

**EGYPT-OECD
COUNTRY PROGRAMME**

**First
Progress
Report**

**September 2022 –
March 2023**



EGYPT COUNTRY PROGRAMME

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This report provides an update on the first seven months of implementation of the Egypt Country Programme as well as on the relationship between its strategic objectives and the priorities for action identified by Egypt which correspond to 'Egypt Vision 2030'. The report includes up to date information on Egypt's alignment with OECD standards and its participation in OECD bodies.

Contacts:

- Mr. Carlos Conde, Head of Middle East and Africa Division, Executive Advisor to the Istanbul Centre, Global Relations and Cooperation Directorate, OECD
- Ms. Charlotte Goemans, Programme Coordination and Policy Analyst, Middle East and Africa Division, Global Relations and Cooperation Directorate, OECD

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1. The OECD and Egypt signed a Memorandum of Understanding in October 2021 to start a three-year Country Programme to incentivise and support structural reforms. The implementation of the Country Programme started in September 2022 following the disbursement of the first instalment by Egypt despite the serious financial challenges that the country is facing following the impact of the Ukraine war. The second tranche of funding for the Country Programme has been released by March 2023 and will allow to launch the second wave of projects.
2. This first progress report of the Country Programme provides updates on the first seven months of implementation of the Country Programme (September 2022-March 2023). The report will be discussed at the OECD-Egypt Country Programme Coordination Committee.

1. Recent economic and political developments: challenges and opportunities in Egypt

3. Despite facing some macroeconomic challenges, Egypt has taken steps to address them in the wake of the Covid-19 pandemic. While the tourism sector, which is a significant revenue generator, has been impacted, the government has shown great resilience in responding to the crisis. Although Russia's war had indirect effects on food security in the MENA region, including Egypt, the government has responded by putting into place ambitious initiatives to support the most vulnerable populations by increasing food subsidies and conditional cash transfers. Meanwhile, GDP growth rate reached 4% in Q2 2022/2023 and unemployment rate reached 7.2% during the same quarter.
4. Egypt has been addressing external shocks and vulnerabilities due to its large chronic current account deficit and high public debt. Despite facing challenges, the country has taken significant steps to stabilise capital outflows, including through an Extended Fund Facility Arrangement that was put into place with the IMF in late 2022.
5. The authorities are undertaking the macroeconomic reforms required by the IMF programme. IMF assistance is conditional on implementing structural reforms, in particular, reducing the state footprint. The National Structural Reform Programme, a five-year programme starting from 2021, is a major structural reform agenda. Consistent with Egypt's Vision 2030, it covers some priority policy areas such as reducing the state footprint, facilitating private sector activity, promoting a green and circular economy, reforming the labour market and expanding social protection. Egypt's Vision 2030 was adopted in 2015 along with the Sustainable Development Goals of the United Nations 2030 Agenda for Sustainable Development. The design of the Country Programme has been aligned with this strategic vision.
6. Improving Egypt's business climate involves reducing the State's weight in the economy, as state-owned enterprises dominate many sectors of the Egyptian economy (including manufacturing, tourism, and wholesale trade), crowding out available financing, credit, or investment. The government is taking action to address these challenges and has announced an ambitious divestment programme with a total of 75 SOEs to be privatised.
7. Egypt is a key player in the Middle East and Africa, not only in political and economic terms, but also plays an important role in stabilising the security situation of the region. Strong ties with the Gulf countries remain in place both on the financial and political front. Egypt has been consistently driving up its international ambitions, illustrated by their hosting of the UN Climate Change Conference in 2022 (COP27).

2. The Egypt Country Programme supports Egypt's structural reforms

Introduction

8. The main objective of the Country Programme is to bring Egypt closer to OECD bodies and standards while supporting its domestic reform agenda. The Country Programme is aligned with Egypt's national development strategy 'Egypt Vision 2030' and will also support Egypt's efforts in achieving the Sustainable Development Goals (SDGs). The Country Programme will also contribute to the implementation of the National Structural Reform Programme that was adopted in December 2022 – just a few months after the start of activities of the Country Programme. The Programme focuses on five pillars: (1) inclusive and sustainable economic growth; (2) innovation and digital transformation; (3) governance and anti-corruption; (4) statistics and monitoring; and (5) sustainable development. It comprises 35 projects spanning 16 OECD Directorates.
9. The implementation phase of the Country Programme started in September 2022. As of March 2023, 22 projects have started their activities in addition to the coordination function. Some projects have experienced minor delays mostly due to the change in focal points and difficulties with the completion of questionnaires. The remaining 11 projects are foreseen to start in the second year of implementation upon release of the second tranche of funding of the Country Programme, which has taken place in March 2023.

Preliminary results and lessons learned

10. Over the past seven months, the Country Programme has established a strong coordination structure and initiated data collection, analysis, capacity building, and policy dialogue. Due to the long-term and strategic nature of the majority of the projects, it is challenging to evaluate their precise impact at this stage. Nevertheless, some promising outcomes have emerged in sustainable economic development, innovation and digital transformation, and governance.
11. The Country Programme is playing an important role in supporting Egypt's implementation of the IMF reform package by providing expert knowledge and advice. In addition to the ongoing IMF programme, the OECD Economic Survey is currently underway, and will complement the macro-focused guidance that Egypt has received thus far. The Country Programme is making progress with the data collection and capacity building aspects of projects focused on reviewing Egypt's business dynamics, productivity growth, and SMEs, which can play a crucial role in achieving the country's reform agenda for a better business environment. Egypt is following relevant OECD standards in this regard, as evidenced by its latest State-Ownership Policy document's explicit reference to the OECD Recommendation on Competitive Neutrality. An ongoing comparative study of the implementation of the OECD Recommendation on Artificial Intelligence will support the alignment of Egypt's second phase of AI strategy, currently under development, with the country's economic reform programme.
12. The Country Programme aims to support Egypt's sustainable and inclusive economic growth. As such, a gender equality perspective is being mainstreamed into relevant projects. An analysis of how to enhance women's participation in the economy has begun under the women's economic empowerment project. The OECD has also provided advice to the Central Bank of Egypt on its Roadmap for financial literacy and inclusion.
13. The Country Programme also aims to support Egypt's green transition ambitions. The clean energy financing project and green growth policy review under the sustainable development pillar have aligned with the national priorities and hence support the

implementation of the national climate change strategy 2050, in particular the first pillar pertaining to low emissions development in various sectors. In addition, the clean energy financing project aims at building positive synergies with the Nexus of Water, Food and Energy (NWFE) initiative to provide actionable policies that would encourage private investments to support Egypt's green transition.

14. Several Country Programme projects will add Egypt to various OECD databases for the first time. The Trade in Value Added project is finalizing Egypt's inclusion in the OECD TiVA indicators. Data collection and capacity building to include Egypt in the OECD's Going Digital Toolkit and Digital Government Index are in progress.
15. The Country Programme seeks to increase Egypt's participation in OECD committees and bodies to encourage peer learning and policy dialogue that can inspire the country's reform agenda (see Chapter 3). Egypt has actively engaged in the Base Erosion and Profit Shifting Project of the Committee on Fiscal Affairs and collected over USD 118 million in additional final tax through the Tax Inspectors Without Borders program on Transfer Pricing. Egypt has also participated in peer learning in subsidiary bodies of the Public Governance Committee and shared its digital transformation policies and work on artificial intelligence at the Committee on Digital Economy Policy and its Working Party on Artificial Intelligence Governance. Egypt has participated in the high-level launch of the OECD Inclusive Forum on Carbon Mitigation Approaches Project and is in the process of becoming a member of the IFCMA. For the first time, Egypt has been invited to participate in the Short-Term Economic Prospects Working Group as well as the Economic Development Review Committee meeting to discuss the Egypt Economic Survey.
16. Egypt is already an Adherent to 25 OECD legal instruments in key areas such as responsible business conduct, investment, taxation, SMEs, innovation and technology (see Chapter 3). The Country Programme provides for possible adherence to 16 other OECD legal instruments. Egypt has submitted a request to become a Party to the Convention on Mutual Administrative Assistance in Tax Matters and has expressed interest in adhering to the OECD Recommendation on Financial Literacy.
17. Regular high-level engagement between the OECD and Egypt has allowed for continuous strategic buy-in, for example the OECD Secretary General attended COP27 in Egypt and the Egyptian Minister for Planning and Economic Development visited the Secretary General. The coordination aspects of the Country Programme have proven to be important since this is facilitating inter-governmental cooperation in Egypt across policy areas. Going forward, the Country Programme could benefit from further exchanges across projects and pillars so that joint results are delivered. Project managers should continue to engage with other international organisations active in Egypt to create synergies and avoid duplication. Egypt's participation in OECD Committees is key and project managers should facilitate in-person attendance and keep the coordination team abreast of committee meeting dates and Egypt's participation.

Monitoring of the implementation and coordination

18. The OECD and the Egyptian Ministry of Planning and Economic Development are finalising a comprehensive monitoring system that includes logframes and indicators for all Country Programme projects. At the same time, the project managers were engaged in discussions to reflect on future impact of their projects. This will facilitate reporting on outputs, outcomes, and impact of the Country Programme. An online workspace has been set up to facilitate regular flows of information between stakeholders and horizontal co-operation. Egypt has put into place an online platform that will support the monitoring of the Country Programme. The portal has been designed as an integrated platform for

documenting all ongoing activities with the OECD including missions, committee attendance, workshops, seminars in addition to providing an electronic dashboard that would allow monitoring the milestones achieved across the ECP pillars/projects. On-line training sessions have been conducted to Egyptian national focal points to facilitate the use of the portal for reporting purposes.

19. Given the size of the Country Programme, the first months of implementation have also focused on exploring synergies between different projects and ensuring a whole-of-OECD approach. In addition, conversations have started across all Country Programme projects to mainstream a gender equality perspective, where relevant.
20. The OECD is coordinating closely with international and regional organisations including the IMF, the World Bank, the United Nations (UN) system, the African Development Bank (AfDB) and the European Bank for Reconstruction and Development (EBRD) to optimise each organisation's respective contributions to Egypt's reform agenda. Through the Country Programme, the OECD is now included in the Development Partners Group (DPG) of Egypt. The Development Partners Group is a platform that aims at enhancing coordination among Development Partners through consultation, cooperation, and collaboration. In addition to the DPG Plenary, there are 13 DPG Thematic Groups that facilitate information sharing and coordination among development partners supporting those specific themes or sectors in Egypt. Coordination is also ongoing with the European Union (EU), as the OECD is implementing the following EU projects in Egypt: [EU-OECD Project - Support to Enhanced Administrative and Public Economic Governance in Egypt \(2022-2026\)](#); [EU-OECD Programme on Investment in the Mediterranean](#). In addition, co-operation and consultation with the OECD Embassies in Cairo is maintained.
21. The below sections give an overview of the progress across the five pillars of the country programme.

Pillar 1: inclusive and sustainable economic growth

22. The OECD is providing knowledge and advice to implement the IMF reform package. The draft of the Egypt Economic Review is well underway and will complement the more macro-focused advice that Egypt received under the auspices of the ongoing IMF programme. Furthermore, the OECD Economics Department has decided to include Egypt in the June 2023 OECD Economic Outlook, which presents the major economic trends and prospects for the next two years. Egypt is taking into account the relevant OECD standards in this regard; for example Egypt's latest State-Ownership Policy document, published in December 2022, explicitly refers to the OECD Recommendation on Competitive Neutrality [[OECD/LEGAL/0462](#)].
23. The Government of Egypt has committed to a proactive reform agenda to improve the business climate. The Country Programme projects to review (i) Egypt's business dynamics; (ii) Egypt's productivity growth; and (iii) Egypt's SME review have made progress with data collection and capacity building and can be instrumental in achieving Egypt's reform agenda. The Country Programme builds further on OECD's support to the Suez Canal Economic Zone, as one of the main contributors to the Egyptian economy. Sub-components of the Suez projects have started, including a port review as well as OECD support on financing infrastructure. Egypt's National Structural Reform Programme also aims at driving up the productivity of the manufacturing sector, ICT sector as well as agriculture sector. The OECD Food and Agriculture Review is in its preparatory stages and can provide the necessary underlying policy analysis for enhancing agricultural productivity. Through the Country Programme projects, Egypt will be included in a

number of OECD databases for the first time. For example, the project on Trade in Value Added (TiVA) is already finalising Egypt's integration into the OECD TiVA indicators.

24. The Country Programme aims to support Egypt in achieving economic growth that is sustainable and inclusive. Addressing women's low labour force participation rates are key towards improving Egypt's economic performance. A gender equality perspective is therefore being mainstreamed throughout the relevant projects and projects managers have started engaging on how they can best achieve this objective. In addition, a project on women's economic empowerment has started its analysis in order to advise Egypt on how to enhance women's participation in the economy. The project on enhancing financial literacy and inclusion has advised the Central Bank of Egypt (CBE) on its Roadmap on financial literacy and inclusion. During an OECD-CBE workshop, 32 Egyptian banks were tasked to draw up their financial inclusion and literacy strategies. The banks also discussed the main obstacles that they are facing to implement the strategies and hence devise solutions to enhance the implementation of the national strategy.

Pillar 2: innovation and digital transformation

25. Egypt's reform agenda on the digital transformation is also being taken into account by the Country Programme. Data collection and capacity building to include Egypt in OECD's Going Digital Toolkit is at an advanced stage. A comparative study of the implementation of the OECD Recommendation on Artificial Intelligence [[OECD/LEGAL/0449](#)] (AI Principles) and gap analysis has produced preliminary analysis. The findings of the review will support the alignment of the second phase of the Egyptian AI strategy (currently under development) with the ongoing economic reform programme in Egypt. The Review of national innovation policies was kicked off in February 2023 and the Review of higher education policy started in March 2023.

Pillar 3: governance and anti-corruption

26. In order to mainstream better governance tools, practices and mechanisms across Egypt's public administration, the Country Programme is advancing in its review of the governance arrangements of the National Institute for Governance and Sustainable Development. Data collection for Egypt's inclusion in the OECD Digital Government Index is well underway and is foreseen to be launched in May 2023.
27. Through OECD's long-standing cooperation with Egypt in the area of tax, the OECD supported Egypt in the implementation of the international standards on tax and with significant legislative tax reforms, such as the introduction of the transfer pricing legislation. The OECD also supported Egypt in building the capacity to counter cross-border tax evasion and tax avoidance, and to tax multi-national enterprises fairly and effectively. The implementation of the Country Programme is closely coordinated with the [EU-OECD Project - Support to Enhanced Administrative and Public Economic Governance in Egypt \(2022-2026\)](#).

Pillar 4: statistics and monitoring

28. The Country Programme projects on statistics will review the Egyptian National Statistical System and information systems; examine the current situation as regards the use of administrative data in the production of official statistics; as well as assess official gender statistics compiled and disseminated within the National Statistical System. This will support the Egyptian government with data collection, analysis, and dissemination. It will also contribute to progress towards Egypt's inclusion in additional international databases.

The projects have shared self-assessment questionnaires with Egypt's statistical authorities and the details of these projects were also discussed with Egypt during a mission to Cairo in March 2023.

Pillar 5: sustainable development

29. The Country Programme is contributing to addressing Egypt's climate change challenges. OECD's high-level participation in the November 2022 UN Climate Change Conference (COP27) hosted by Egypt and its preparatory Egypt International Cooperation Forum contributed to further aligning the climate-related Country Programme projects with Egypt's climate objectives.
30. The green growth policy review project as well as the clean energy financing project have agreed with the Egyptian authorities on relevant activities in line with the latest government priorities. In February 2023, Egypt participated in the high-level launch of the OECD Inclusive Forum on Carbon Mitigation Approaches Project (IFCMA) and is in the process of becoming a member of the IFCMA¹.

3. Egypt's alignment with OECD standards and participation in OECD bodies

31. Country Programmes are an important tool in the OECD's Global Relations Strategy. Their effectiveness is based on their objective of enabling countries to anchor their policy reforms in OECD standards and best practices. Egypt has a longstanding commitment to accelerating the alignment of its policies with international standards.
32. Egypt is already an Adherent to 25 OECD legal instruments in key areas such as responsible business conduct, investment, taxation, SMEs, innovation and technology (see Annex 1). The Country Programme provides for possible adherence to 16 other OECD legal instruments. This should enable Egypt to strengthen its position vis-à-vis the OECD and the international community by aligning itself with OECD standards in a number of key areas, including governance, statistics and gender equality.
33. The move towards the principles of an open, efficient and transparent market economy is also achieved through Egypt's active participation in the work of OECD bodies. Egypt participates in OECD committees and/or their subsidiary bodies or projects through different forms of partnerships. It is a member in the Global Forum on Transparency and Exchange of Information for Tax Purposes and the OECD Development Centre; and an Associate/member in the Base Erosion and Profit Shifting (BEPS) Project of the Committee on Financial Affairs, in the Investment Committee meeting in enlarged session for work related to the Declaration on International Investment and Multinational Enterprises and related Instrument [IC(D)]. Egypt is also currently a Participant in 7 OECD committees and participates regularly in meetings of 26 OECD committees as an Invitee.
34. The Country Programme will support Egypt in potentially being added as an Invitee in the Participation Plan of 4 additional OECD committees (subject to the body's prerogative): the Economic and Development Review Committee; the Working Group on Short-Term Economic Prospects of the Economic Policy Committee; the Development Assistance Committee and the Committee on Statistics and Statistical Policy (See Annex 3). The Country Programme envisages to improve the form of Egypt's

¹ Egypt has been invited by Council to become Associate in the IFCMA Project. Until such invitation is accepted, they will remain Invitees.

participation in OECD bodies so that this can adequately contribute to peer learning, policy dialogue and the implementation of Egypt's reform agenda.

4. The Egypt Country Programme and the OECD Global Relations Strategy

35. The OECD-Egypt Country Programme is the second largest OECD Country Programme (after the OECD-Ukraine Country Programme) and contributes to achieving the wider objectives of the OECD Global Relations Strategy. Egypt is an important player in the Middle East and North Africa, both in terms of economic and political aspects. Since 2005, Egypt has been actively involved in the MENA-OECD Initiative on Governance and Competitiveness for Development and its different working groups and activities. Egypt holds the co-Chairmanship of the MENA-OECD Women's Economic Empowerment Forum. Through its leadership role in the MENA-OECD Working Group on Trade and Investment, Egypt is promoting better enhanced sustainability and inclusivity in trade and investment development strategies for MENA countries as well as its key economic partners. In addition, the implementation of the Country Programme is closely coordinated with the [EU-OECD Programme on Investment in the Mediterranean](#) which allows for exchanges at the regional level. Egypt's hosting of COP27 has had important spill-over effects in other countries of the region. The country has also played an active role in peer learning and dialogue events that recently took place at the OECD-Istanbul Centre including on topics such as the informal economy and vocational training.
36. Egypt is also a key player in Africa and is contributing to the development of the OECD-Africa partnership. Egypt participated in the 2022 Meeting of the OECD Council at the Ministerial Level (MCM), when Ministers invited the Secretariat to work towards an OECD-Africa partnership. Egypt is a member of the Common Market for Eastern and Southern Africa (COMESA). As such, the Egyptian authorities have expressed their interest in acting as a trailblazer within the COMESA community through sharing the experience of their co-operation with the OECD to encourage COMESA's Member States to follow suit. Egypt holds the chairmanship of the African Union Development Agency-New Partnership for Africa's Development (AUDA-NEPAD).

5. Annexes

Egypt's adherence to OECD Legal Instruments

1. Decision Revising the OECD Schemes for the Varietal Certification or the Control of Seed Moving in International Trade [OECD/LEGAL/0308]
2. The Bologna Charter on SME Policies [OECD/LEGAL/0306]
3. Istanbul Ministerial Declaration on Fostering the Growth of Innovative and Internationally Competitive SMEs [OECD/LEGAL/0328]
4. Paris Declaration on Aid Effectiveness [OECD/LEGAL/5017]
5. Decision on International Investment Incentives and Disincentives [OECD/LEGAL/0213]
6. Third Revised Decision concerning National Treatment [OECD/LEGAL/0263]
7. Recommendation on Member Country Measures concerning National Treatment of Foreign-Controlled Enterprises in OECD Member Countries and Based on Considerations of Public Order and Essential Security Interest [OECD/LEGAL/0226]
8. Recommendation on Member Country Exceptions to National Treatment and National Treatment related Measures concerning the Services Sector [OECD/LEGAL/0247]
9. Recommendation on Member Country Exceptions to National Treatment and Related Measures concerning Access to Local Bank Credit and the Capital Market [OECD/LEGAL/0255]
10. Decision on Conflicting Requirements being imposed on Multinational Enterprises [OECD/LEGAL/0261]
11. Recommendation concerning Member Country Exceptions to National Treatment and National Treatment related Measures concerning Investment by Established Foreign-Controlled Enterprises [OECD/LEGAL/0233]
12. Decision on the OECD Guidelines for Multinational Enterprises [OECD/LEGAL/0307]
13. Recommendation on Member Country Exceptions to National Treatment and National Treatment related Measures in the Category of Official Aids and Subsidies [OECD/LEGAL/0250]
14. Declaration on International Investment and Multinational Enterprises [OECD/LEGAL/0144]
15. Declaration for the Future of the Internet Economy (The Seoul Declaration) [OECD/LEGAL/0366]
16. Recommendation on Digital Government Strategies [OECD/LEGAL/0406]
17. Declaration on the Digital Economy: Innovation, Growth and Social Prosperity (Cancún Declaration) [OECD/LEGAL/0426]
18. Recommendation on the OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector [OECD/LEGAL/0437]
19. Declaration on Strengthening SMEs and Entrepreneurship for Productivity and Inclusive Growth [OECD/LEGAL/0439]
20. Recommendation on the OECD Due Diligence Guidance for Responsible Business Conduct [OECD/LEGAL/0443]
21. Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting [OECD/LEGAL/0432]
22. Recommendation on Artificial Intelligence [OECD/LEGAL/0449]
23. Recommendation on Foreign Direct Investment Qualities for Sustainable Development [OECD/LEGAL/0476]
24. Recommendation on the Role of Government in Promoting Responsible Business Conduct [OECD/LEGAL/0486]
25. Declaration on Promoting and Enabling Responsible Business Conduct in the Global Economy [OECD/LEGAL/0489]

OECD legal instruments for Egypt's potential adherence through the Country Programme

Pillar 1: Inclusive and sustainable economic growth and productivity
1. Recommendation on Gender Equality in Education, Employment and Entrepreneurship [OECD/LEGAL/0398]
2. Recommendation on Financial Literacy [OECD/LEGAL/0461]
3. Recommendation Concerning International Co-operation on Competition Investigations and Proceedings [OECD/LEGAL/0408]
4. Decision revising the OECD Scheme for the Application of International Standards for Fruit and Vegetables (requires a review) [OECD/LEGAL/0346]
5. Decision revising the OECD Standard Codes for the Official Testing of Agricultural and Forestry Tractors (requires a review) [OECD/LEGAL/0334]
Pillar 2: Innovation and digital transformation
6. Recommendation for Facilitating International Technology Co-operation with and among Businesses [OECD/LEGAL/0282]
Pillar 3: Governance and anti-corruption
7. Recommendation on Public Procurement [OECD/LEGAL/0411]
8. Recommendation on Budgetary Governance [OECD/LEGAL/0410]
9. Recommendation on Principles for Transparency and Integrity in Lobbying [OECD/LEGAL/0379] (under revision)
10. Recommendation on Guidelines for Managing Conflict of Interest in the Public Service [OECD/LEGAL/0316]
11. Recommendation on Gender Equality in Public Life [OECD/LEGAL/0418]
Pillar 4: Statistics
12. Recommendation on Good Statistical Practice [OECD/LEGAL/0417]
Pillar 5: Sustainable development
13. Recommendation on Regulatory Policy and Governance [OECD/LEGAL/0390]
14. Declaration on Green Growth [OECD/LEGAL/0374]
15. Recommendation on the Governance of Infrastructure [OECD/LEGAL/0460]
16. Recommendation on Principles for Public Governance of Public-Private Partnerships [OECD/LEGAL/0392]

Egypt's partnerships in OECD committees (and/or their subsidiary bodies or Projects)

Associate/member
<i>Base Erosion and Profit Shifting (BEPS) Project of the Committee on Fiscal Affairs</i>
<i>Freedom of Investment Roundtable, IC(D) Enlarged Session for work related to the Declaration on International Investment and MNEs and related instruments including the Working Party on Responsible Business Conduct of the Investment Committee</i>
Participant
Committee on Consumer Policy and all its subsidiary bodies
Committee on Digital Economy Policy and all its subsidiary bodies
Competition Committee and all its subsidiary bodies
Steel Committee
Tourism Committee and all its subsidiary bodies
Public Governance Committee and all its subsidiary bodies
<i>Working Party on Performance and Results and the Network of Senior Infrastructure and Public-Private Partnerships Officials of the Committee of Senior Budget Officials and the Public Governance Committee</i>

Listed as Invitee in the Participation Plan
Centre for Educational Research and Innovation (CERI) Governing Board
Chemicals and Biotechnology Committee and all its subsidiary bodies
Committee for Agriculture and all its subsidiary bodies
<i>Joint Working Party on Agriculture and the Environment</i> of the Committee for Agriculture and Environment Policy Committee
<i>Joint Working Party on Agriculture and Trade</i> of the Committee for Agriculture and Trade Committee
Committee for Scientific and Technological Policy and all its subsidiary bodies
Committee on Financial Markets
<i>Joint Task Force on Institutional Investors and Long-Term Financing</i> of the Committee on Financial Markets and Insurance and Private Pensions Committee
Committee on Fiscal Affairs and all its subsidiary bodies
Corporate Governance Committee and its Working Party on State Ownership and Privatisation Practices
Education Policy Committee and all its subsidiary bodies
Environment Policy Committee and all its subsidiary bodies
<i>Joint Meeting of Tax and Environment Experts</i> of the Environment Policy Committee and Committee on Fiscal Affairs
<i>Joint Working Party on Trade and Environment</i> of the Environment Policy Committee and Trade Committee
Fisheries Committee
Insurance and Private Pensions Committee and its Working Party on Private Pensions; Task Force on Insurance Statistics; and Task Force on Pension Statistic
<i>The Future of Investment Treaties - Track 2</i> of the Investment Committee
<i>Working Group on International Investment Statistics</i> of the Committee on Statistics and Statistical Policy and the Investment Committee
Regulatory Policy Committee and all its subsidiary bodies
Regional Development Policy and all its subsidiary bodies
Trade Committee and all its subsidiary bodies (<i>except the Working Party on Export Credits and Credit Guarantees</i>)
Working Group on Bribery in International Business Transactions
Committee on Industry, Innovation and Entrepreneurship
Committee on SMEs and Entrepreneurship
<i>Inclusive Forum on Carbon Mitigation Approaches Project</i> of the Committee on Fiscal Affairs, Economic Policy Committee, Environment Policy Committee

Progress summary by project

Pillar 1 - Inclusive and sustainable economic growth and productivity

Economic Review and Egypt Country Desk

The Economics Department set up a new country desk for Egypt in October 2022, which has been working on the first-ever OECD Economic Survey of Egypt since. The Survey will set out the near-term and longer-run macroeconomic challenges faced by the country and focus on policies having a potential to improve the economy's long-term performance, thereby supporting the authorities in their reform efforts.

The Desk went on mission to Cairo twice: the kick-off mission to meet the relevant authorities and present the Survey work's main objectives and steps; the structural mission to exchange views with the authorities on a wide range of technical issues and to gather data and information. The Desk has been conducting policy research and has begun drafting the Survey, which will be shared with the authorities prior to the policy mission, scheduled in September, with a view to preparing the final draft for the Economic Development Review Committee to discuss on 24 October 2023. The Economic Survey will include an Executive Summary, a Key Policy insights chapter (overview of macroeconomic situation, fiscal policy, monetary policy, financial markets) and two thematic chapters on the business environment and on the labour market and social policy. This analysis will provide the Egyptian authorities with insights and recommendations based on international good practices, which will be adapted to the context in Egypt. It will also serve to complement the more macro-focused advice they receive under the auspices of the ongoing International Monetary Fund programme.

Furthermore, the Economics Department has decided to include Egypt in the June 2023 OECD Economic Outlook, which presents the major economic trends and prospects for the next two years. The Desk will prepare the projections and country note for Egypt, and Egypt is being invited to take part in the May 2023 meeting of the Short-Term Economic Prospects Working Group. The Egyptian delegation will take part in the Economic Development Review Committee meeting on 24 October 2023 to discuss the final draft of the Economic Survey. In addition, the project team is working in close co-operation with the IMF.

Review of Business Dynamics and In-Depth Productivity Review focusing on the manufacturing sector (two projects managed together)

Between 24-27 October 2022, the Secretariat team organised a fact-finding mission in Cairo. The mission allowed to collect preliminary information on data availability for the projects and on existing policies to support business dynamics and productivity. The mission also allowed the Secretariat to outline and discuss with the Egyptian government the composition of both projects' Advisory Boards. The Secretariat initiated contacts with a diverse list of prospective board members (hailing from academia, national statistical offices, and partner organisations), who will oversee the work of the Secretariat and provide comments to the projects' main outputs.

A capacity building workshop for Egyptian counterparts was held on 8 March 2023 under the theme "Leveraging data capabilities for effective policymaking" and included a high-level policy discussion, followed by two technical sessions focusing on specific data required to carry out each component of the projects. On the data collection component of the projects, initial datasets have been successfully received, containing samples of the latest two editions of the Egyptian Economic Census. The data is currently undergoing cleaning and analysis by the Secretariat team, who is also working to obtain an additional firm-level dataset on companies.

Meetings were held with the World Bank, International Finance Corporation (IFC) and International Labour Organization (ILO) before and during the fact-finding mission to learn about existing projects developed by these organisations in the country and possible synergies with the project. A meeting was organised with UNDP to discuss complementarities and synergies in ongoing projects supporting entrepreneurs and SMEs in MENA countries. Contacts were established with United Nations Industrial Development Organization (UNIDO) in Egypt to benefit from their expertise as members of the Advisory Board of the project.

SMEs and Entrepreneurship Review

At the formal virtual kick-off meeting for the SME and Entrepreneurship Review in January 2023, the OECD introduced the two components of the project – the country review of SME and entrepreneurship policy and the capacity building workshops – to senior representatives from the Micro, Small & Medium Enterprise Development Agency (MSMEDA) of Egypt. A study mission was conducted in Cairo in March 2023 by a team of four OECD staff and an external expert. The mission comprised 23 interviews and roundtables with key stakeholders from 19 different ministries, government agencies and other organisations involved in SME and entrepreneurship policy development in Egypt. These discussions provided key insights on the policy approaches, priorities, and challenges in Egypt, providing a strong foundation of knowledge for the country review. A debrief session was also held with top level management at MSMEDA, during which the OECD presented and discussed preliminary findings and outcomes from the study mission.

To obtain supplementary information for the country review, a diagnostic questionnaire has also been distributed to MSMEDA. Preliminary responses have been received, with final responses expected soon. Building on the information collected via the study mission and questionnaire, the OECD is now commencing the drafting of the country review report. The organisation of the capacity building workshops component is also underway. A concept note has been shared with MSMEDA. This outlines the details for each of the three series of workshops on the topics of i) policy co-ordination and public-private dialogue, ii) monitoring and evaluation, and iii) statistics and indicators. The first workshops are currently scheduled for May-June 2023.

Women's Economic Empowerment Review

The Review and capacity building of women's participation in the economy aims to provide Egypt with a comprehensive set of recommendations to enhance the country's practices and performance on women's economic empowerment and gender equality, also capitalising on OECD members' experience implementing the 2013 OECD Recommendation on Gender Equality in Education, Employment and Entrepreneurship. The main deliverables of the project are: i) a final report with specific policy recommendations; ii) a high-level regional event in Egypt, and dialogues on the recommendations in relevant OECD regional networks and bodies; iii) a capacity building event to reinforce key aspects of gender-responsive policy-making.

The preparatory work started in Fall 2022, based on consultations with the National Council for Women (NCW). On 13-17 March 2023, an OECD team travelled to Cairo for a fact-finding mission and the kick-off meeting of the project. The mission team identified areas of improvement that could become the focus of recommendations to Egypt and international learning models. Questionnaires requesting detailed information on different policy dimensions of women's economic empowerment were shared with focal points in Egypt; once the replies are received in the course of April, the project team will elaborate on them for the preparation of the draft review report.

The project is working closely with UN Women, EBRD, World Bank, IFC and based on a shared interest in women's economic empowerment in Egypt. The project team follows ongoing gender activities in Egypt

by regularly attending the meetings of the Gender and Development (GAD) group of donors chaired by the EU Delegation and UN Women Egypt.

Support to a national financial literacy strategy

The OECD project team organised on-line meetings with the CBE to understand the context of the preparation of the CBE Roadmap and its expected role in relation to the National Financial Inclusion Strategy and the Financial Regulatory Authority (FRA) Financial Literacy Strategy, both launched in 2022. Drawing on the extensive work of the OECD/International Network on Financial Education (INFE), the OECD team provided initial and subsequent in-depth comments and drafting suggestions to the draft CBE Roadmap.

Subsequently, the CBE clarified its intention to transform the current Roadmap into a National Financial Literacy Strategy (NFLS), which if achieved, would be a welcome step towards a more effective, comprehensive and coordinated approach to financial literacy in Egypt. This would also be in line with the [OECD Recommendation on Financial Literacy \(2020\)](#). A fact-finding mission on 13-16 March 2023, helped gaining a deeper understanding of the financial literacy context, stakeholders, and initiatives underway. The mission was also instrumental in helping to align more closely with CBE needs and expectations from this project.

During the mission, the OECD organised a CBE workshop on financial literacy and financial inclusion for representatives of 32 domestic banks.

Project implementation will continue in close co-operation with the CBE and other relevant domestic stakeholders, as well as representatives of the UN, ILO and EBRD. Through the CBE and its comments to the Financial Literacy Roadmap, the OECD is also in contact with the representatives of the World Bank, who prepared the first draft.

Inclusion of Egypt in TiVA

Between 30 January and 2 February 2023, the OECD team took part in a fact-finding mission in Cairo, which officially kickstarted the project calendar. The mission allowed for the collection of preliminary information on data availability on the integration of Egypt into global value chains by identifying where value is created along production chains and Egypt's position in global and regional production networks. The project is nearing its final stage of producing analytical reports.

The OECD team has co-ordinated with the relevant statistical authorities to ensure maximum use of currently available official statistics for integration in OECD databases. The team has also estimated the missing statistics as well as harmonised all available datasets according to the OECD classification in order to develop preliminary Trade in Value Added (TiVA) indicators for Egypt.

The OECD is currently working on developing a new update of the TiVA indicators for publication, covering the period 1995 to 2020. This will include Egypt for the first time. Based on these indicators, the OECD will develop two analytical reports: a comprehensive TiVA Country Note for Egypt and, a focus on manufacturing value chains. The project is expected to be completed by December 2023.

During the fact-finding mission, a meeting was held with Food and Agriculture Organization (FAO) to learn about existing projects developed in the country and to explore possible synergies through the inclusion of Egypt in TiVA. The OECD will organise a capacity-building workshop on early May 2023, which will be an occasion for Egyptian policymakers, economists and statisticians to learn more about TiVA.

Support to Suez Canal Economic Zone

The project aims to assist the Suez Canal Economic Zone (SCZone) to implement strategic policy priorities on infrastructure, investment, and tax incentives, and conduct a port review. Other components also include foresight and seminars on global value chains. A virtual launch of the project took place in December 2022 and the implementation is underway. A mission launching the Port Review took place in January and another mission on the financing of infrastructure in the SCZone took place in March. For other components such as the governance of infrastructure, foresight, investment and tax incentives several virtual consultations are already taking place in view of upcoming fact-finding missions in the coming months. A Suez Canal Investment Conference is also scheduled to take place towards the fourth quarter of 2023. The project is also coordinating with EBRD and other partners on the ground such as the AfDB who have provided support to the SCZone, including on investment and infrastructure.

Food and Agriculture Review

The OECD prepared a draft concept note for the review and presented it on 14 March 2023 at the Working Party on Agricultural Policies and Markets (a subsidiary body of the OECD Committee for Agriculture).

The proposal outlined the key focus areas for the review, which will apply the OECD's Agro-Food Productivity-Sustainability-Resilience framework to examine Egypt's agricultural policy environment and assess how current policies influence food security, explore the conditions needed for farmers to adapt to climate change, and identify strategies to strengthen the sustainable management of water resources. An important objective of the review is to calculate measures of government support to agriculture, thus opening an opportunity to incorporate Egypt in the OECD's Producer Support Estimate (PSE) database and annual Agricultural Policy Monitoring and Evaluation report.

Currently the OECD is engaged in the first round of data collection, literature review and preparation of a questionnaire for the Egyptian authorities. A series of consultations have been held with national stakeholders, the World Bank, and other ongoing reviews as part of the Country Programme, including the Economic Survey of Egypt. A first fact-finding mission to Egypt has been planned for September 2023.

Several consultations have already been held (or are planned for the near future) with stakeholders active in Egypt, including the World Bank, FAO, and the International Food Policy Research Institute (IFPRI).

Pillar 2 – Innovation and digital transformation

Boosting Egypt's capacity to measure the digital transformation

The project aims to enhance Egypt's capacity to measure the drivers, pace and impacts of digital transformation. The project has three main components as follows: 1) Include Egypt as appropriate in the underlying databases that power the [OECD Going Digital Toolkit](#), 2) Create a Toolkit country page for Egypt (in English and Arabic), and 3) Undertake one capacity-building workshop.

In order to include Egypt in the underlying databases that power the Toolkit, the Secretariat has conducted a stocktaking exercise on data availability which was then reviewed by the Egyptian counterparts of the Ministry of Communications and Information Technology (MCIT). The Secretariat created a Toolkit country page for Egypt and presented a beta version in English to MCIT officials at the capacity-building workshop (Cairo, 16 February 2023). The workshop allowed identifying new data sources to fill in missing indicators with the goal to increase Egypt's coverage on the Toolkit, clarifying the methodology for the calculation of indicators for which data is already available, and exchanging on the ICT usage surveys that prepares the ground for inclusion of Egypt in the relevant OECD Databases.

Comparative study of the implementation of the OECD Artificial Intelligence Principles and gap analysis

The Comparative study of the implementation of the OECD Artificial Intelligence Principles aims to assess Egypt's implementation of the OECD Artificial Intelligence (AI) Principles and offer recommendations for the next phase of the Egyptian AI Strategy. Given the current global economic context, and impacts on the Egyptian economy, the findings of the review will support the alignment of the second phase of the Egyptian AI strategy (currently under development) with the ongoing economic reform programme in Egypt, in particular, in support and targeting three main sectors: ICT, agriculture, and industry.

A fact-finding mission took place in November 2022. Evidence gathered thus far demonstrates that Egypt has launched and implemented various AI capacity building actions across several levels: tertiary education, public administration, government and the AI technical community. The ongoing review suggests that within the government entities, there are different levels of understanding of AI potential use cases and applications. As such, a preliminary finding indicates that there is room to increase basic AI awareness across the government, including use cases and applications. Another preliminary finding points to AI talent in the country growing in recent years, but there is currently shortage of professionals in more senior roles, especially given that Egypt has a young and growing population.

The Secretariat is currently finalising preliminary recommendations for Egypt. To facilitate peer learning, a workshop will take place with Egyptian officials at the OECD Working Party on Artificial Intelligence (AIGO) on 21 April. Integrating this feedback, the draft project report is expected to be discussed with Egyptian officials in the coming months, with the view to finalising the project by the end of 2023.

Review of National Innovation Policies

The Review of Innovation Policy would offer a comprehensive and systemic assessment of the Egyptian national innovation system, with focus on the role of policy. The review adopts a systemic perspective covering the business sector, higher education and public research institutions, government and their interactions. Such review would develop concrete policy recommendations for broad based innovation agendas that stimulate growth and productivity.

The project kicked off in February 2023 and achieved nomination of the cross-Ministry Advisory Committee which will help guide the project, as well as national contact points for statistics and the STIP Compass survey.

Review of Higher Education Policy in Egypt

The Review of Higher Education in Egypt has two strands of analysis, assessment, and recommendation: (A) aligning higher education with emerging labour market needs, and (B) raising the quality of provision and the level of international engagement of the higher education system. A public launch event for this project with government is planned for March 2023.

Fieldwork for the review is planned for May and September 2023, followed by consultation seminars with the government, higher education institutions and a wide range of stakeholders in September and November 2023.

Pillar 3 – Governance and anti-corruption

Peer review of the governance arrangements of the National Institute for Governance and Sustainable Development and implementation support and Capacity building. Technical assistance on the implementation, monitoring and evaluation of Egypt Vision 2030 (two projects managed together)

These two projects have the overall objective of mainstreaming better governance tools, practices and mechanisms across Egypt’s public administration. The integrated approach was agreed upon with the key Egyptian counterpart – the National Institute for Governance and Sustainable Development (NIGSD) – and will allow to ensure synergies between the analytical assessment with targeted recommendations, and the subsequent implementation and capacity-building support.

Together with NIGSD, OECD developed a provisional outline of the ‘review of governance arrangements of the NIGSD’. This was followed by the development of a questionnaire to collect key information on NIGSD’s operational model and current objectives and challenges. A first fact-finding mission to Cairo took place (7-8 February 2023) consisting of in-depth interviews with NIGSD’s different departments to collect information around internal processes, structures, objectives, and challenges. The preliminary takeaways were presented in March, including preliminary findings and opportunities for improvement identified on the basis of the 1st fact-finding mission. Subsequently, an in-depth questionnaire was developed and shared to complement the information collected during the fact-finding mission and through the preliminary questionnaire.

The project also benefits from Egyptian counterparts’ participation in policy dialogue and peer-to-peer exchanges organised in the framework of the Public Governance Committee and the MENA-OECD Governance Programme activities and networks. NIGSD’s representatives notably participated on 26-27 September 2022 to the meeting of the OECD Experts Group on Public Communication organised in Paris.

Participation of Egypt in the Digital Government Index 2021

The participation of Egypt in the OECD Digital Government Index (DGI) edition for 2023 has registered progress according to programmed activities. In September 2022, the OECD Secretariat made a virtual presentation to Egypt’s digital government authorities introducing the DGI and its data collection instrument, the Survey on Digital Government 2.0. The Survey was launched in November 2022 and Egypt received an invitation to submit their answers. On February 2, 2023, the OECD organised a virtual workshop with survey respondents from Egypt’s Ministry of Communications and Information Technology to assist them in collecting the evidence and answering to the Survey. By the 15th of February, Egypt submitted the final responses to the Survey. The Secretariat is currently undergoing the data cleaning process. In early April 2023, Egypt will be reached back by the Secretariat with comments and request for clarifying or further elaborating their answers, as needed. This will lead to the complete validation of the country’s data, necessary to proceed to the pre-calculation of the DGI composite score, and the completion of the first set of activities of the project by mid-May 2023.

Follow-up programme “Enhancing Domestic Resource Mobilisation through a better tax and exchange of information system”

In 2018, the Egyptian Ministry of Finance (EMoF) and the OECD launched the extended five-year programme on Enhancing domestic resource mobilisation (DRM) in Egypt. The project is led by CTPA/GRD and financed by the EU (EUR 1.4m). The OECD provided bespoke technical assistance support to the Government of Egypt (GoE) in the areas of (i) transparency and exchange of information (EOI), (ii) implementation of BEPS measures, and (iii) taking well informed tax policy decisions through internationally comparable revenue statistics data.

The programme concluded in December 2022, during the past five years the programme has:

- Assisted Egypt in the *implementation of the international standards on Transparency and Exchange of Information* for tax purposes and to benefit from the EOI instruments in tax transparency. The technical assistance supported EMoF and the Egyptian Tax Authority (ETA) capacity building and preparation for Egypt's Exchange of Information on Request peer launched in 4Q2022 and to arrange for joining the Convention on Mutual Administrative Assistance in Tax Matters. To prepare for Egypt's implementation of Automatic Exchange of Information (AEOI), an ISM seminar took place in Cairo from 18 to 21 December 2022. This seminar was the occasion for the Global Forum's ISM experts to present the requirements of the standard and then through discussion, to understand the maturity of those processes in Egypt. This meeting required the participation of representatives from ETA's EOI unit, information technology, information security, internal audit, human resources, and physical security. In December 2022, support was provided to finalise the EOI Manual completed by the EOI Unit. This EOIR Manual was adopted and published by the ETA in December 2022. In addition to this specific manual for Egypt, the "[Model Manual on Exchange of Information for tax purposes](#)" jointly published by the Global Forum, the World Bank Group and the African Development Bank was shared with Egypt in 2021. An Arabic version was provided in February 2023.
- Successfully supported the EGoE on *significant legislative reforms and to join regional/global initiatives*, such as:
 - issuance of the updated Egyptian Transfer Pricing Guidelines (2018),
 - Egypt has been included for the first time in the edition of Revenue Statistics in Africa and the Global Revenue Statistics Database (2018),
 - Egypt signed the Yaoundé Declaration for fighting illicit financial flows in Africa (2019),
 - ratified transfer pricing legislative changes (2020),
 - finalised the international tax reform chapter of Egypt's Medium Term Revenue Strategy Report (2020),
 - ratified the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS (2020),
 - joined the Statement on a Two-Pillar Solution (2021),
 - amendment to the Unified Tax Procedures Law to allow access to banking information for exchange of information purposes (2022),
 - request to become a Party to the Convention on Mutual Administrative Assistance in Tax Matters (2022).
- Successfully supported the *EMoF in building the International Tax Division practice*, technical and audit capacity in the ETA and EMoF for the auditors and officials to be able to counter cross-border tax evasion and tax avoidance, and to tax MNEs fairly and effectively. The OECD delivered country-tailored workshops (also in Arabic) to the MOF and the ETA officials on a range of international tax topics including international tax, VAT on e-commerce, the Multilateral Instrument, transfer pricing (TP), and the BEPS minimum standards. To date, the Tax Inspectors Without Borders (TIWB) programme on Transfer Pricing supported the ETA auditors in finalising TP adjustments amounting to EGP 3.6 billion (USD 523m), these adjustments resulted in *additional final tax collected of EGP 828m (USD 118m)*, in addition to EGP 297m (USD 42m) in related penalties collected. It is the first time for the ETA International Tax Division to achieve these results and to witness taxpayers' voluntary compliance.
- Provided technical assistance to support Egypt in taking well-informed tax policy decisions with the help of internationally comparable Revenue Statistics data. Since 2018, Egypt has been included in the Revenue Statistics in Africa publication, online database and associated material (including key findings brochure and Egypt's country note comparing its tax revenue with other African countries) as

well as in the Global Revenue Statistics Database, which provides comparable data for Egypt and 120 other economies. Officials from Egypt's Ministry of Finance regularly attend the annual Revenue Statistics in Africa technical workshops, where participants share experiences on producing and using comparable revenue statistics to inform tax policy and DRM strategies.

The project has participated in several meetings with relevant international organisations and international financial institutions present in Egypt and active in the field of taxation. In 2022 and 2023, the team organised meetings with the IMF to update Egypt's Medium Term Revenue Strategy Report. Regular calls and meetings are held in Cairo with the EU Delegation to Egypt.

Under the project, Egypt participates in the Committee on Fiscal Affairs, is a member of the Inclusive Framework on BEPS and is a member of the Global Forum on Transparency and Exchange of Information for Tax purposes.

Pillar 4 – Statistics

Review of the Egyptian National Statistical System and information systems for official statistics. Identify best practices to support the development of administrative records and their usage as statistical resource. OECD review of gender-based statistics. (Three projects managed together).

These three projects will review the Egyptian National Statistical System and information systems; examine the current situation as regards the use of administrative data in the production of official statistics in Egypt; as well as assess official gender statistics compiled and disseminated within the National Statistical System.

The work underpinning the statistical assessment started in December with desk research and consultations held both within and outside the OECD. The team prepared a self-assessment questionnaire structured around the Recommendation of the OECD Council on Good Statistical Practice. Along with the self-assessment questionnaire, the OECD also prepared a brief overview document aiming to collect high-level information on the statistical instruments used by Egypt to produce gender statistics. The next step is for the national statistical authorities to respond to the questionnaire and the overview document.

Consultations with experts from the OECD Statistics and Data directorate (SDD) aimed at maximizing synergies within Pillar 4, while discussions with PARIS21 and UN WOMEN Egypt, as well as with members of GAD group of donors chaired by the EU Delegation and UN Women Egypt allowed to avoid overlaps with existing statistical work.

Pillar 5 – Sustainable Development

Green Growth Policy Review (GGPR) of Egypt

The Green Growth Policy Review will provide an independent, evidence-based and country-tailored assessment of Egypt's environmental performance and green growth policies with targeted recommendations.

An in-depth chapter will be dedicated to the theme of "Building climate-smart, resilient and inclusive cities".

A kick-off meeting was held in Cairo, on 19 March 2023, with the relevant Egyptian government representatives. The kick-off meeting laid the groundwork for the information collection phase (April-June 2023). The GGPR team will further finetune the review's scope in light of the priorities discussed with the Egyptian authorities.

As a next step, a review mission is scheduled to take place in Cairo in June 2023, including field missions to two urban agglomerations in Egypt. A high-level policy dialogue with the Egyptian Minister of Environment is scheduled for October/November 2023. Findings and recommendations will be discussed at the OECD Working Party on Environmental Performance in Paris on 24 January 2024 and presented to the OECD Environment Policy Committee (EPOC) and other relevant OECD bodies, prior to the official launch in Cairo in spring 2024.

The GGPR team organised a series of bilateral meetings with the Egyptian Ministry of Planning and Economic Development as well as with the German Development Co-operation Agency (GIZ), the French Development Agency (AFD), the Centre for Economic, Legal, and Social Studies and Documentation (CEDEJ) and IMF. The objective was to share information about the GGPR process, learn more about ongoing work priorities within partner organisations with a view to building synergy and avoiding duplication.

Clean Energy Finance and Investment Mobilisation in Egypt

The project on Clean Energy Finance and Investment Mobilisation (CEFIM) seeks to leverage the OECD's expertise to support the Government of Egypt (GoE) realise its energy transition objectives. Specifically, the project is providing support to the GoE to identify barriers to the financing of its ambitious clean energy plans, as well as solutions to help overcome them.

Since formally beginning in September 2022, the CEFIM project has identified the rapidly-developing domestic initiatives in Egypt that are intended to scale the deployment of finance towards clean energy projects, including new renewables projects and green hydrogen. Following initial scoping discussions with the GoE and international partners in September 2022 during the side-lines of the second Egypt International Cooperation Forum, and subsequent follow up discussions, the CEFIM team agreed on the first two activities of a programme of work with the GoE in March 2023. Immediate two activities include i) implementation of the OECD's *Framework for Industry's Net-Zero Transition* in Egypt; ii) identifying innovative public financing instruments that can be deployed in order to mobilise commercial capital towards renewables projects, including transmission grid infrastructure. These activities reflect the latest priorities of the GoE and aim to provide practical support that can be readily implemented to the Egyptian context.

CEFIM's activity reflects the comparative advantages and expertise of the OECD, relative to other international development partners. The CEFIM team's extensive engagement in Egypt has given it access to the main donor coordination groups and processes, including under the *Nexus on Water, Food and Energy*, a major Egyptian initiative launched at COP27 at the end of 2022.

Bilateral discussions have been carried out with organisation such as AFD, AfDB, EBRD, European Investment Bank (EIB), GIZ, Japan International Cooperation Agency (JICA), Regional Centre for Renewable Energy and Energy Efficiency (RCREEE), and the World Bank.

Review of Egypt's infrastructure governance and delivery frameworks

The infrastructure governance review of Egypt started with a questionnaire covering the life-cycle of infrastructure from planning to delivery. The questionnaire was shared with the Egyptian counterparts, which have appointed dedicated experts. A mission to Cairo is being planned to follow up on the findings of the questionnaire.

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