

92nd Egypt ranks 92nd among the 129 economies featured in the GII 2019.

The Global Innovation Index (GII) is a ranking of world economies based on innovation capabilities. Consisting of roughly 80 indicators, grouped into innovation inputs and outputs, the GII aims to capture the multi-dimensional facets of innovation.

The following table shows the rankings of Egypt over the past three years, noting that data availability and the GII model influence year-on-year comparisons of the GII ranks. The confidence interval for Egypt's ranking in the GII 2019 is between 83 and 96.

| | GII | Innovation Inputs | Innovation Outputs | | |
|------|-----|----------------------|-----------------------|--|--|
| 2019 | 92 | 106 | 74 | | |
| 2018 | 95 | 105 | 79 | | |
| 2017 | 105 | 106 | 97 | | |

Egypt's Rankings, 2017 - 2019

- Egypt performs better in Innovation Outputs than Inputs.
- This year Egypt ranks 106th in Innovation Inputs, worse than last year and the same compared to 2017.
- As for Innovation Outputs, Egypt ranks 74th. This position is better than last year and compared to 2017.



Egypt ranks 17th among the 19 economies in Northern Africa and Western Asia.

Egypt moves up three positions, taking the 92nd spot in the GII 2019. Its improvement this year is largely due to its relative performance and less so to new GII data or methods (page 9).

The most notable improvements this year concern the indicators of the GII that capture the sophistication of the local market, and especially its credit and investment environment. Here indicators such as Ease of getting credit, Microfinance loans, Ease of protecting minority investors, and Market capitalization improve by several positions. Other indicators that gain several spots include State of cluster development, Patent families in two or more offices, ICT services imports, PCT patents by origin, and Printing & other media.

The Egyptian innovation profile presents a number of areas of relative strength, including in indicators Quality of scientific publications, Quality of universities, Knowledge-intensive employment, Labor productivity growth, and Computer software spending (pages 6 and 7).

Despite these achievements, areas of opportunity still remain. Several of them are in the GII areas that measure the quality of the institutional framework for innovation and the degree of sophistication of the business sector. These include indicators such as Regulatory quality and Firms offering formal training. Indicators Graduates in science & engineering and Global R&D companies are other notable relative weaknesses for this country (pages 6 and 7).

EXPECTED VS. OBSERVED INNOVATION PERFORMANCE

The bubble chart below shows the relationship between income levels (GDP per capita) and innovation performance (GII score). The trend line gives an indication of the expected innovation performance according to income level. Economies appearing above the trend line are performing better than expected and those below are considered Innovation under-performers relative to GDP.

Relative to GDP, Egypt performs at its expected level of development.

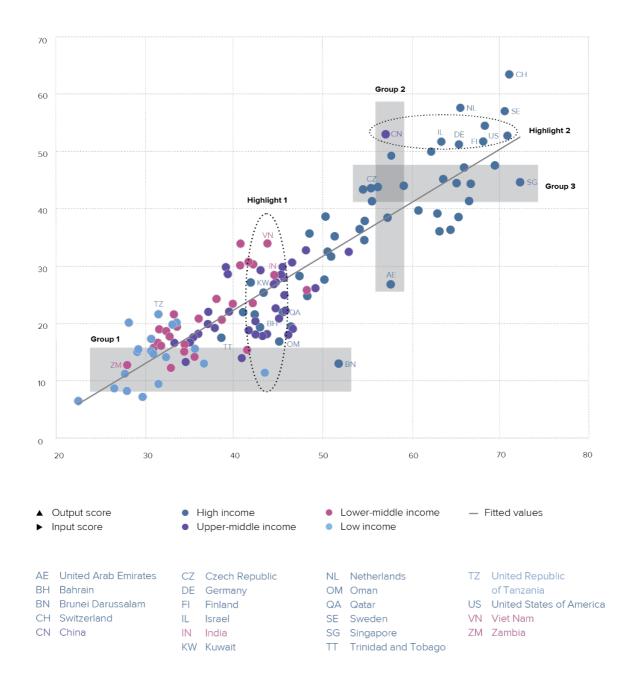
GII scores and GDP per capita in PPP US\$ (bubbles sized by population)



EFFECTIVELY TRANSLATING INNOVATION INVESTMENTS INTO INNOVATION OUTPUTS

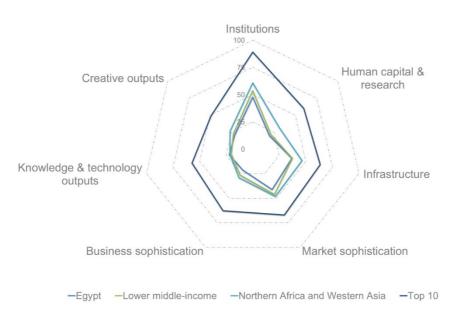
The chart below shows the relationship between innovation inputs and innovation outputs, indicating which economies best translate innovation inputs into innovation outputs. Economies appearing above the line are effectively translating their costly innovation investments into more and higher-quality outputs. In contrast, those below the line are not effectively translating innovation inputs into outputs.

Egypt produces more innovation outputs relative to its level of innovation investments.



Innovation input/output performance by income group, 2019

BENCHMARKING EGYPT TO OTHER LOWER MIDDLE-INCOME ECONOMIES AND THE NORTHERN AFRICA AND WESTERN ASIA REGION



Egypt's scores in the seven GII pillars

Lower middle-income economies

Egypt has high scores in one out of the seven GII pillars: Knowledge & technology outputs, which is above the average of the lower middle-income group.

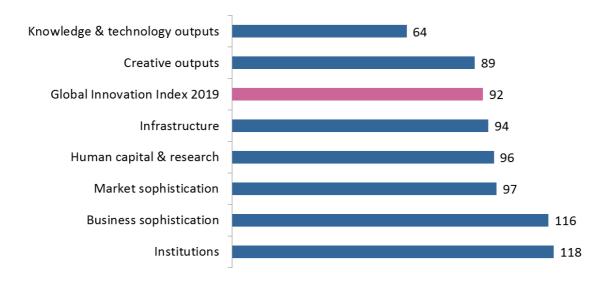
Northern Africa and Western Asia Region

Compared to other economies in the Northern Africa and Western Asia region, Egypt performs above average in the same GII pillar - Knowledge & technology outputs.

Top ranks are found in areas such as Research and development (R&D), Ecological sustainability, Trade, competition, & market scale, and Knowledge impact, where the country ranks in the top 60 worldwide.

OVERVIEW OF EGYPT'S RANKINGS IN THE 7 GII AREAS

Egypt performs the best in Knowledge & technology outputs and its weakest performance is in Institutions.



*The highest possible ranking in each pillar is 1.

EGYPT'S INNOVATION STRENGTHS AND WEAKNESSES

The table below gives an overview of Egypt's strengths and weaknesses in the GII 2019.

| | Strengths | |
|-------|--|------|
| Code | Indicator name | Rank |
| 2.3.4 | QS university ranking, average score top 3* | 48 |
| 3.3.1 | GDP/unit of energy use | 39 |
| 4.3 | Trade, competition, & market scale | 48 |
| 4.3.3 | Domestic market scale, bn PPP\$ | 21 |
| 5.1.1 | Knowledge-intensive employment, % | 43 |
| 5.2.2 | State of cluster development ⁺ | 38 |
| 6.1.5 | Citable documents H index | 48 |
| 6.2 | Knowledge impact | 32 |
| 6.2.1 | Growth rate of PPP\$ GDP/worker, %, 3-year average | 32 |
| 6.2.3 | Computer software spending, % GDP | 21 |
| 7.2.4 | Printing & other media, % manufacturing | 35 |
| 7.2.5 | Creative goods exports, % total trade | 41 |

| Code | Indicator name | Rank |
|-------|--|------|
| 1 | Institutions | 118 |
| 1.2 | Regulatory environment | 120 |
| 1.2.1 | Regulatory quality* | 120 |
| 1.2.3 | Cost of redundancy dismissal, salary weeks | 121 |
| 2.2.2 | Graduates in science & engineering, % | 99 |
| 2.3.3 | Global R&D companies, top 3, in mn US\$ | 43 |
| 3.2 | General infrastructure | 116 |
| 3.2.3 | Gross capital formation, % GDP | 118 |
| 4.2 | Investment | 119 |
| 5 | Business sophistication | 116 |
| 5.1.2 | Firms offering formal training, % firms | 89 |
| 5.2.3 | GERD financed by abroad, % | 101 |
| 5.2.4 | JV–strategic alliance deals/bn PPP\$ GDP | 98 |
| 7.2.3 | Entertainment & Media market/th pop. 15–69 | 61 |
| 7.3.2 | Country-code TLDs/th pop. 15–69 | 123 |

STRENGTHS

- Gll strengths for Egypt are found in six of the seven Gll pillars.
- Several of these strengths are in Knowledge & technology outputs (64). Here Egypt's strengths are sub-pillar Knowledge impact (32) and indicators Quality of scientific publications (48), Labor productivity growth (32), and Computer software spending (21).
- In Human capital & research (96), Egypt exhibits strength in indicator Quality of universities (48).
- In Infrastructure (94), Egypt shows strength in indicator GDP per unit of energy use (39).
- In Market sophistication (97), sub-pillar Trade, competition, & market scale (48) and its indicator Domestic market scale (21) are relative strengths for Egypt.
- In Business sophistication (116), indicators Knowledge-intensive employment (43) and State of cluster development (38) are GII strengths for the country.
- In Creative outputs (89), Egypt's strengths are found in two indicators: Printing & other media (35) and Creative goods exports (41).

WEAKNESSES

- Egypt's weaknesses in the GII are found in all GII pillars, except for Knowledge and technology outputs (64).
- Pillars Institutions (118) and Business sophistication (116) are GII weaknesses for Egypt.
- In Institutions (118), additional weaknesses are sub-pillar Regulatory environment (120) and two of its indicators Regulatory quality (120) and Cost of redundancy dismissal (121).
- In Business sophistication (116), GII weaknesses are indicators Firms offering formal training (89), R&D financed by abroad (101), and JV–strategic alliance deals (98).
- In Human capital & research (96), relative weaknesses are found in indicators Graduates in science & engineering (99) and Global R&D companies (43).
- In Infrastructure (94), Egypt's weaknesses are sub-pillar General infrastructure (116) and its indicator Gross capital formation (118).
- In Market sophistication (97), sub-pillar Investment (119) is a relative weakness for the country.
- In Creative outputs (89), GII weaknesses for Egypt are indicators Entertainment & Media market (61) and Country-code TLDs (123).



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| Out | out rank | Input rank | Income | Regior | ۱ | Рор | oulation (I | mn) GDP, PPP\$ | GDP per capita, PPP\$ | GII 20 | 018 r | anl |
|-----------------|--------------|--------------------|-----------------------------------|-------------|------------------|------------------|----------------|--------------------------|---|------------|-----------|----------|
| 74 | | 106 | Lower middle | NAWA | 4 | 99. | | 1,297.0 | 13,366.5 | 95 | | |
| | | | S | Score/Value | Rank | | | | Sco | ore/Value | Rank | |
| | INSTITU | JTIONS | | 47.9 | 118 | 0 | ۵ | BUSINESS SOPHIS | STICATION | 21.2 | 116 | |
| 1 | Political | environment | | 39.7 | 106 | | 5.1 | Knowledge workers | | 21.1 | 106 | |
| 1.1 | Political a | and operational | stability* | 56.1 | 105 | | 5.1.1 | | employment, % | | 43 | • |
| 1.2 | Governm | ent effectivene | SS* | 31.5 | 104 | | 5.1.2 | | raining, % firms | | 89 | |
| _ | | | | 40.0 | 40.0 | ~ | 5.1.3 | | usiness, % GDP | | 76 | |
| 2 2.1 | | | nt | | 120 | 0 \$ | 5.1.4 5.1.5 | , | iness, % advanced degrees, % | | 79 89 | |
| 2.1 | | | | | 95 | 0 🗸 | 5.1.5 | remaies employed w | auvanceu uegrees, % | 5.5 | 69 | |
| 2.3 | | | nissal, salary weeks | | 121 | 0 | 5.2 | Innovation linkages | | 17.5 | 110 | |
| | | - | - | | | | 5.2.1 | | earch collaboration [†] | | | |
| 3 | | | | | 90 | | 5.2.2 | | pment ⁺ | | 38 | |
| 3.1 | | | 2SS* | | 84 | | 5.2.3 | | oad, % | | 101 | |
| 3.2 | Ease of r | esolving insolve | ency* | 42.3 | 89 | | 5.2.4 | | eals/bn PPP\$ GDP | | 98 | |
| | | | | | | | 5.2.5 | Patent families 2+ offic | es/bn PPP\$ GDP | 0.0 | 88 | |
| | HUMAN | CAPITAL & | RESEARCH | 19.7 | 96 | | 5.3 | Knowledge absorptio | n | 24.9 | 103 | |
| | | | | | | | 5.3.1 | | ayments, % total trade | | 71 | |
| .1 | | | ~ | | 94 | | 5.3.2 | 0 | otal trade | | 73 | |
| 1.1 | | | on, % GDP. ⁽¹⁾ | | 89 | | 5.3.3 | | % total trade | | 68 | |
| 1.2 | | 011 | pil, secondary, % GDP/c | | 86 | | 5.3.4 | |) | | 69 | |
| 1.3 1.4 | | | /ears naths, & science | | 80 | | 5.3.5 | Research talent, % in t | ousiness enterprise | 6.5 | 69 | |
| 1.4 | | | ndary | | n/a 68 | | | | | | | |
| | i upii tou | | i i da i y | 10.2 | 00 | | 5 | KNOWLEDGE & TE | CHNOLOGY OUTPUTS | 22.1 | 64 | |
| .2 | | | | | 108 | | | | | | | <u> </u> |
| 2.1 | | | oss.O | | 77 | | 6.1 | Knowledge creation | | 11.1 | 66 | |
| 2.2 | | | engineering, % | | | $\circ \diamond$ | 6.1.1 | | PP\$ GDP | | 68 | |
| 2.3 | l ertiary ii | nbound mobility | /, % | 1.8 | 77 | | 6.1.2 | | bn PPP\$ GDP | | 81 | |
| .3 | Desservel | | | 40.7 | 55 | | 6.1.3 6.1.4 | | n/bn PPP\$ GDP Irticles/bn PPP\$ GDP | | n/a 61 | |
| .3.1 | | | nt (R&D) | | 55 61 | | 6.1.4 | | ndex | | 48 | |
| .3.2 | | | 3D, % GDP | | 51 | | 00 | | | 10.0 | 10 | |
| .3.3 | | | avg. exp. top 3, mn US\$ | | | 0 \$ | 6.2 | Knowledge impact | | 43.7 | 32 | |
| .3.4 | QS unive | rsity ranking, av | verage score top 3* | 21.9 | 48 | • • | 6.2.1 | | DP/worker, % | | 32 | |
| | | | | | | | 6.2.2 | | p. 15-64 | | n/a | |
| e se se | | | | | | | 6.2.3 | Computer software sp | ending, % GDP | 0.4 | 21 | |
| 3 | INFRAS | TRUCTURE | | 36.8 | 94 | | 6.2.4 6.2.5 | ISO 9001 quality certit | cates/bn PPP\$ GDP | 1.8 0.2 | 89 52 | |
| .1 | Informat | ion & communi | ication technologies(IC | (Ts) 49.4 | 96 | | 0.2.5 | nigh- & mealann-nigh- | lecii manulaciures, /0 | 0.2 | 52 | |
| .1.1 | | | | | 78 | | 6.3 | Knowledge diffusion. | | 11.6 | 94 | |
| .1.2 | ICT use*. | | | 34.7 | 95 | | 6.3.1 | Intellectual property re | eceipts, % total trade | n/a | n/a | |
| .1.3 | | | vice* | | 101 | | 6.3.2 | | % total trade | | 113 | |
| .1.4 | E-particip | ation* | | 53.9 | 100 | | 6.3.3 | | % total trade | | 73 | |
| .2 | Conoral | | | 21.1 | 440 | \sim | 6.3.4 | FDI NET OUTTIOWS, % GL |)P | 0.1 | 102 | |
| .2.1 | | | ın pop | | 116 76 | | | | | | | |
| 3.2.2 | | | | | 66 | | 1 | CREATIVE OUTPU | тѕ | 21.1 | 89 | |
| .2.3 | | | % GDP | | | 0 \$ | Ŵ | CREATIVE COTTO | 10 | | | |
| | | | | | | | 7.1 | | | | 95 | |
| .3 | - | | y | | 55 | | 7.1.1 | | on PPP\$ GDP. | | 104 | |
| .3.1 | | | | | 39 | | 7.1.2 | | rigin/bn PPP\$ GDP | | 56 | |
| .3.2 .3.3 | | | nce* I certificates/bn PPP\$ G | | 59 81 | | 7.1.3 | | l creation ⁺ | | 59 | |
| .S.S | 130 1400 | renvironnenta | i certificates/bit FFF\$ G | DF 0.0 | 01 | | 7.1.4 | IC I S & organizational | model creation ⁺ | 56.0 | 57 | |
| | | | | | | | 7.2 | Creative goods & ser | vices | 12.1 | 77 | |
| | MARKE | T SOPHISTIC | ATION | 41.0 | 97 | | 7.2.1 | Cultural & creative ser | vices exports, % total trade | 0.1 | 80 | |
| | | | | | | | 7.2.2 | | mn pop. 15-69 | | 93 | |
| . 1 | | | | | | | 7.2.3 | | a market/th pop. 15-69 | | 61 | |
| 1.1 1.2 | | | e sector, % GDP | | 54 99 | | 7.2.4 7.2.5 | | ı, % manufacturing ts, % total trade | | 35 41 | |
| 1.2 1.3 | | | s, % GDP | | 99 58 | | 1.2.5 | creative goods expor | , /0 tOtal traue | 1.1 | 41 | |
| | | <u>3</u> 60 100110 | ., | 0.1 | 50 | | 7.3 | Online creativity. | | 0.7 | 103 | 1 |
| .2 | Investme | ent | | 30.8 | 119 | 0 | 7.3.1 | | ains (TLDs)/th pop. 15-69 | | 91 | |
| .2.1 | | | rity investors* | | 68 | | 7.3.2 | | pop. 15-69 | | 123 | |
| .2.2 | | | GDP | | 63 | | 7.3.3 | Wikipedia edits/mn po | p. 15-69 | 2.5 | 97 | |
| .2.3 | Venture of | capital deals/bn | PPP\$ GDP | 0.0 | 63 | | 7.3.4 | Mobile app creation/b | n PPP\$ GDP | 0.1 | 82 | |
| 2 | T | | | | 40 | | | | | | | |
| . 3 | | | narket scale tod avg. % | | 48 101 | - | | | | | | |
| .3.1 | | - | ted avg., % ition† | | 77 | | | | | | | |
| .3.2 | | or rocar compet | | | // | | | | | | | |

NOTES: • indicates a strength; O a weakness; • an income group strength; > an income group weakness; * an index; * a survey question. • indicates that the economy's data are older than the base year; see Appendix II for details, including the year of the data, at http://globalinnovationindex.org. Square brackets [] indicate that the data minimum coverage (DMC) requirements were not met at the sub-pillar or pillar level.

DATA AVAILABILITY AND GII MODEL

The following tables list data that are missing or are outdated for Egypt.

Indicators Government funding per pupil and Cultural & creative services exports, which were not available in the GII 2018, become available this year. Indicator Intellectual property receipts was available in the GII 2018 but becomes unavailable in the GII 2019.

Missing data

| Code | Code Indicator name | | Model year | Source |
|-------|---|-----|---------------|--|
| 2.1.4 | PISA scales in reading, maths & science | n/a | 2015 | OECD Programme for International Student Assessment (PISA) |
| 6.1.3 | Utility models by origin/bn PPP\$ GDP | n/a | 2017 | World Intellectual Property Organization |
| 6.2.2 | New businesses/th pop. 15–64 | n/a | 2016 | World Bank |
| 6.3.1 | Intellectual property receipts, % total trade | n/a | 2017 | World Trade Organization |

Outdated data

| Code | Indicator name | Country year | Model year | Source |
|-------|--|-----------------|---------------|--|
| 2.1.1 | Expenditure on education, % GDP | 2008 | 2015 | UNESCO Institute for Statistics |
| 2.2.1 | Tertiary enrolment, % gross | 2016 | 2017 | UNESCO Institute for Statistics |
| 6.1.1 | Patents by origin/bn PPP\$ GDP | 2016 | 2017 | World Intellectual Property Organization |
| 6.2.5 | High- & medium-high-tech manufactures, % | 2015 | 2016 | United Nations Industrial Development Organization |
| 7.1.1 | Trademarks by origin/bn PPP\$ GDP | 2016 | 2017 | World Intellectual Property Organization |
| 7.2.2 | National feature films/mn pop. 15–69 | 2016 | 2017 | UNESCO Institute for Statistics |
| 7.2.4 | Printing & other media, % manufacturing | 2015 | 2016 | United Nations Industrial Development Organization |

Model changes

The table below provides a summary of the adjustments to the GII 2019 framework.

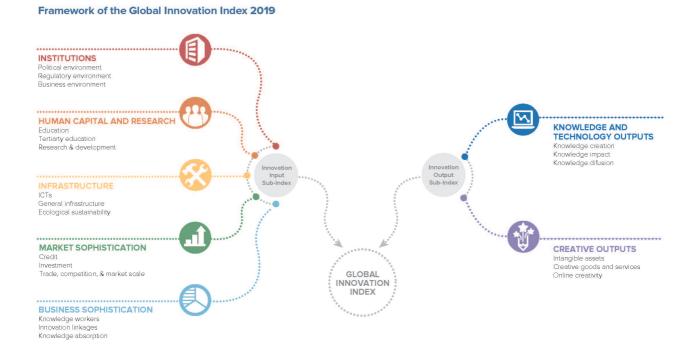
Changes to the GII 2019 framework

| | GII 2018 | Adjustment | | GII 2019 |
|-------|---|-----------------------------|-------|---|
| 1.1.1 | Political stability & safety | Replaced | 1.1.1 | Political & operational stability |
| 3.3.2 | Environmental performance | Indicator changed at source | 3.3.2 | Environmental performance |
| 5.3.1 | Intellectual property payments, % total trade | Methodology change | 5.3.1 | Intellectual property payments, % total trade (3 year avg.) |
| 5.3.2 | High-tech imports, % total trade | Methodology change | 5.3.2 | High-tech imports, % total trade |
| 6.2.1 | Growth rate of PPP\$ GDP/worker, % | Methodology change | 6.2.1 | Growth rate of PPP\$ GDP/worker, % (3 year avg.) |
| 6.3.1 | Intellectual property receipts, % total trade | Methodology change | 6.3.1 | Intellectual property receipts, % total trade (3 year avg.) |
| 7.3.4 | Mobile app creation/bn PPP\$ GDP | Methodology change | 7.3.4 | Mobile app creation/bn PPP\$ GDP |
| - | | | | |

ABOUT THE GLOBAL INNOVATION INDEX

The Global Innovation Index (GII) is co-published by Cornell University, INSEAD, and the World Intellectual Property Organization (WIPO), a specialized agency of the United Nations. In 2019, the GII presents its 12th edition devoted to the theme **Creating Healthy Lives—The Future of Medical Innovation**.

Recognizing that innovation is a key driver of economic development, the GII aims to provide a rich innovation ranking and analysis referencing around 130 economies. Over the last decade, the GII has established itself as both a leading reference on innovation and a "tool for action" for countries that incorporate the GII into their innovation agendas.



The Index is a ranking of the innovation capabilities and results of world economies. It measures innovation based on criteria that includes institutions, human capital and research, infrastructure, credit, investment, linkages; the creation, absorption and diffusion of knowledge; and creative outputs.

The GII has two sub-indices: the Innovation Input Sub-Index and the Innovation Output Sub-Index, and seven pillars, each containing three sub-pillars.





