

MODEST  INNOVATOR

EGYPT

Population: 99,413,317 | GDP: \$1.204 trillion | Language: Arabic | Unicorns 2009-2018: 0



What did Egypt do right?

The country's tax rates are below-average, with its federal corporate tax rate at 23 percent and an individual marginal tax rate of only 22.5 percent. Also, short-term rental companies operate throughout the country, which has no federal regulations for short-term rentals.

What can Egypt do better?

Egypt could increase the levels of both personal and political freedom, as well as combat corruption and political risk to become more resilient. The country can also encourage growth in the number of domestic STEM graduates and high-skilled workers and lift drone regulations that are overly burdensome.

KEY TAKEAWAYS

Egypt's lack of a broadly innovation-friendly environment earns it the rank of Modest Innovator.

Although the country allows ridesharing, in 2018 it passed new rules that include exorbitant annual operating and license fees that can quickly add up to a driver's entire monthly salary.



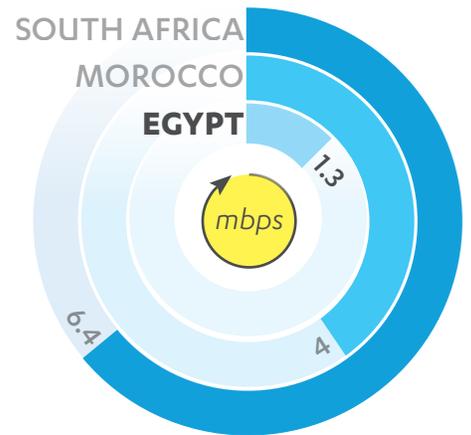
Credit: Radusandei, Wikimedia Commons

The country has also thus far neglected emerging technologies. Egypt has not created guidelines for self-driving vehicles and, while drone use is technically legal with approval from the country's Civil Aviation Authority, the cumbersome application process has proven an insurmountable barrier to commercial and recreational flight.

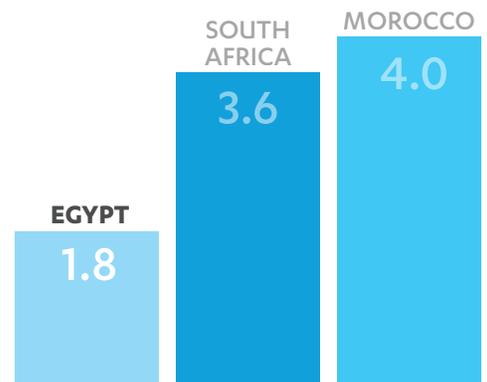
Nor have entrepreneurs found a strong foothold in Egypt, which has not produced any unicorns in the past decade. The country's poor tolerance for economic risks — it earned a D in Resilience — does little to encourage innovation.

Sources: (Forbes) (Forbes Middle East) (Phys.org) (RAND)

Mean Download Speed (Fixed & Mobile)



Fixed Broadband Cost Per Month



Shown as a percentage of gross monthly income per capita



Environment

Air quality is well below the WHO's standard, but nearly 99 percent of the population has access to clean and protected water sources.



Self-Driving Vehicles

Although a project began in 2016 at Ain Shams University to create the country's first self-driving vehicle, Egypt hasn't developed national rules for testing or deployment.



Tax Friendliness

Streaming services are not subject to tax. The corporate tax rate is 23 percent, and the top individual tax rate is 22.5 percent.



R&D Investment

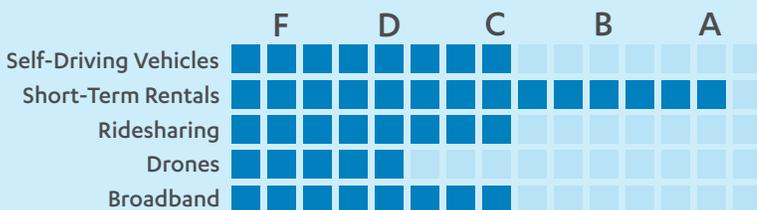
Egypt spends 0.7 percent of its GDP on research and development.



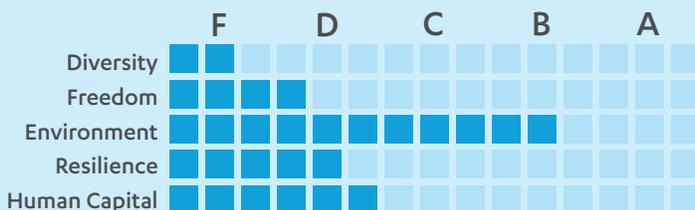
Broadband

The mean download speed of fixed and mobile internet is slow, at 1.3 Mbps. The monthly cost of fixed broadband is 1.80 percent of GNI per capita, and prepaid mobile broadband is 0.70 percent of GNI per capita.

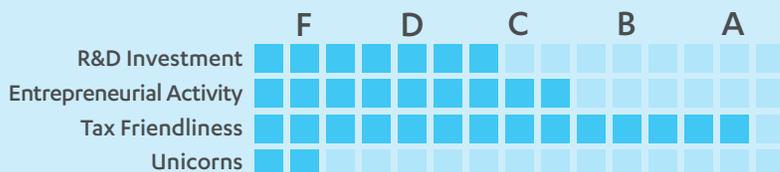
Technology



Society



Economy



ABOUT THE SCORECARD

With the 2019 International Innovation Scorecard, the Consumer Technology Association expands the report in breadth and depth, adding 23 new countries and two new categories. In this second edition, we evaluate 61 countries and the European Union across 28 indicators to determine whether they stifle progress or fuel the fires of innovation.

Each country on the Scorecard ranks in one of four tiers: Innovation Champions excel in almost all areas, followed by Innovation Leaders, which earn high scores in most. Behind the Leaders are Innovation Adopters, which promote innovation in some areas but not others. Finally, Modest Innovators may support innovation in one or more areas, but they show the greatest room for improvement.

ABOUT CTA

The Consumer Technology Association (CTA)[™] is the preeminent trade organization representing the \$398 billion U.S. consumer technology industry, which supports more than 15 million jobs. CTA serves over 2,200 companies, ranging from the startups and small businesses that make up 80 percent of its membership to some of the world's best-known brands. CTA also owns and produces CES[®], the world's premier gathering for consumer technology and the innovators who turn today's dreams into tomorrow's realities. Profits from CES are reinvested into CTA's industry services.

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