created around 665 incubation opportunities.¹²



¹¹ <https://www.mped.gov.eg/singlenews?id=250&lang=en>

¹² <https://sdgs.un.org/partnerships/rowad-2030-project>

Initiatives to promote CCI (continued)



NilePreneurs is another national initiative that supports entrepreneurship. It is funded by the Central Bank of Egypt and implemented by Nile University. “NP Incubate” is one of the main programmes of NilePreneurs Initiative. Within this programme, “Creative Design” is one of NilePreneurs’ hardware incubators, integrating Design in the development of diverse products, such as furniture and home products in order to enhance the quality, functionality, appeal and international competitiveness of Egyptian SME products. The Creative Incubator aims to graduate a new generation of professional and talented designers capable of utilising innovative design methods and techniques in their product designs.

The objectives of the Creative Design Incubator are to:

Empower Young Designers

Empower talented young designers and introduce them to creative designing techniques

Support SMEs

Support SMEs working in the manufacturing industry by helping them enhance their product quality, functionality, appeal and international competitiveness

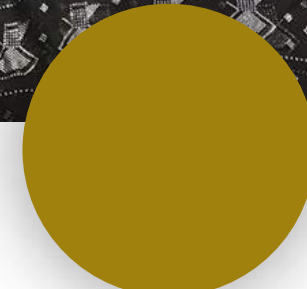


Initiatives to promote CCI (continued)



Egypt is one of the top global centres for handicraft production and export through building competitive, sustainable, inclusive value chains and superior design capabilities, inspired by its unique multi-cultural identity and rich historical legacy. Furthermore, the Sector Strategy Mission 2025 aims to establish a sustainable, institutional and productive handicraft sector that provides decent employment, especially for women, as well as the ability for Egypt to reach greater heights in its economic and social development, in order to have stronger export markets and to enhance efficient and sustainable supply chains. Hence, the handicraft sector is the focus of a number of government initiatives focused on CCI, including:

- **Diarna exhibition** is considered one of the oldest exhibitions for handicrafts and culture heritage, since it has been in operation since 1964 under the auspices of the Ministry of Social Solidarity. The exhibition is organised annually and has many versions derived from it in other Egyptian governorates (Assuit, Minya, Alexandria, Sharm Elsheikh, Red Sea, Luxor). The one held in Cairo is the most well-known.



Initiatives to promote CCI (continued)



- **Torathona Exhibition** for Handicrafts, organised by the Micro, Small and Medium Enterprise Development Agency (MSMEDA), aims to revive traditional crafts and assist small handicraft manufacturers by opening outlets for them to market their products, in order to preserve and increase technical labour in this field. MSMEDA is interested in the Egyptian handicrafts sector because it is one of the most important sectors, due to several reasons, that can make a breakthrough in the Egyptian economy in a short period of time, including:
 - Egypt enjoys a competitive advantage in Pharaonic, Islamic and Coptic artifacts
 - This sector is a labour-intensive sector that can accommodate large numbers of young people, leading to a reduction in unemployment
 - This sector does not require huge investments compared to other sectors, such as heavy industries and others



Initiatives to promote CCI (continued)



- **Ebda3 mn Masr -EMM** (<https://www.facebook.com/ebda3menmasr/>), an initiative by ALEXBANK launched in 2015, is based on the concept of Creating Shared Value (CSV) where the Bank became a fully-fledged partner of citizens and the community, blending the creation of social values with the growth of the economy and with a focus on handicrafts. The initiative benefits from over 25 partnerships and collaborations between NGOs, social enterprises, the government and individual citizens. Since its inception, the EMM initiative has grown to achieve significant outreach, impacting the lives of more than 10,000 craftsmen and women across all governorates. In 2018, in response to the COVID-19 outbreak, EMM signed a strategic partnership agreement with the Ministry of Social Solidarity. EMM went digital and launched its first official handicrafts e-commerce store, with the largest network of artisans, craftsmen and women from Egypt.



Source: <https://www.facebook.com/ebda3menmasr/photos/>

Initiatives to promote CCI (continued)

- Zein al Kofouf project is part of the Misr Elkheir Foundation (MEK) contract of the TVET Egypt Programme, co-financed by the Government and the EU and active since 2017. The objective is to build the capacities of potential entrepreneurs, support the start-ups of 100 young men and women, especially in value chain projects, tourism-related and handicraft SMEs, and to enhance the capacities of local Community-Based Organizations (CBOs)
- Ayady Misr (<https://ayadymisr.com/>) is an e-commerce platform to support Egyptian handicrafts, with a focus on women. It operates under the Ministry of Local Development and the World Food Organisation. It helps Egyptian products access markets, improves internal and market efficiency, and reduces transaction costs.



Source: <https://www.facebook.com/ayady.misr>



Intellectual Property Rights (IPR)

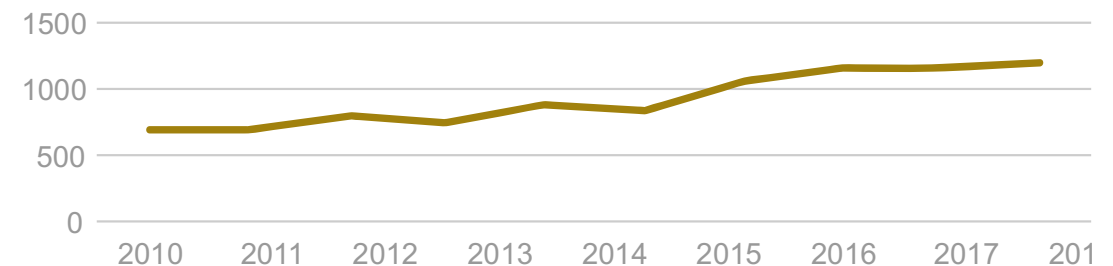
Creative industries rely heavily upon intellectual property (IP). According to the World Intellectual Property Organisation (WIPO), IP refers to “creations of the mind, such as inventions; literary and artistic works; designs; and symbols, names and images used in commerce.”¹⁴ Egypt joined WIPO in 1975 and is an active member, developing 40 IP-related laws and signing 58 treaties.¹⁵

National IP offices in Egypt are:

- Intellectual Property Office in Egypt, Supreme Council of Culture, Ministry of Culture
- Egyptian Patent Office, Academy of Scientific Research and Technology (ASRT), Ministry of Scientific Research (<http://www.egypo.gov.eg/>)
- Trademarks and Industrial Designs Office, Internal Trade

The number of patent filings, a proxy for innovation (and creativity), has risen in the past decade.

Patent Filings (Resident + Abroad, Including Regional)



Source: WIPO statistics database. Last updated: January 2021

¹⁴ <https://www.wipo.int/about-ip/en/>

¹⁵ https://www.wipo.int/members/en/details.jsp?country_id=53



Developing Inclusive and Creative Economies (DICE)

<https://www.britishcouncil.org/programmes/society/dice>

Funded by the British Council, Developing Inclusive and Creative Economies (DICE) is a pilot project addressing the issue of economic and social exclusion. The project fosters the exploration of how creative thinking, generosity, unconscious bias, vulnerabilities and the power of human connection contribute to the best promotion of curiosity, creativity, communities, business, policies, ideas and their environments. In order to eradicate barriers to economic opportunity, DICE has adopted an ecosystem approach involving sectors, countries, networks and generations. Specifically, the programme aims to empower women, girls and young people, as well as the disabled and other marginalised groups.



ثقافة - ALL-ة
AROUND داير
CULTURE ما يدور

All Around Culture

<https://allaroundculture.com/>
2020-2024

All Around Culture provides support to cultural institutions, initiatives and individuals to strengthen their capacities and increase their reach, through funding, knowledge exchange and networking opportunities.

Global Media Makers

<https://www.filmindependent.org/programs/global-media-makers/>
2016-2018

USA: Global Media Makers is supported through a partnership between Film Independent and the U.S. Department of State's Bureau of Educational and Cultural Affairs. El Gouna Film Festival in its 2020 edition partnered with Global Media Makers to encourage young film makers. The programme connects international filmmakers with leading U.S. entertainment professionals through comprehensive filmmaker educational entities, business training, professional networking opportunities and tailored mentorships. Since the programme's inception, more than 80 Fellows have been served through GMM residencies, leading to 16 produced projects, including Amr Salama's 'Sheikh Jackson', Egypt's official submission to the Academy Awards' Best Foreign Language Film category in 2018, and Ayten Amin's 'Souad', which was officially selected at the Cannes Film Festival in 2020. From 2016–18, the programme operated in the Arab world and Turkey, including the countries of Algeria, Egypt, Jordan, Lebanon, Morocco, Saudi Arabia, Tunisia, Turkey and the United Arab Emirates. Since 2019, GMM has broadened its scope to South Asia, including Bangladesh, India, Nepal, Pakistan and Sri Lanka, whilst continuing to build upon an established foundation of success.

HAYAT-SOHAG PROJECT

2015-2020

This is a United Nations Industrial Development Organisation (UNIDO) project with the goal of building sustainable communities in the Governorate of Sohag. It conducted on-the-job training for 12 carpenters from Tahta and organized two loofah processing workshops in Tahta. They created new employment for 32 females from Beni Harb and Naga Abu Khors.



Creative Mediterranean

<https://www.facebook.com/ccilandclusters>

2014-2019

Creative Mediterranean project is an EU-funded project, which also benefits from a financial contribution from the Italian Agency for Development Cooperation, and is implemented by UNIDO. It aims to support selected cluster initiatives in cultural and creative industries (CCIs) in the Southern Mediterranean.

SSA

USAID's Sustainable Services Activities (SSA) Project

<https://www.facebook.com/Sustainable-Services-Activity-SSA-621780611965040>

The USAID "Sustainable Services Activity (SSA)" agreement with Finance & Banking Consultants International (FinBi) is a pilot project financed by USAID to empower and enhance the entrepreneurial skills of women producing textiles in rural areas using unique traditional designs and to transfer their know-how to younger generations, using the social entrepreneurship business model.



Egypt Network For Integrated Development (ENID/El Nidaa)

<http://elnidaa.org/who-we-are/>

2013-2021

A UNDP project under the umbrella of the Ministry of Investment and International Cooperation, the Egypt Network for Integrated Development (ENID/El Nidaa) seeks to contribute to the socio-economic empowerment of disadvantaged women and young people in rural Upper Egypt through skills formation for employability and job creation.

CHALLENGES

- The government's view on CCI is broad and without consideration of all underlying, high-impact sub-sectors, hence:
 - There is no unified national definition for CCI
 - There is a lack of available data, inaccessibility and/or inaccuracy regarding the CCI
 - There is a lack of coordination between CCI actors
 - There is no targeted policy or regulatory legislative support for CCI, with the exception of the handicraft sub-sector
- Limiting the scope of CCI to the handicraft sector leads to neglecting other high potential sub-sectors
- The dominance of informality at a national level and specifically amongst CCI workers leads to the exclusion of those workers from social safety nets and poor coordination among CCI stakeholders
- There is weak IPR protection and varying levels of awareness in a context of rapid digitalisation and increasing digital piracy
- Limited knowledge of product development leads to limited number of product types offered
- Bureaucratic hurdles and censorship hinder artistic expression
- Shortcomings within the existing initiatives:
 - Lack of monitoring and evaluation
 - Lack of alignment between entities active in CCI
- Challenges within the handicraft sector:
 - Dependence on local raw materials which, in spite of being eco-friendly, is not cost-efficient and is of inferior quality
 - No quality control which leads to poor quality of the final product, thereby falling short of international standards
 - Outdated and unmarketable design
 - Production of traditional crafts is not necessarily economically rewarding
 - Absence of centralised market data inhibits more investment, making the market disoriented

OPPORTUNITIES

- The diversity and richness of Egyptian culture with Pharaonic, Islamic and Coptic heritage
- Macroeconomic reforms stabilise and continue improving its fiscal accounts
- Wide recognition of the potential for the handicraft sector as a contributor to job creation in rural areas (especially for women) and many national and international initiatives to promote the sector and to increase exports
- Young and vibrant population that can be both the producers and consumers of creative products and services
- Opportunities brought by digitalisation and connectivity to international markets



Policy



Recomendations

Mainstream CCI in public policy in Egypt:

- There is a need to create an advocacy campaign amongst policymakers to endorse CCI as a revenue-generating and job-creating sector in the economy, in addition to enhancing different advocacy channels for both public, private, associative and academic actors.
- These actions can potentially lead to the formulation of a comprehensive strategy that provides support to a wider spectrum of CCI, and where all actors can contribute to its development.
- Developing a national definition for CCI and quality data collection on the underlining sectors is a prerequisite, in order to better formulate and implement the policy actions and their monitoring.
- Furthermore, the establishment of a dedicated agency in charge of implementing and following up CCI strategy should coordinate and collaborate between all actors active in CCI to ensure the success of such a strategy.
- The dedicated agency should enhance strategic planning in CCI by:
 - Mapping the status quo in terms of actors, their skill sets, marketing strategies, their needs and encountered obstacles;
 - Enhancing the quality of the products, their design and services and making them accessible to international markets;
 - Conducting studies on international best practices and making a profitability analysis of current businesses

Create an enabling environment:

- Adopt targeted policies to tackle informality and encourage formality, in order to make CCI workers more resilient
- Enhance the capability of the workforce through vocational training and the establishment of specialised ad hoc schools
- Improve the value chain:
 - Facilitate access to high-quality, cost-efficient raw material, which is essential for enhancing the quality of final products
 - Set up quality control procedures and national standards for final products
 - Encourage creativity and innovation in design, in order to offer new products that are driven by the country's rich cultural heritage, yet adapted to market demand
 - Enhance knowledge on exports (i.e., duration and cost of customs) and facilitating industrial licences
- Encourage private investment through the provision of fiscal incentives

Policy



Recommendations (continued)

Invest in digital infrastructure

- Following the global acceleration in the digital transition as a response to the COVID-19 pandemic, there is a need to invest in digital infrastructure so that a large majority of the population can access the Internet
- On the demand side: larger groups of the population can access and benefit from the CCI digital content
- On the supply side: CCI producers can go beyond local markets at minimal cost

Invest in high value-added CCI

- High value-added CCIs tend to be capital-intensive, but, they create formal jobs for educated young people, increase income level and reduce poverty rates, as they tend to pay higher salaries
- Tackle the labour market mismatch, as those with tertiary educational attainment suffer the most from high unemployment rates

Focus on the media industry: Reduce the bureaucratic burden

- Streamline the process required for a shooting
- Centralise permits processes in film production to enhance efficiency



BIBLIOGRAPHY

- Abdelaziz, F., El-Enbaby, H., Zhang, X., & Breisinger, C. (2018). Clusters as drivers of local industrial development in Egypt: Which are the promising sectors and locations? (Vol. 10). Intl Food Policy Res Inst. <https://ebrary.ifpri.org/digital/api/collection/p15738coll2/id/132731/download>
- Allam, R. (2019). Entertainment Media Industry in Egypt: Overview, Challenges and Future Performance. *World Entertainment Media*, 124-134.
- Egyptian Ministry of Finance. (2015-2021, February 15). The State Budget 2015/2016-2019/2020. Retrieved from the website of the Ministry of Finance: http://www.mof.gov.eg/English/Papers_and_Studies/Pages/The-State-Budget.aspx
- El Khachab, C. (2017). State control over film production in Egypt. *Arab Media and Society*, (23). https://www.arabmediasociety.com/wp-content/uploads/2017/12/20170115111320_Film_Production_in_Egypt.pdf
- Ghazala, M. (2017). From the pioneers to the revolutionaries: The art of animation in Egypt. *Animation in the Middle East: Practice and Aesthetics from Baghdad to Casablanca*. London: IB Tauris, 196-216.
- Hariri, N., & Kassis, G. (2017). The Cultural and Creative Sector in 5 Arab Mediterranean Countries: Skill-Mismatch and Active Labour Market Policies. 5th Mediterranean Interdisciplinary Forum on Social Sciences and Humanities (pp. 182-197). Barcelona, Spain: European Scientific Institute, ESI.

BIBLIOGRAPHY CONTINUED

- **Med-Culture (2018) Egypt Country report: Overview of the situation of culture**
Retrieved from the website:
https://www.medculture.eu/sites/default/files/egypt_country_report_2018_designed.pdf
- **MSMEDA (2018). Egypt's National Strategy for the Development of Organic Clusters: 2019 – 2030** by Retrieved from:
<http://www.msmeda.org.eg/Files/EXECUTIVE%20SUMMARY%20-%20OCP%20Strategy.pdf>
- **Ministry of Social Solidarity. (2021, February 15). News-Details.** Retrieved from the website of the Ministry of Social Solidarity: <https://www.moss.gov.eg/ar-eg/Pages/news-details.aspx?nid=2140>
- **TDMEP (2018). The Handicrafts Sector - A Practical Implementation Strategy by Trade and Domestic Market Enhancement Programme (TDMEP).** Prepared for the Ministry of Trade and Industry (MTI) Final report - March, 2018
- **Torathona. (2021, February 15). About Us: Torathna exhibition.** Retrieved from the Torathona website:
<http://turathna.eg/en>
- **UNCTAD. (2021, February 15th). creative-economy-programme/statistics.** UNCTAD.org: <https://unctad.org/creative-economy-programme/statistics>
- **UNCTAD. (2018). Creative economy outlook: Trends in international trade in creative industries 2002–2015. Country Profiles: 2005–2014.** In the United Nations Conference on Trade and Development.

BIBLIOGRAPHY CONTINUED

- UNIDO. (2019). Effective Cluster Policy Development Within the Mena Region. D-Code.
- UNIDO (2015). Mapping of Clusters in Cultural and Creative Industries in the Southern Mediterranean, Ref. Ares(2015)1013518 - 06/03/2015
Retrieved from the website:
<https://ec.europa.eu/docsroom/documents/9147/attachments/1/translations/en/renditions/pdf>
- World Bank. (2020). Egypt Economic Monitor, November 2020: From Crisis to Economic Transformation-Unlocking Egypt's Productivity and Job-Creation Potential. World Bank.

CREACT...MED

CREATIVE MEDITERRANEAN

Creative + Mediterranean

The Creative Economy has become a strategic asset for innovative job creation around the world. Cultural and Creative Industries (CCI) represent nearly 30 million jobs worldwide and are major drivers of the economies of developed and developing countries (UNESCO). CCI contributed as much as 7% to the global GDP in 2017 and was estimated to be around 10% of the GDP in the MENA Region (World Bank). In the CCI (mainly architecture, design and photography), there were 1.2 million cultural enterprises, generating €193 billion of value added in the EU. It is a growing and promising industry that has become strategic, not only because of its impact on employment creation, but also due to its influence on the creativity of societies and social cohesion.

CREACT4MED is an EU Project funded by the EuropeAid Programme focused on strengthening CCI businesses and job creation, giving support to entrepreneurs, start-ups and SMEs in particular, and targeting young people and women in the Southern Neighbourhood of the European Union.

Budget: €2,220,675 EUR, Funded by the EU Commission (90%)

Timeline of implementation: March 2020 - February 2024

Our Partners

Coordinated by: Involved in Implementation:



COORDINATING INSTITUTION

EURO-MEDITERRANEAN ECONOMISTS ASSOCIATION (EMEA)

Carrer de Sant Antoni Maria Claret 167, 08025 Barcelona, Spain

Tel: +34 934462414

Email: info@euromed-economists.org

EMEA is an independent regional research institution and forum of debate that provides innovative, forward-looking thinking and political, socio-economic and financial integrated analyses on the Euro-Mediterranean region and Africa



CREACT4MED (CReative Entrepreneurs ACTing FOR the future MEDiterranean) is funded by the European Commission 2019 - 2024 under the grant contract ENI/2019/412-505

This publication was produced with the financial support of the European Union. Its contents are the sole responsibility of the Euro-Mediterranean Economists Association and do not necessarily reflect the views of the European Union.