

## Innovation at the Heart of our Strategy

Fostering technology innovation has always been a cornerstone in Egypt's ICT strategy where ITIDA acts as a catalyst for ICT innovation and driver for growth in the technology startup and entrepreneurship ecosystem.

The Agency provides end-to-end support, from raising awareness in universities and ideation camps to pre-incubation and incubation programs (office space, seed funding, mentoring, networking, and so on) to market penetration and connections with international and regional VCs.

### On the Launch Pad |

## Digital Egypt Strategy for Offshoring

ITIDA launched **Digital Egypt Strategy for Offshoring (2022-2026)** unlocking the industry growth potential. A diverse strategy aims to triple export revenue from digitally-enabled offshoring services. The new strategy ensures **creating +215K jobs** and increasing Egypt's competitiveness in R&D and high-value services.

ITIDA developed the Strategy, in concert with **"Ernst & Young"**. It is based on a thorough and objective study of the Egyptian market, while simultaneously gauging the rising demand in the global market for offshoring services, projected to amount to USD 540bn, with an annual **growth rate ranging between 8% to 9% until 2026**.

ICT is the highest-growing state sector which **grows at a 16% rate** and contributes to the

**GDP by 5%**, with a target of reaching 8% in three years. On Kearney's Global Services Location Index (GSLI) 2021, Egypt occupied the top spot in the Middle East and Africa and the 15th globally. In addition, the volume of investments channeled into tech startups rose by 170%.

**Digital Egypt** strategy for offshoring industry consists of three main pillars: development of talent capabilities; development of industry ecosystem; and promotion of Egypt in international markets.

**Strategy Roadshow**

The Agency organized the first event of a roadshow series in Mansoura University. The roadshow comes as part of ITIDA's plan to promote recently-announced **Digital Egypt Strategy for Offshoring Industry 2022-2026** across Egyptian governorates.

## Testimonials

"Egypt has long been an attractive GBS location for MNCs with its large, well-educated talent pool, strategic location, European time zone, and reliable infrastructure,"

**Peter Ryan,**  
Founder and Principal Analyst of Ryan Strategic Advisory

"Egyptian employees are equally as strong as any country when it comes to learning financial services and accounting skills, so we can easily compete on the world stage in this regards,"

**Chadi Jabbour,**  
Head of SS Business Center, Nestle

"Egypt is an ideal destination given its young population, abundant talent pool equipped with latest technologies and their mastery of several foreign languages at the same time. Thus, iSON expansion enables us to deliver iSON world-class offshore services to its clients efficiently,"

**Shailesh Mohan,**  
iSON Xperiences Ltd, Global Head Business Development and Marketing

## Collaborations

- ITIDA and Dutch **Centre for the Promotion of Imports (CBI)**'s 3-year ITO program helps Egyptian IT SMEs improve their export potential to the European Union.
- ITIDA, **Plug and Play** and **USAID's Economic Governance Activity (EGA)** launch "Open Innovation Platform" for digital transformation-focused startups in Cairo.
- ITIDA and **Chamber of the IT and Communications (CIT)** collaborate to boost IT industry growth and push exports upward.
- ITIDA and **France's MEDEF** discussed investment opportunities available in the outsourcing sector and offshoring service.

## Participations

- Locally**
  - Participated in Ain Shams University Employment Fair to promote IT offshoring jobs among the young talent.
  - Sponsored and took part in Techne Summit Cairo 2022.
- Regionally**
  - Strategic partner at the 2nd Cybersecurity Innovation Series (CSIS), in the UAE.
- Internationally**
  - Participated in Shared Services and Outsourcing Week (SSOW), by Shared Service and Outsourcing Network (SSON), in Orlando, Florida.

## Digital Signature Licenses

- ITIDA issued operating digital signature permit to **'Fixed Misr'**. The Egyptian cybersecurity IT provider can now offer DIGSIG services for individuals and businesses.

## Hackathons

- ITIDA launched **ibTIECar Metaverse@CREATIVA**, a series of hybrid-interactive market-driven competitions held in **Creativa Innovation Hubs and EME Labs** across 10 Egyptian governorates. Hackathon accepts innovative ideas harness techs of **AR/VR/MR/XR**, 3D Modeling & Animation, Virtual Beings & Digitally-Created Humans; **Computer Vision** and Spatial Computing **NFTs** and **Blockchain NLP**; **Sensory Wearables** and **Immersive Devices**; **HMI**, **ML/AI**, and **IoT**.

## Talent Development

- ITIDA announced **ITAC's Graduation Projects Program** 17th edition to support university students. 89 grad projects were accepted of 149 submitted. GP offered support reached 1230 projects in 33 universities across Egypt.

- Digital Egypt Builders Initiative (DEBI)** - ITIDA cooperated with the Irish **University College Cork (UCC)** to offer **DEBI** learners a **Digital Cultures MA**. The Agency collaborated with **Universiti Sains Malaysia** to grant an MA in business analysis within the financial tech track for DEBI students.

- MCIT** signed a cooperation protocol with **Tanta University** to establish a **CREATIVA Innovation Hub** at the University to upskill/qualify students and grads at the University and nearby ones.

## Investments in Local Startups

- AIM Technologies - Seed Round - [undisclosed amount]
- Brimore - Series A Round - \$25M
- Orcas - Pre-First Round - \$2.1M
- ExpandCart - Series A - \$2.5M
- Yalla Fel Sekka - Series A - \$7M
- Nawy - Seed Round- \$5M
- Thndr - Series A Round - \$20M
- SOKNA - Seed Round - \$1M
- MoneyHash, PreSeed Round - \$3M
- naqla - Pre-Series A Round - \$10.5M

## Local Startups got Acquired

- SweepSouth, in Nigeria, South Africa and Kenya, acquired Filkhedma
- Astute Imaging acquired DilenyTech, once accelerated by TIEC

## From Global Reports

- Ryan Advisory's latest whitepaper exploring Egypt's strengths as a GBS hub.
- Coursera 2nd annual '2021 Impact Report' with learners' insights. Egypt saw almost 1.6 million learners join Coursera, ranking 10th among top leading countries.
- Venture funding and deals hit a record high in Egypt in 2021: \$491M invested across 147 transactions - MAGNITT
- Fintech startups closed most VC deals and Transport & Logistics industry received most funding in Egypt in 2021 - MAGNITT
- A record-breaking 7 exits were announced in Egypt's ecosystem in 2021. They represented a fifth of all-time-high 35 exits announced across the MENA in 2021 - MAGNITT
- Egypt ranked first by deal count across Africa. Startups headquartered in the country closed 25% of all transactions registered across Africa in 2021 - MAGNITT
- In a record year for investor participation, 124 investors backed Egypt-based startups in 2021, 68% more than the 74 investors in 2020 - MAGNITT
- Egypt has attracted the highest percentage of foreign investors in startups with 77%, the UAE had 46%, while and the KSA had 25% - MAGNITT