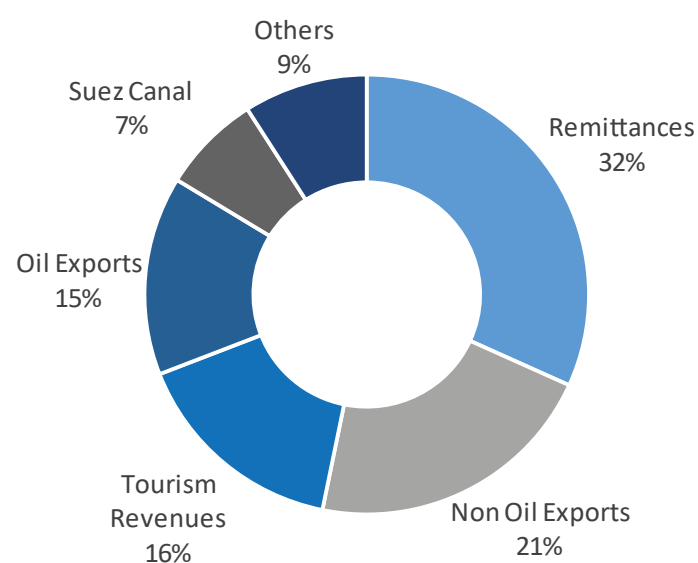


ECONOMIC SIGNIFICANCE

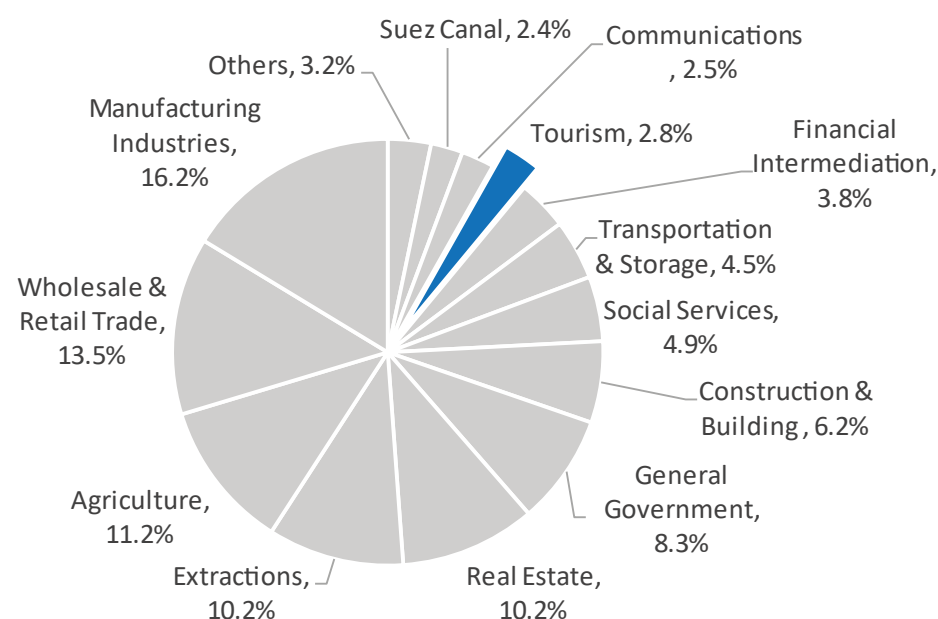
in FY 2018/19

Share in Current Account Receipts



51.5% of service receipts

Share in GDP



Share in Employment



3.1%

in June 2019

Source: Ministry of Planning & Economic Development (MPED), Central Bank of Egypt (CBE) & CAPMAS

COVID-19 IMPACT

H2 2018/19

5.8



H2 2019/20

2.6



Tourism Revenues (USD bn)

2019

13.0



2020

3.7



No. of Tourists (mn)

2019

136.3



2020

43.0



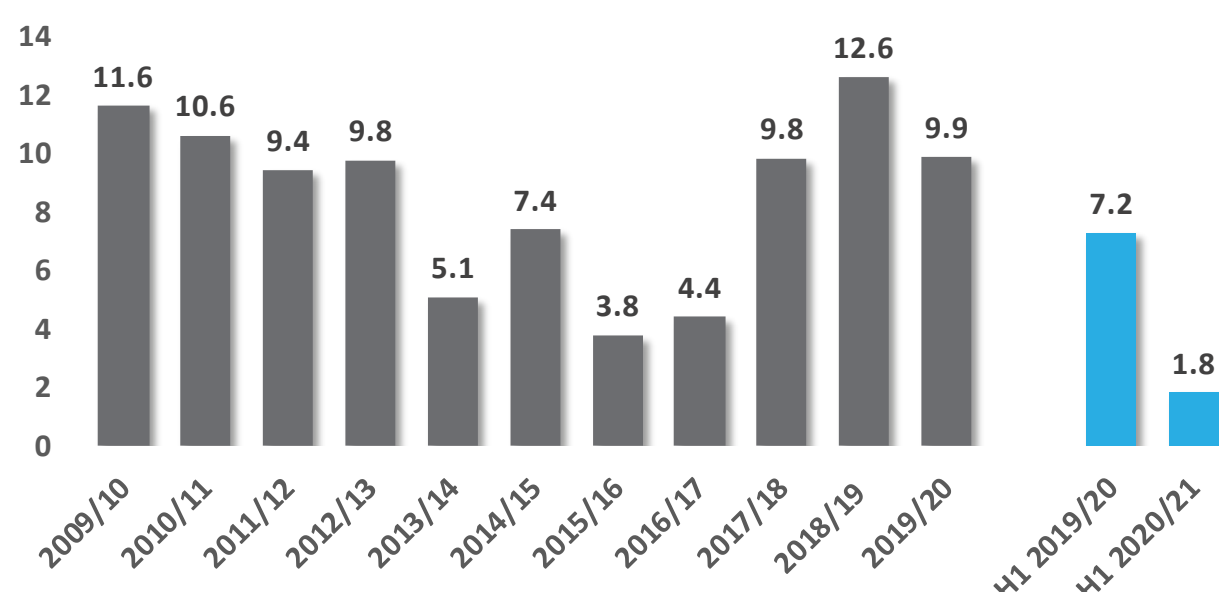
Tourist Nights (mn)

Source: CBE & CAPMAS

TOURISM REVENUES: A CLOSER LOOK

Tourism Revenues (USD bn)

USD bn



The hit from the pandemic has led to a 21.6% plunge in FY 2019/20 tourism revenues (partly supported by a strong performance in H1) to record USD 9.9 bn, down from a record-high of USD 12.6 bn in 2018/19 following an ambitious tourism reform program that focused on marketing and promotion.

In H1 2020/21, tourism receipts plunged by 75.3% to record USD 1.8 bn down from USD 7.2 bn a year earlier.

SECTOR'S REAL GROWTH (%)



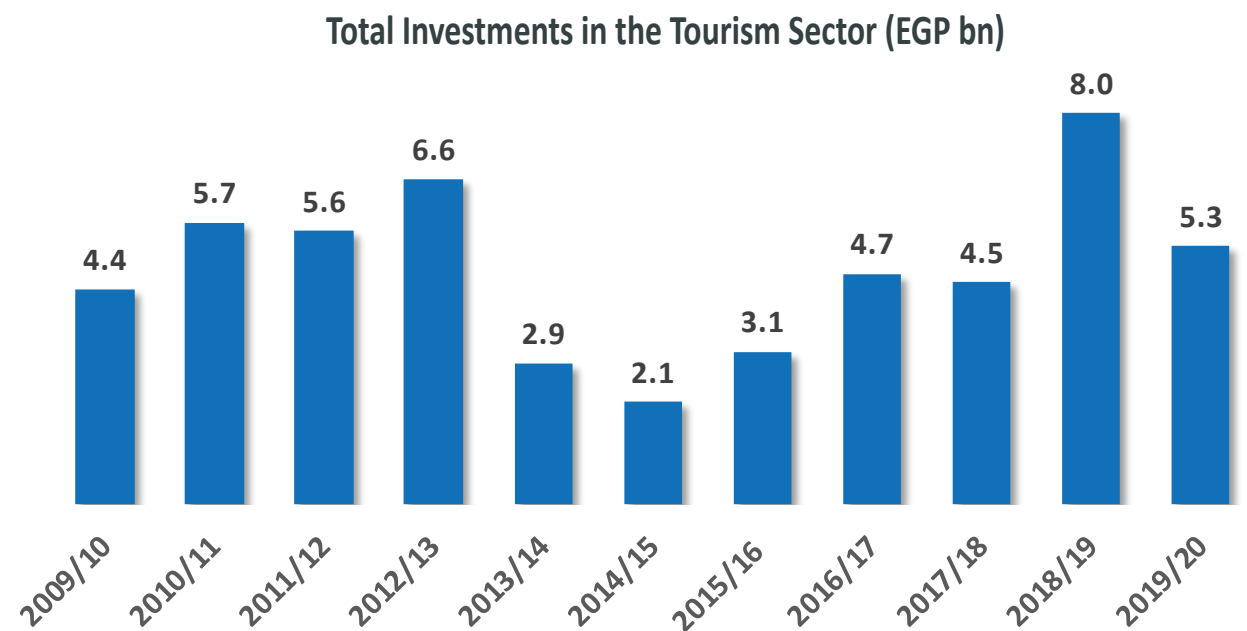
Source: MPED

After a year of successful reforms and investments into the sector under the 'Egypt- Tourism Reform Program' that was launched in November 2018 with the aim of tourism promotion and marketing and led to record-high tourism receipts surpassing 2009/10 levels, investments into the sector fell by 33.9% in nominal terms in 2019/20.

Biggest Contraction...

As expected, the tourism sector witnessed the highest contraction of 17.3% in FY 2019/20 (-84.1% y-o-y during April-June 2020).

Over the past ten years, the sector was the **second-most volatile** in terms of growth, following extractive industries, given its susceptibility to internal and external shocks.



Source: MPED

GOVERNMENT SUPPORT

Since the beginning of the outbreak, the CBE has announced a number of initiatives aiming to support the tourism sector against the economic repercussions of the pandemic and the travel restrictions worldwide.



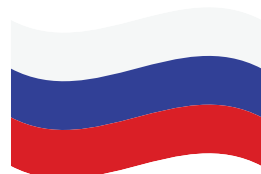
GOING FORWARD...

Source: CBE

While the outlook of the sector largely hinges on the pace of countries' recovery from the pandemic and the speed of vaccine rollouts, the following factors are expected to support the rebound.



Opening of the Capital International Airport, further investments in the Sphinx International Airport, and the opening of new flight routes connecting the country's resorts and archaeological sites



Resumption of Russian flights (expected Jun-21) to Egypt's Red Sea resorts after a six year hiatus



Inauguration of the new National Museum of Egyptian Civilisation and the Grand Egyptian Museum (Antiquities tourism promotion) and providing tickets online



Newly announced projects across Egypt by international hotels and the construction of new hotel rooms

Source: Ministry of Tourism, Enterprise.press & Oxford Business Group