

## Opening

Egypt has gone through many major political, social and economic developments since the revolution in January 2011, culminating in the events of June 2013, when the country was able to put an end to political conflict and extremism and regain control over its capabilities. The country then began a new phase aimed at achieving sustainable economic and social development, strengthening political stability and security, combating terrorism, protecting borders, improving public services, consolidating principles of governance and tackling corruption. In order to implement this ambitious national agenda, Egypt developed a roadmap through the completion of a new Constitution in 2014 and aimed to meet the obligations it laid out through steps including new legislation, institutional reforms, presidential and parliamentary elections, and drafting a national economic reform programme in line with the national sustainable development strategy, Egypt's Vision 2030.

The Egypt Human Development Report 2021 seeks to monitor and analyse the progress made over the past decade in the areas of sustainable development, economic and social reform, environment, governance and women's issues, from the perspective of the Declaration on the Right to Development which was adopted by the United Nations General Assembly in 1986. This declaration consolidated the right of developing populations to choose their development path and achieve

their true independence without external interventions, according to their national values. The Report discusses the course ahead for the various reforms taken by Egypt in light of the plans and strategies prepared and in light of the evolution of views on development at the global level, as well as the relevant successful international experiences and expertise.

The Report is being published amid the ongoing COVID-19 pandemic, which has claimed millions of lives worldwide, has battered national economies and global markets, and has had an impact on international financial, political and economic systems. Understandably, this crisis casts a shadow over the discussion of the issues included in this Report and must be addressed directly.

The Report outlines the policies and measures Egypt has implemented to combat the outbreak of COVID-19 and to reduce its anticipated negative impacts on growth, the budget deficit, the balance of payments, and the performance of various aspects of the national economy, especially the tourism and aviation sector, Suez Canal revenues, and remittances from Egyptians abroad. At the same time, Egypt will have to reconsider priorities in terms of its plans and policies in order to recover and re-launch itself on the path to sustainable development, with its economic, social and environmental dimensions.

## Executive summary

The Egypt Human Development Report 2021 is of particular significance as it comes a decade after the publication of the previous Human Development Report in 2010. As a result, the new Report covers an unprecedented period in Egypt's history, from 2011 to 2021, which includes the revolutions of January 2011 and June 2013. These upheavals changed the course of the development process in Egypt. The 2021 Report, entitled *Development, a right for all: Egypt's pathways and prospects*, aims to provide an in-depth analysis of a set of key human development issues that significantly affect work to achieve the United Nations Sustainable Development Goals (SDGs). The Report provides an analytical review of the policies adopted and implemented during this period and their impact on Egyptians. Building on those findings and on the Government Action Programme, it puts forward a set of policies for the future that would further boost the process of human development commenced by Egypt. The Report covers a number of key development issues, including investment in human capital, economic and social reforms, environment, governance and women's issues. It approaches these issues from the perspective of the Declaration on the Right to Development, issued by the United Nations General Assembly in 1986, which consolidated the right of developing populations to choose their development path and achieve self-determination without external intervention, according to their national values.

The Egypt Human Development Report 2021 relies on a variety of primary and secondary data sources, including interviews with many experts and specialists. It makes use of available data from local, regional and international sources and indicators related to the implementation of international and national sustainable development objectives. It also uses international and national human development reports, as well as documents, laws, strategies,

and reports issued by the Egyptian authorities. In particular, the Report benefits from data from the 2017 Population, Housing, and Establishments Census, the 2018 Economic Census, and the 2019 Household Income, Expenditure and Consumption Survey, all conducted by Egypt's Central Agency for Public Mobilization and Statistics.

The Report's conceptual framework is based on an in-depth review of the relevant literature. The conceptual framework highlights the interconnected nature of, and relationships between, human development and sustainable development's three dimensions – the economic, the social and the environmental. The Report preparation process was characterized by cooperation between Egyptian government bodies, the United Nations Development Programme (UNDP), and those in charge of preparing the Report, to ensure the provision of the necessary information. The Report was subject to a comprehensive critical reading process involving a variety of experts and specialists in relevant areas, including academics, practitioners and civil society. The six chapters of the Report monitor and analyse a number of development topics over the past 10 years: investment in human capital, economic development, social protection, women's empowerment, environmental sustainability, and governance.

### **1. Investment in human capital: Towards a modern system of education, health and adequate housing**

In recent years, Egypt has committed to implementing reforms in the areas of health, education, scientific research and housing, with a particular focus on dimensions related to quality and competitiveness. These efforts draw on the commitments in Egypt's 2014 Constitution regarding these sectors, and on the three themes of the national sustainable development strategy, Egypt's Vision 2030. The area of investment in human capital is related to two themes under the strategy's social

dimension – health and education and training – as well as a theme under the economic dimension – knowledge, innovation and scientific research.<sup>1</sup> Furthermore, in 2014, Egypt adopted the Strategic Plan of Pre-University Education 2014-2030, and in 2018, it launched the National Education Project, which took three years to prepare and focuses on public schools, which make up the vast majority of schools in the country.

The performance of the pre-university education sector in Egypt has improved over the past 10 years according to accessibility indicators, as net and gross enrolment rates at all educational levels have increased. These successes have been concentrated in the primary education stage. Accordingly, Egypt is seeking to increase enrolment rates at the lower secondary and secondary stages in line with the principle of compulsory education through secondary school as established by Article 19 of the Constitution. Data on enrolment rates for boys and girls show that the gender gap disappeared between the academic years 2010/2011 and 2019/2020. The net enrolment rates for girls exceeded those for boys at all levels of pre-university education by 2019/2020, and as a result, the gender gap index has a negative value in this year. Regional disparities in enrolment rates (between rural and urban areas) have improved significantly over the past ten years. However, enrolment rates for all levels of pre-university education in the governorates of Upper Egypt remain lower than the corresponding rates in the rest of the country. In terms of educational outcomes, the pre-university education system in Egypt has made progress on a number of indicators. Dropout rates have decreased, especially at the lower secondary stage, and the rates of transition from primary to lower secondary school have increased, as have the transition rates from lower secondary to secondary (both to general secondary schools and to technical secondary schools).

On technical secondary education, development attempts have seen changes to admission requirements and the development of

curricula for all disciplines, in line with labour market requirements and local environment needs. Equipment and educational technology have been provided and existing technical education schools have been developed through the establishment of workshops and training centres to serve the community. However, the outcomes of this educational division are still far below the expectations and needs of the business sector at the qualitative level.

With respect to higher education, Egypt has launched the Higher Education and Scientific Research Strategy 2030 and the National Science, Technology and Innovation Strategy 2030. The number of public and private universities has been increased, with a diversification of educational programmes and paths, including a presence in most geographical areas. Nonetheless, the highest unemployment rates are still found among graduates of higher education.

In terms of the health sector, Egypt drafted a National Population Strategy and its five-year operational plan for 2015 to 2020. It is based on a set of themes related to family planning and reproductive health, including providing family planning services with health insurance and at all government hospitals and treatment institutions, and providing an adequate balance of family planning methods, as well as working on integrating population issues into the national education and awareness process.<sup>2</sup> Between 2014 and 2020, Egypt adopted a set of policies and procedures and launched a number of health programmes and initiatives aimed at achieving the strategic objectives of the health sector, which are related to the advancement of the public health of Egyptians within a framework of justice and equity, achieving universal health coverage, and improving health sector governance. These included initiatives to eradicate hepatitis C; the 100 Million Health Lives Initiative for Early Detection of Hepatitis C and Non-Communicable Diseases; the 100 Million Healthy Lives Initiative for Supporting Egyptian Women's Health; the 100 Million Healthy Lives Initiative for Early Detection of Obesity, Stunting and Anaemia

Among School Children; and the initiative to eliminate patient waiting lists. The average life expectancy at birth in Egypt increased from 70.3 years in 2010 (68.2 for men and 72.6 for women) to 71.8 years in 2018 (69.6 for men and 74.2 for women).<sup>3</sup>

Despite the progress made in the education and health sectors and the appropriations allocated to each of them, the Report emphasizes that a lack of (functional) funding remains one of the most important challenges in both areas. Government (functional) expenditures on education and health in Egypt are low compared to international levels. This lack of funding may negatively affect the quality of educational and health services provided, especially in light of the need for more supplies and equipment in some educational and health sector buildings, the obsolescence of assets, and the weak infrastructure in some facilities as a result of low maintenance appropriations.

Egypt has also made efforts on social housing with a view to empowering low- and middle-income groups. In 2014, it was announced that 1 million housing units would be established to support low- and middle-income earners and to promote availability to high-income earners.<sup>4</sup> In addition, the number of beneficiaries of Egypt's Social Housing Program had reached around 312,000 by June 2030, with monetary support of up to EGP 4.9 billion distributed by the Social Housing and Mortgage Finance Fund (SHMFF). Moreover, mortgage financing of about EGP 30.8 billion was provided by banks and mortgage companies.<sup>5</sup> The total number of the people who received support from the Fund had reached about 248,000 by June 2019, of whom about 20 percent were women.<sup>6</sup> During fiscal year 2019/2020, there were nearly 64,000 beneficiaries (of whom about 25 percent were women), who received estimated total support of EGP 907 million and mortgage financing worth EGP 6.9 billion.<sup>7</sup>

In addition, as part of its policies on providing adequate housing, Egypt reduced the number of unplanned and unsafe settlements, in-

creased coverage of water and sanitation services, and expanded the services of its *Hayah Karima* (Decent Life) programme.

As a result of these efforts, the number of people living in settlements classified as unsafe had decreased by 35 percent in 2019. Egypt's sustainable development strategy aims to reduce the population of unsafe settlements by 100 percent by 2030. During the development of unsafe informal settlements, the basic services needed by citizens, such as schools, places of worship, youth centres, health centres, and others, were taken into account in order to ensure a safe environment. This approach may conform to the guidelines on the implementation of the right to adequate housing submitted by the Special Rapporteur on the right to adequate housing to the United Nations Human Rights Council, specifically the guideline on "implementing cross cutting strategies for the realization of the right to housing." The number of unsafe settlements developed between 2014 and 2020 in Egypt amounted to around 296 out of a total of 357.

The Report identifies several challenges related to investing in human capital in Egypt which decision makers are seeking to target with a number of policies. These policies include increasing government spending on the education, health and housing sectors, adopting alternative financing mechanisms, and increasing maintenance appropriations to overcome asset-related challenges and the weak infrastructure of service facilities. These policies seek to bridge the growing gap between the outcomes of different types of education and the demand in the labour market, as well as to review the institutional structures of the health, education and housing sectors and to reduce as much as possible any overlap or conflict in the mandates of the various relevant entities. They also aim to support and expand investment in community-based education and health systems. These moves are necessary for Egypt to tackle the increasing pressures on the service sectors that result from the country's continued population growth.

## 2. Economic reform in Egypt: Paving the way for a development shift

Egypt's 2014 Constitution emphasizes the equitable distribution of the proceeds of development; the reduction of income disparities, balanced geographical, sectoral and environmental growth; attention to small and medium enterprises; and regulating and integrating the informal sector. The Constitution also emphasizes the importance of maximizing investment in human capacity within the framework of sustainable development. The Sustainable Development Strategy: Egypt Vision 2030 and the Government Action Programmes emphasize that upgrading and improving the livelihood of Egyptian citizens is the main objective of all development policies and programmes in the current period and beyond.<sup>8</sup>

The Report details Egypt's economic reform programme, which aimed to achieve stability in macroeconomic indicators in order to ensure consistency and integration of financial and monetary policies in a manner that would provide a stable environment that enhances confidence in Egypt's economy and its ability to attract the high investment rates needed to achieve comprehensive development. The programme focused on reducing public debt and the volume of government borrowing (while allowing an appropriate amount of financing for the private sector and productive projects); on bridging the balance of payments gap; and on the return of foreign direct investment flows. Furthermore, the programme aimed to enhance the Central Bank of Egypt's ability to manage a flexible exchange rate system and to gradually shift to a system targeting low inflation rates to maintain Egyptians' real incomes and the competitiveness of the national economy. The Report also demonstrates the coherence of the economic reform programme, with the completion of a number of major projects in the areas of infrastructure, housing, utilities and transportation.

Various international institutions have praised the success of the economic reform process in Egypt. The International Monetary Fund (IMF),

in successive reports on the performance of Egypt's economy, has said that Egypt's economy continues to perform well despite the less-than-positive global conditions. This performance had led to a rise in the growth rate to 5.4 percent by fiscal year 2020/2021, while the budget deficit had decreased to 7.6 percent of GDP and the unemployment rate to 7.3 percent. In addition, there has been a decrease in the current account deficit, a recovery in activity in tourism (prior to the COVID-19 pandemic), and a decrease in total government debt, supported by financial control measures and high growth. The IMF also praised the strength of the banking system in terms of liquidity, profitability, capital, and its resilience to shocks.<sup>9</sup>

Despite the success of many economic and financial reforms, there are still pressing challenges that Egypt needs to address. These include identifying innovative development financing mechanisms in light of limited domestic resources, relatively low savings rates, and temporary setback in foreign investments (especially direct investments) due to COVID-19. There is also a need to increase growth rate of the manufacturing sector, and of public and private investments in this sector given its importance in growth and employment. In addition, non-tariff and export restrictions (such as technical and import requirements) represent challenges to Egypt's foreign trade performance. Moreover, there is a need to improve economic databases to enhance the ability to assess and foresee potential alternative policy outcomes.<sup>10</sup>

Despite a decrease in poverty rates to 29.7 percent in 2019/2020 from 32.5 percent in 2017/2018, the first such decrease in 20 years, more programmes are still needed to support this downward trend in poverty rates.

According to the Report, the policies Egypt plans to implement in the future aim to address these challenges and support Egypt's development path by supporting structural reform and focusing on productive activities, especially industry. They also aim to foster a business environment that will allow the private



sector to play an appropriate role in these activities, activating and revitalising the partnership between the State and the private sector to redress the lack of public resources. There is also a pressing need to reduce the negative effects resulting from Egypt's rising debt obligations by strengthening the management of public debt to slow this increase. There is also a need to lift customs and non-customs export restrictions and to simplify procedures to enhance exports and competition. At the same time, economic analysis at the level of decision-making should go beyond the assessment of aggregate indicators and should assess the extent to which Egyptians' right to development has been fulfilled and how the country's general economic performance is reflected in their living conditions. Analysis of the extent to which the proceeds of development are distributed equitably, both in terms of individual and regional distribution, is an important aspect of this field.

### **3. Social protection: Towards a more inclusive and empowering social contract in Egypt**

The Constitution and the national sustainable development strategy together put forward the legal, institutional and political framework necessary to deal with the issue of social protection from a holistic perspective. The ultimate goal is to achieve social justice by moving from protection to justice through empowerment and working to expand Egyptians' choices by enhancing their capabilities and enabling them to access assets and resources. The limited developmental impact of the various social protection networks established in Egypt over the years has made a review of the system in Egypt necessary. Following the adoption of the economic reform programme in 2016, a shift took place in the rationale around social protection in Egypt. The Report outlines the fundamental legislative reforms that were enacted regarding some of the components of the social protection system, such as the issuing of the Social Insurance and Pensions Law (*Law No. 148 of 2019*) and the Comprehensive

Health Insurance Law (*Law No. 2 of 2018*). The policies that were pursued are largely consistent with the shift in views on social protection in international development discourse to seeing it as an inclusive right. These transformations represented a qualitative shift in the functions of social protection, from the protective function characterized by relief efforts to preventive and reinforcing functions.

Egypt has modified the rationale under which social safety networks operate, including the validity of beneficiaries, so that cash and in-kind transfers do not go to recipients who are not eligible. Empowerment is considered an essential component of the programmes provided by Egypt's Ministry of Social Solidarity, aiming to link cash transfers and economic and social empowerment programmes, as well as to include all vulnerable social groups, focusing on the poorest and most marginalized geographical areas, so as to contribute to achieving equity. Since 2015, Egypt has been implementing an expanded social protection programme, the *Takaful and Karama* (Solidarity and Dignity) programme, which was designed as a conditional cash transfer scheme that provides income to support poor families with children under 18. According to 2019 data, approximately 2 million families are covered by the programme.<sup>11</sup> It also specifically targets women, and nearly 90 percent of its targeted beneficiaries are women. The Ministry of Social Solidarity has also started to work systematically on the economic empowerment component through a set of programmes aimed at providing job opportunities and qualifying the poor to engage in the labour market. The *Forsa* "Opportunity" and *Mastoura* "Satisfied Needs" among others, fall within the framework of active labour market programmes, an essential component of any set of social protection policies.

There have also been efforts to improve the long-standing food subsidy system. Approximately 69 million people benefit from Egypt's ration card system and nearly 79 million benefit from the bread subsidy system, with spend-

ing on these two programmes amounting to about 6 percent of the state's general budget expenditures.<sup>12</sup> The reformed systems aim to distribute subsidies to eligible beneficiaries in a more efficient and equitable way.

Egypt's social insurance system has faced many problems, most notably low coverage and social insurance evasion prompted by negative incentives in law that do not encourage either employers or employees to make insurance payments. As a result, the government fails to collect contributions from both parties.<sup>13</sup> This is in addition to the large informal sector outside the scope of social insurance protection. The new Social Insurance and Pensions Law (*Law No. 148 of 2019*) was issued to address these challenges, as well as to work to fundamentally resolve the financial entanglements of the public treasury and the National Investment Bank, to help ensure fair pensions for those entitled, and to achieve financial sustainability. It also aims to ensure that the social insurance umbrella is properly extended to irregular workers, both within the agricultural sector and outside it. The law also mandates that the social insurance system include several types of insurance.

Health insurance provision has faced a number of challenges over past decades, most notably the lack of coverage. Those outside the formal sector do not benefit from health coverage, and the families of the insured are also not covered. The General Authority for Health Insurance's preference to be the sole insurance service provider through its units led to both a slow expansion of insurance and a lack of competitors, affecting the quality of services provided. The Comprehensive Health Insurance Law (*Law No. 2 of 2018*) aimed to address these challenges, and represents a major legislative reform of the system. The basic rationale governing this legislative reform is based on principles such as inclusion. In addition to coverage for all citizens, the family is considered the unit of coverage, not the individual as in the past. Inclusion also means that all health services are covered. The sec-

ond key principle of the new comprehensive health insurance system is to ensure good governance, as the system is based on the separation of funding from service provision.<sup>14</sup>

The Report outlines the extent to which overpopulation has emerged as one of the most important issues putting pressure on the development of social policies, especially social protection and social and health insurance. As a result, the strategy formulated by the National Project for Family Development 2021-2023 aims to limit population growth and improve demographic characteristics by reducing the fertility rate from the current 3.4 children per woman (per 2017 census data) to 2.4 children by 2030 and 1.9 children by 2052.<sup>15</sup>

In order to develop the social protection system, Egypt is adopting policies to deal with the challenges revealed by the Report's findings, including changing the focus of the social protection system from quantity to quality. It is also working to expand the *Takaful and Karama* programme, with more scrutiny directed at targeting, specifically of families in extreme poverty, who make up 4.5 percent of the population according to the 2019/2020 census. In addition, it is working to provide unified databases covering all components of the system, to strengthen institutional reform and to coordinate between non-government entities that provide social assistance and play protective roles, such as religious institutions and NGOs. It will do this through the creation of a consolidated database of aid recipients, through coordination of efforts, and through the establishment of effective mechanisms for complaints and to achieve equity, as a basis for building trust between citizens and the state, while also supporting existing mechanisms. In general, there is a need to provide financial, institutional, and human resources to ensure the effective implementation of the new laws, as they are the cornerstone of the new social and health insurance system, while also supporting moves to eliminate any indications of discrimination or disempowerment.

#### 4. COVID-19: Managing the crisis and accessing opportunities

The outbreak of COVID-19 was an unprecedented shock to economic activity worldwide. Countries, including Egypt, have shifted their focus to addressing the impacts of the pandemic, which has drained state resources and has affected the lives and livelihoods of millions of people, moving many into poverty. It should be noted, however, that the progress of the national economic and social reform program in Egypt since 2016 has greatly helped its ability to confront the crisis. Egypt issued many proactive measures to confront the negative economic repercussions of the spread of COVID-19. In addition, it responded flexibly to the developments of the situation and worked to achieve a balance between preserving human health and continuing economic activity. Initially, it allocated EGP100 billion out of the general budget, in addition to developing monetary policies to reduce the negative effects on the sectors most affected by the crisis. The stimulus packages range from regulatory measures to limit the spread of the pandemic and another set of monetary support measures for specific areas, especially health and social protection. It also ensures that support is directed to the most vulnerable groups, including irregular workers.

Despite the positive impact of these policies and measures in maintaining the achievements of the economic reform programme, the country's foreign exchange reserves nonetheless dropped from USD\$45.5 billion in February 2020 to \$37 billion in May 2020. Reserves then increased to \$38.4 billion in September 2020, and further increased to \$40.5 billion in June 2021. The target growth rate during the fiscal year 2019/2020 was also reduced from 6 percent to an achieved growth of 3.6 percent, and tourism sector revenues witnessed a sharp decline estimated at 84 percent in the period from April to June 2020, compared to the corresponding period of 2019. However, some economic sectors have managed

to adapt to the challenges and opportunities presented by the pandemic, including the ICT sector, agriculture, the pharmaceutical and chemical industries, and construction.

In regard to the health sector, Egypt adopted a phased plan to deal with the pandemic, and strengthened the Ministry of Health and Population's investment plan for 2019/2020 with additional appropriations amounting to EGP 350 million in order to increase the capacity of hospitals to deal with COVID-19.<sup>16</sup> The education sector demonstrated an acceptable level of preparedness when tackling the crisis, especially with regard to the use of distance learning in schools and higher education institutions. On social protection, Egypt added 100,000 new families affected by the pandemic to the *Takaful and Karama* social safety net programme. It also decided to raise the programme's cash transfer budget from EGP 18.5 billion to EGP 19.3 billion.<sup>17</sup>

Egypt is a leading country in term of its rapid response to the situation of women during the COVID-19 pandemic. Egypt developed around 165 policies, resolutions and measures through January 2021 that observe women's needs during COVID-19. These measures and policies take into account different groups of women, such as women with disabilities, elderly women, and pregnant women. Egypt is also considered one of the first countries in the world to issue a mechanism to monitor the policies and measures taken in response to the women's needs during COVID-19 outbreak, through the National Council for Women.<sup>18</sup> Due to the focus on developing policies and measures directed at women, UN Women and UNDP praised the measures implemented by the Egyptian State in a report that monitored the global gender response. The report showed that Egypt ranked first among North African and Western Asian countries in terms of measures and procedures taken in three areas, including economic protection for women, unpaid care, and combating violence against women.<sup>19</sup>



As a result of the efforts of the State, with all its governmental and legislative institutions, as well as the private sector and civil society, international institutions have forecast an easier recovery for the Egyptian economy than the countries of the region and praised the measures taken by Egypt. Both the World Bank and the International Monetary Fund pointed out that Egypt is the only country in the region that has succeeded in achieving positive growth rates despite the crisis.

Despite the negative effects of the crisis resulting from the pandemic, there are also opportunities available, perhaps the most important of which is the opportunity to benefit from the decline in trade growth rates and protectionist restrictions by strengthening local manufacturing and better integrating into international value and supply chains, especially in the fields of food and pharmaceutical industries, to meet the increasing demand. In addition, it is a challenge to make use of automation and digitization in the ease and speed of access to vulnerable groups. This challenge has been overcome, which is an added value to the institutional capabilities of the social protection system. These capacities must be further supported by creating accurate information and databases on vulnerable groups that are exposed to poverty, and also by building the capacity of employees and those in charge of targeting in order for the system to become even more accurate. Furthermore, the registration of casual workers in the Ministry of Manpower's database should be optimally used to identify the true size of this sector, the most vulnerable groups, the reasons for their vulnerability and the nature of the work they carry out.

## **5. Renaissance of Egyptian women: Leading roles and societal contributions**

As part of the right to development, Egypt has made efforts in recent years to promote the integration of women and the mainstreaming of women's issues into various policies, and to enhance their political, economic and social

role. These efforts have seen positive results despite major difficulties and challenges. The country's 2014 Constitution and subsequent constitutional amendments in 2019 devote significant attention to the issue of gender equality and the promotion of women's rights. Since 2014, many laws and legal decisions related to women have been issued, including *Law No. 78 of 2016* which amends some of the provisions of the Penal Code (*Law No. 58 of 1937*) relating to female genital mutilation (FGM) to allow for more severe sentences. In addition, *Law No. 6 of 2020* amends other provisions of the Penal Code to strengthen penalties for those evading alimony payments, as well as criminalizing bullying in its forms. Furthermore, several important new laws include provisions that ensure gender equality in opportunities and rights, including the Investment Law (*Law No. 72 of 2017*); the Comprehensive Health Insurance Law (*Law No. 2 of 2018*); the Law on the Rights of Persons with Disabilities (*Law No. 10 of 2018*); and the Inheritance Law (*Law No. 219 of 2017*), which amended *Law No. 77 of 1943*.

In 2017, which was designated the Year of Egyptian Women, Egypt adopted the National Strategy for the Empowerment of Egyptian Women 2030, which highlights the role of women as key actors in achieving sustainable development. The strategy includes four main themes: political empowerment and decision-making positions, economic empowerment, social empowerment, and protection. All four pillars are considered to intersect with cultural promotion and awareness raising.

With regard to political empowerment, the 2014 Constitution recognizes women's rights and emphasizes their importance and central role in society, explicitly stipulating equality between men and women in civil, political, economic and social rights. The Constitution guarantees women the right to hold public office and senior management positions and to be appointed to judicial authorities and bodies. It also guarantees women adequate representation in parliament. It requires that women oc-

cupy a quarter of the seats on local councils and at least a quarter of the seats in the lower chamber of parliament (the House of Representatives), and no less than 10 percent of the total seats in the upper chamber (the Senate). As result of these changes, Egypt's ranking on the political empowerment index of the 2021 Global Gender Gap Index was 78th out of 156 countries, the highest ranking the country has achieved in the past 10 years.

It should be noted that there are ongoing efforts to support women assume leadership positions. In the case of judicial bodies, Egypt has developed a number of mechanisms, including criteria for selecting candidates for judicial positions that avoid discrimination against women and prioritize competence, with women starting to be appointed in all institutions and at all judicial levels. This was clearly reflected in the directives of the president to the Ministry of Justice regarding the appointment of women to the State Council and the Public Prosecution, adopted by the Supreme Judicial Council in May 2021, in line with the constitutional provisions that guarantee equality between citizens.

In terms of economic empowerment, there has been a clear improvement in unemployment rates among women, but they are still high compared to those among men, and women's overall participation rate in the workforce is still low. As the Report shows, Egypt is making efforts to promote women's economic empowerment through the provision of microfinance. The end of the first quarter of 2019 saw growth in the value of microfinance balances of institutions affiliated with the Financial Regulatory Authority, as well as with the number of beneficiaries, compared to the end of the first quarter of 2018. Women also hold a larger share of microfinance loans than men. Furthermore, many efforts have been made to enhance the financial inclusion of women, including the signing of a memorandum of understanding (MoU) between the Central Bank of Egypt and the National Council for Women on enhancing financial inclusion by raising

saving rates; encouraging women's entrepreneurship by boosting their access to financial services, especially banking services; and increasing financial awareness by spreading financial know-how among female school and university students.<sup>20</sup> Despite the remarkable improvement in some financial inclusion indicators on the Global Financial Inclusion Index, the percentage of both men and women with access to financial services is still low. Moreover, there is a clear gap between the genders in these indexes.

With regard to the social empowerment of women, Egypt has paid particular attention to reproductive health. This issue affects economic and social development, as women who enjoy good reproductive health are more inclined to invest in health and education for themselves and their children. In light of this, Egypt's National Population Council issued the National Reproductive Health Strategy 2015-2020, which includes three main themes: supporting and strengthening the health system, raising community awareness, and developing and supporting reproductive and sexual health programmes for adolescents and young people.<sup>21</sup> Egypt's maternal mortality rate has decreased significantly in the last 10 years: declining from 54 in 2010 to 52 in 2014 and then to 44 in 2018, per 100 thousand live births. According to the Global Gender Gap Report 2021, Egypt ranks fourth out of 19 countries in the Middle East and North Africa group, with a score of 0.639. This marks Egypt's highest rank on the list in the past 10 years.

Egypt is working to provide a set of programmes related to the protection of Egyptian women. The National Council for Women issued the National Strategy for Combating Violence against Women 2015-2020 which included four main themes: prevention, protection, legal prosecution, and interventions. It aims to raise awareness about all forms of violence against women, the laws that support women in this regard, and the necessary measures to protect women. In 2020, a draft law was approved on the confidentiality of

the data of victims of sexual harassment and assault, signalling Egypt's commitment to protecting women by providing an enabling environment for them to report abuse without fear of the social repercussions.

Egypt has also issued the National FGM Abandonment Strategy 2016-2020, which aims to reduce rates of FGM, enforce and strengthen legislation criminalizing FGM, educate the community about its harms, and increase punishments for doctors who carry it out. The Penal Code was amended by *Law No. 78 of 2016* to include more penalties for carrying out FGM, and the crime was changed from a misdemeanour to a felony. Penalties now range from five to seven years in prison for those who practice FGM, with sentences of up to 15 years if the procedure results in permanent disability or death. The amendment also stipulates that a person seeking to have the FGM procedure be performed on another can be punished with a prison term. In addition, *Law No. 10 of 2021* amended some other provisions of the Penal Code related to FGM, aiming to prevent offenders from using any manipulation or legal loopholes to escape punishment. Any reference to medical justifications for FGM were eliminated and separate punishments were introduced for doctors and nurses.

Providing legal support to women is one of the priorities of the National Council for Women. The Council established the Women's Complaints Office and created branches in all governorates, to represent the link between the Council and women who are subjected to any kind of practices that constitute discrimination or violence against them or a violation of their rights guaranteed by the Constitution and by law, or violation of the principle of equality and equal opportunities, whether in the public domain, at work, or in the family environment.

The Report also looks at several upcoming policies that will enable Egypt to deal with the challenges facing women's empowerment. These measures include building human capacities and strengthening the approach to gender-based planning to make it more ac-

cessible to women and to enhance the process of their empowerment; ensuring gender issues are taken into consideration when conducting any statistical surveys; strengthening monitoring and evaluation systems that identify progress and the challenges facing the implementation of policies and development programmes related to women; ensuring the correct and strict implementation of laws; and continuing the existing approach of amending laws related to women's rights. Interventions related to women's political participation will also continue to be adopted as part of this approach because of their significant impact on economic and social empowerment. Egypt will also work to raise awareness and overcome misconceptions about women's issues, in cooperation with civil society organizations, the private sector, women's organizations and the media, with the aim of overcoming harmful cultural norms.

The Report details the many laws and legal decrees that were issued during the first half of 2021 that support the rights of Egyptian women and girls, perhaps the most important of which is *Law No. 10 of 2021* which amends some provisions of the Penal Code related to the crime of FGM (as mentioned above), and the ministerial decrees issued by the Minister of Manpower (*No. 43 and 44 of 2021*) that annul previous decrees that discriminated against women. These decrees lift the ban on women's employment in several industries, professions and businesses, and explicitly reiterate women's right to work at night should they wish to do so.

## **6. Managing the environmental protection ecosystem in Egypt: Towards achieving a sustainable environment and addressing climate change risks**

The Sustainable Development Strategy: Egypt Vision 2030 recognizes the environmental dimension of sustainable development. The strategy aims to integrate environmental aspects into the various economic sectors, to

achieve effective management of natural resources, preserve natural assets in Egypt, and ensure the rights of future generations to development. This would support economic competitiveness, create job opportunities, end poverty and achieve social justice. The 2014 Constitution stipulates, in Articles 45 and 46, certain provisions for the protection and preservation of the environment, and lays out obligations to protect the environment as a pillar of sustainable development.

Egypt ranks 94th out of 180 countries on the 2020 Environmental Performance Index rankings, with a total of 43.3 points out of 100.<sup>22</sup> The Report shows that the improvement of the Egyptian position was the result of the improvement in scores on air quality, freshwater and sewage management, in addition to the reduction of greenhouse gas emissions as a result of the reform of power policies, expansion in the use of renewable energy and improvements in energy efficiency. Despite the adopted reforms, problems related to air, water and soil pollution negatively affect the local and national environment. As a result of the large population and economic growth, and the production of large quantities of waste, Egypt faces a number of environmental problems caused by air, water and soil pollution that put great pressure on its limited natural resources. Due to the limited economic opportunities and the poor infrastructure in some areas, Egypt is experiencing increasing rates of migration from rural to urban areas, adding more pressure on these already overstretched urban environments.

Air pollution is a difficult challenge in Egypt and has a significant negative impact on public health. Suspended particulate matter, especially PM2.5, has negative health effects. Among the national initiatives of priority in this regard is the establishment of a national system for monitoring, reporting and verification, in addition to developing several programmes that address climate change as part of the Sustainable Development Strategy: Egypt Vision 2030.

The Report outlines Egypt's dependence on the Nile River for its fresh water resources, as it receives around 97 percent of its potable water from this source. As a result, Egypt's water security can be affected by any issues in upstream countries, as well as by the potential impacts of climate change. It is also expected that the average per capita share of all possible fresh water resources in Egypt will decrease in the coming years, and it will enter the water poverty cycle due to limited water resources and its growing population.<sup>23</sup> Egypt plans to implement various projects to ensure efficient use of water resources, increase the availability of fresh water resources, and improve water quality.

Solid waste management is a critical environmental issue in Egypt. The increasing amount of waste produced is due to population growth, changes in consumption patterns, changes in waste characteristics, the low level of technology used for waste disposal, and a shortage in sustainable financing. These issues represent a major set of challenges for Egypt.

With regards to climate change, Egypt has taken several steps towards climate change adaptation, and various institutions have developed a number of adaptation strategies. The Cabinet issued the National Strategy for Adaptation to Climate Change and Disaster Risk Reduction in 2011,<sup>24</sup> while the Ministry of Water Resources and Irrigation developed a climate change strategy in 2013 focused on adaptations in regard to water resources.<sup>25</sup> In addition, the Environmental Affairs Agency issued the National Strategy for Mainstreaming Gender in Climate Change in Egypt.<sup>26</sup> Although these plans and adaptation policies are fit for purpose, the implementation of these policies and plans is still in the early stages.

Renewable energy is one of the climate-friendly sustainable energy options that have been recently expanded in Egypt, given its strong potential to develop renewable energy sources. Egypt's sustainable energy strategy aims to achieve the goal of producing 42 percent of in-

stalled electric capacity using renewable energy sources by 2035. Currently, Egypt's renewable installed capacity is about 5.8 gigawatts. In order to develop the renewable energy market, Egypt has made significant improvements to its renewable energy policy framework, which has attracted more private investment. Egypt has also adopted a set of enabling policies, including the feed-in tariff for renewable energy supplies, a net consumption measurement policy, and competitive bidding and tender procedures.

Egypt is taking steps to improve the quality of the environment in order to both protect the health of millions of its residents and to improve the quality of their lives. However, there are many upcoming policies that the government is seeking to implement, as the Report showed, which aim at addressing the root causes of environmental challenges. For example, changing consumption habits requires significant efforts around education and public awareness. In order to change unsustainable patterns of consumption and production, the Egyptian economy must go through a transitional phase towards building a circular economic model, in which waste incineration and disposal in landfills is at a minimum level and recycling and reuse processes are expanded. Government spending can also become an effective tool in stimulating sustainable consumption and production patterns in Egypt, by directing government spending and government purchasing towards green services and products. In 2020, Egypt issued the country's first green bonds, at a value of \$750 million, to finance or refinance green projects in sectors such as transportation, renewable energy and energy efficiency, and this move towards green bonds must be strengthened. In addition, the promotion of a clearer understanding of the interdependence between water, energy, food and climate policy in Egypt would create an informed framework that allows trade-offs and synergies to be identified that meet the demand for those resources, without compromising sustainability.

## **7. Governance: Towards an effective ecosystem for managing the affairs of the State and society**

In recent years, Egypt has taken steps to strengthen governance through developing clear policies and programmes in various fields and on a number of issues, as the Report outlines. In terms of political rights, the 2014 Constitution aimed to support the values of democracy and freedom, guaranteeing the freedom to form political parties.

It is worth noting that the wave of terrorism and extremism witnessed by Egypt in the first half of the decade has played a major role in escalating the challenges it faces around development. This has resulted in significant economic losses such as increasing poverty and unemployment rates, a decrease in foreign currency reserves, and a decline in foreign investment. However, Egypt has largely succeeded in reducing terrorist operations through two main approaches. In terms of its

security approach, it has cut supplies to terrorist groups and has gone after such groups. The second approach is to establish developmental projects in areas which are most vulnerable to hosting terrorist groups. It has also launched initiatives and awareness campaigns to protect society against terrorism and extremist ideology.

Egypt has also sought to address the international community, especially the European Commission and the broader European Union, regarding its comprehensive vision of human rights issues. This expanded vision includes economic and social rights as well as political rights, and Egypt seeks to relate with international visions in this regard, in a way that does not undermine its sovereignty and national security.

In addition, *Law No. 149 of 2019* and its associated executive regulations was issued to regulate the work of NGOs. It reflects the importance of civil society as an essential partner in the development process and includes pro-



visions that enhance the role of the sector and empower it to achieve its goals. In addition, the National Human Rights Strategy 2021-2030 was drafted.

The Report highlights the legislative and institutional reforms to the electoral process implemented in the past 10 years in order to enhance its integrity and transparency. In this period, the National Elections Authority was established as an independent body that manages the presidential, parliamentary, and local electoral processes. In addition, regulations around campaign financing were put in place and judicial oversight of the electoral process was enhanced.

With regards to administrative reform, an integrated vision on administrative reform was launched in 2014 with the aim of developing an efficient and effective administrative apparatus characterized by governance, subject to accountability, and strongly contributing to achieving the development goals of the State and to raising the level of citizens' satisfaction. To implement this vision, Egypt has taken a number of measures, including issuing the Civil Service Law (*Law No. 81 of 2016*) and its executive regulations, representing a major turning point for Egypt's public administration system. Other measures include legislative reforms, institutional development, capacity development, automation of government services and developing databases.

In 2017, Egypt announced measures to transition to performance and programme-based budgeting, control state expenditures and to link financial allocations for programmes to performance indicators for evaluation, with the aim of contributing to the effectiveness and efficiency of development programmes. Both the Ministry of Finance and the Egyptian Tax Authority are working on improving the tax system, including via automation to combat tax evasion, increase collection rates, and integrating the informal sector into the formal economy. In addition, in recent years there has been significant development in the Ministry of Finance's financial reporting systems. Reports

are now more detailed in terms of information and analysis, allowing for greater transparency regarding the state's economic and fiscal situation. Draft and final state budgets are now published as well, along with other relevant budget documents.

In terms of administrative monitoring and evaluation, Egypt has established a national system to monitor and evaluate governmental performance, with objectives including monitoring, and evaluation of the performance of all state agencies to address deficiencies via urgent intervention measures. This system is linked to the state's general budget in order to ensure the efficient allocation of resources.<sup>27</sup> Egypt has also established an integrated system to prepare and monitor its investment plan, within the framework of efforts to develop the planning process and enhance administrative accountability, transparency and effectiveness.<sup>28</sup>

Egypt has taken steps to combat corruption, in line with the provisions of Article 218 of the Constitution, which obligate the State to combat corruption and uphold the values of integrity and transparency. Egypt has also prepared a second version of the National Anti-Corruption Strategy 2019-2022. Furthermore, it has also worked in recent years on enhancing transparency and participation and followed a general approach of improving communication processes with citizens and keeping them informed through different mechanisms, especially social media.

Digital transformation has topped Egypt's priorities due to its importance in enhancing governance in terms of improving effectiveness and spending efficiency, reducing corruption, enhancing responsiveness, and improving accountability. In 2019, Egypt launched the government e-payment system, which aims to boost the performance of public finances through good and effective management of cash flows, and to increase the efficiency of the implementation and performance of the State's general budget.

With regard to the localization of the Sustainable Development Goals, the 2014 Constitution sought to empower local administration. It ensured support for administrative, financial and economic decentralization in pursuit of social justice. Two draft laws on the general planning of state and local administration were subsequently developed, in line with the constitutional provisions related to decentralization.

Egypt's policies in the upcoming period aim to improve performance on international and regional indicators in terms of governance and anti-corruption by promoting digital transformation. This move towards digitalization has been proven to be of great importance during the COVID-19 pandemic, justifying the focus and investment on this issue recent years. Egypt views the issue of digital transformation as part of a larger framework of digital inclusion, which includes issues of digital transformation and cybersecurity, and issues related to enhancing the digital capabilities of all members of society, to ensure the right of

individuals to development in its modern aspects, while coping with the current requirements. Egypt is also seeking to empower local administration by accelerating the issuance of the aforementioned related laws. In addition, it will increase investments directed to the governorates according to financing formulae that take into account the development disparities between the different governorates, as well as supporting local capacity building and preparations for holding local elections. Egypt aims to continue strengthening government communication and to adopt a more transparent and detailed approach to the circulation and dissemination of information. It also seeks to provide feedback mechanisms that will allow citizens to express their opinions and state bodies to respond to them. This is in addition to cooperation and coordination between state authorities, the private sector, civil society, and citizens, as all have a role to play in, and a responsibility for, the process of strengthening governance.

## Conceptual framework and methodology

### Conceptual framework

Development is a human right which implies the need to observe many principles, including participation, peace, equality, and rule of law. According to Article 8 of the Declaration on the Right to Development, adopted by the United Nations General Assembly in 1986, states “should undertake, at the national level, all necessary measures for the realization of the right to development and shall ensure, inter alia, equality of opportunity for all in their access to basic resources, education, health services, food, housing, employment and the fair distribution of income. Effective measures should be undertaken to ensure that women have an active role in the development process.”<sup>1</sup>

Since then, international discussions around the concept of human development have focused on the idea that “people are the real wealth of a nation,” as stated in the United Nations Development Programme’s (UNDP) first Human Development Report, issued in 1990. The report emphasized that economic growth in itself is a means of development but not its primary goal. Human development is the process of expanding the range of people’s choices, and these choices may change over time, but include three main elements: a healthy life, access to knowledge, and access to the resources necessary to live at a decent standard. If these three choices are not available, people will be unable to access opportunities.<sup>2</sup> If more people gain abilities and skills and enjoy the opportunities to use those capacities, the scope of their choices will be expanded. Accordingly, it can be said that human development reflects the balance between capabilities and opportunities.<sup>3</sup>

Sustainable development “meets the needs of the present without compromising the ability of future generations to meet their own

needs.”<sup>4</sup> It is a comprehensive approach that looks at the economic, social and environmental dimensions of development. Based on this concept, the 2030 Agenda for Sustainable Development, made up of 17 Sustainable Development Goals (SDGs), was adopted by the United Nations General Assembly in 2015.

The SDGs are considered the destination of development efforts, and strengthening levels of human development helps to reach that destination.<sup>5</sup> There are common links between human development and the SDGs; both focus on pivotal issues such as reducing poverty, reducing inequality, and ensuring gender equality, among others.<sup>6</sup> But while human development is part of the process of achieving the SDGs, it is a broader overall goal that goes beyond the target of 2030.

A number of elements help foster development, such as economic and social reforms that create inclusive growth, reduce poverty and enhance well-being. Other elements include investment in human capital, the promotion of environmental sustainability, the empowerment of women, and the strengthening of governance. Many research studies that have looked at the correlation between economic growth and human development affirm that the relationship between the two is reciprocal: while economic growth provides the resources needed to improve human development, improving conditions related to human development can have a positive impact on economic growth as well.<sup>7</sup> Economic reforms, especially in the field of infrastructure, also have a relationship with economic growth. Accordingly, if countries pay more attention to economic reforms and investment in infrastructure, their human development indicators will be improved.<sup>8</sup> In Egypt, the recent economic reform programme and related investments in infrastructure and in major state projects have led to positive results reflected in economic growth and unemployment figures, which are expected, in turn, to positively impact human development indicators.

There has been considerable research into the impact of social spending on human development. These studies all conclude that increasing this type of spending has positive impacts on the levels of human development.<sup>9</sup> In particular, public spending on policies targeted at the poor positively affects well-being.<sup>10</sup> These studies look at the impact of social protection programmes, including social safety nets, on reducing poverty and promoting economic growth by providing services to the poorest groups. As a result, these programmes are considered a stimulus for inclusive growth.<sup>11</sup> Decision makers in Egypt have realized the importance of social protection programmes and social safety nets and have implemented a number of major policy transformations that have had led to qualitative transformations in social protection programming. These programmes have been transformed from relief functions to preventive and promotive functions, with the aim of empowering the poorest people in society.

Several studies have emphasized the importance of human capital as one of the main factors in promoting economic development and growth in both the short and long term.<sup>12</sup> These studies have demonstrated that increased spending on health and education contributes to promoting human development,<sup>13</sup> and that the increased spending has positive impacts on health care, child mortality rates, illiteracy rates and school enrolment.<sup>14</sup> Given the importance of health as one of the basic elements of human development, including aspects of expenditure and life expectancy at birth, many studies have looked at the relationship between spending on health and economic growth. These studies have proved that increased spending on health positively affects high rates of economic growth<sup>15</sup> and therefore positively impacts human development. The same applies to education: studies have shown that the increased spending on education contributes to increasing economic growth rates<sup>16</sup> and thus improving human development levels. The 2014 Constitution of Egypt affirmed the importance of spending on education and

health and mandated increased spending in these areas. Egypt has followed this approach in recent years due to confidence that increasing public spending on these services will enhance the levels of human development in the country. Studies have also indicated a positive correlation between housing and economic and social growth. Providing housing at reasonable prices enhances economic growth,<sup>17</sup> and investing in social housing can have a significant impact on the health and well-being of beneficiaries. Furthermore, providing housing for low-income people or those who are unable to obtain adequate housing also supports equality and contributes to reducing poverty rates.<sup>18</sup> Egypt has adopted this approach in recent years, making efforts to support adequate housing, eliminate unsafe settlements, and boost the amount of social housing available to low- and middle-income earners.

Human development is also affected by environmental factors; for example, air pollution affects people's health, especially that of children, and may increase mortality rates. Inadequate sanitation services and lack of hygiene also affect people's health. Furthermore, natural disasters and the resulting damage are one of the main factors that affect people's lives,<sup>19</sup> capabilities and opportunities. The poorest are usually the most vulnerable to water and air pollution, as well as to natural disasters, which reduces resources and increases poverty rates.<sup>20</sup> Given the importance of environmental issues in achieving human development, human development reports since 2011 have singled out indicators on environmental sustainability, such as primary energy supplies and carbon dioxide emissions, using differing environmental indicators over the years. In 2013, environmental sustainability indicators included greenhouse gas emissions, natural resources, and the number of deaths as a result of natural disasters.<sup>21</sup> This focus on environmental issues in the reports has likely prompted a number of researchers to work to include environmental indicators, through quantitative studies, within human development indicators, in order to achieve a balanced understanding

of human development.<sup>22</sup> Egypt pays great attention to issues related to climate change and in recent years has focused on investing in renewable energy, which contributes to reducing emissions and on providing a range of climate-friendly opportunities to mitigate climate risks while achieving sustainable economic development.

Gender equality is an important component of human development as an expanding gap between men and women will have a negative impact on human development levels.<sup>23</sup> Social customs and norms can also affect men and women's equality in access to resources and services. By contrast, equality between the genders positively impacts many fields such as education, health, social protection and work;<sup>24</sup> many studies have concluded that there is a positive correlation between women's empowerment and economic growth.<sup>25</sup> Policies that support women's empowerment in education, health and work increase economic growth rates, and thus boost levels of human development.<sup>26</sup> Egypt has worked to promote the political, economic and social empowerment of, and protection of, women. These efforts have been positively reflected in the unemployment rates among women and in women's participation in political life. Measures to protect women have also been strengthened.

Governance also has an impact on human development by impacting the effectiveness of services related to development. Studies have proven that institutional capacities are a key determinant of outcomes related to health systems, to improving school enrolment rates, and to promoting economic growth.<sup>27</sup> Many studies have demonstrated the close relationship between the principles of governance and human development, with government effectiveness, rule of law, regulatory quality, transparency, and anti-corruption measures all contributing to human development. Countries with high levels of good governance also

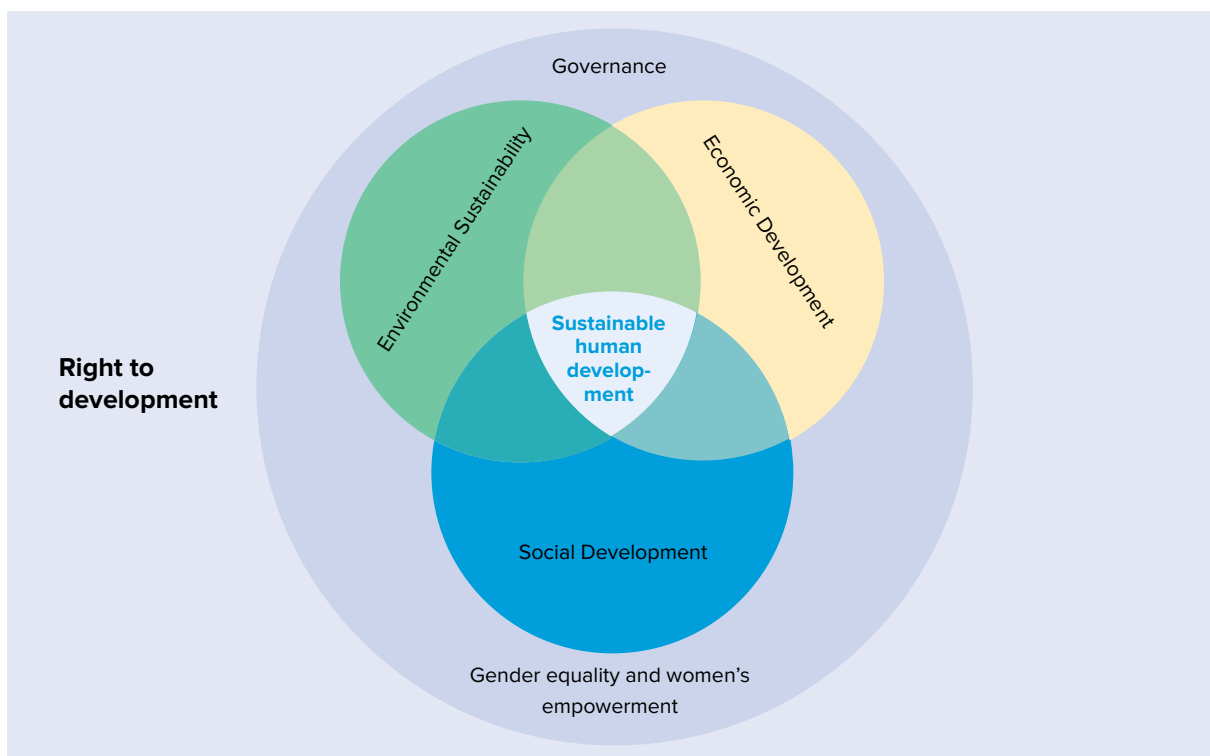
typically enjoy high rates of human development,<sup>28</sup> for example in developed countries such as Austria, Belgium, Denmark, and Germany, which have high scores on governance indicators.<sup>29</sup> Governance-related indicators have witnessed a noticeable improvement in Egypt in recent years as the result of reforms in a number of areas. Especially significant have been efforts at administrative reform and combating corruption, in addition to the political reforms guaranteed by the 2014 Constitution. These reforms are expected to have a positive impact on human development.

The Egypt Human Development Report 2021 is based on the ideas outlined above, the right to development and a country's people as its real wealth, and centres human beings in the process of change and development. The Report identifies a set of approaches to achieving these two principles and thus improving levels of human development in Egypt. These approaches include investing in human capital, promoting economic and social reform, enhancing environmental sustainability, empowering women, and strengthening governance. The Report considers both the latter two issues, empowering women and strengthening governance, to intersect with all the other approaches. For example, economic and social reforms require parallel policies to empower women both economically and socially. It also requires strong and supportive institutions that are able to implement reforms and policies effectively and efficiently. The Report also assesses that these stimuli will not only boost human development but ultimately function as building blocks on the path to achieving sustainable development. The aim is not only to achieve the 2030 Agenda and the SDGs, but to foster long-term sustainable development beyond 2030.

The following figure illustrates the conceptual framework on which the Egypt Human Development Report 2021 is based.



## Catalysts of the right to development



The Report scrutinizes the steps taken by Egypt over the past decade and analyses these measures in light of human development drivers, from the perspective of the right to development. The Report discusses the future path for the reforms undertaken in terms of the plans and strategies prepared, and in light of the evolution of development thought at the global level and the relevant successful international experiences and expertise. Its methodology is based on an analysis of indicators and data, and it raises issues that reflect the intersection and interactions between the different variables, and their cross-cutting impacts. It also reflects the intersection between the three dimensions of sustainable development: economic, social and environmental. The analysis also depends on developing coherent and comprehensive frameworks for the policies and actions taken by Egypt during the previous years in contexts commensurate with international development thought, reflected in the reports of various United Nations funds, programmes and specialized agencies, and the sustainable development agenda. The

analysis also gives considerable weight to the impacts of the COVID-19 pandemic on the issues discussed in the Report.

## Methodology and reporting

The Egypt Human Development Report 2021 is based on an analytical methodology that relies on a variety of primary and secondary sources. The experts who drafted the Report conducted a number of interviews with groups of specialists and decision makers to deepen their understanding of a range of different issues and policies and to verify data and information. The Report used data from local, regional and international sources, and looked at the results of indicators related to the SDGs and to national sustainable development goals. The most important databases for analysing the demographic situation and economic performance at the macro, sectoral and geographical levels include Egypt's economic census of 2017/2018; the Household Income, Expenditure and Consumption surveys of 2015, 2017 and 2019; and the Population, Housing, and

Establishments Census of 2017. Other databases used include the general state budget and final accounts, and national accounts data over the past 10 years. The Report also relies on the Central Bank of Egypt's database on monetary and foreign trade indicators.

In addition, the Report relied on a set of reports on human development, both international and national, which helped generate fruitful comparisons between Egypt and other countries, enriching the Report's conceptual framework. A range of other sources were also used in the drafting process, including the 2014 Constitution, various laws and regulations, national and international reports, the national sustainable development strategy (Egypt's Vision 2030), the National Strategy for the Empowerment of Egyptian Women 2030, the Administrative Reform Vision, the National Anti-Corruption Strategy, and Voluntary National Reviews, in addition to the various statistics and data contained in the self-assessment report within the framework of the African Peer Review Mechanism. Also used were reports and statements issued by the National Council for Women and the Egyptian Women's Observatory on Egyptians' perceptions of women's economic participation and women's rights, reducing the gender gap in education and employment, and the empowerment of women in the ICT sector.

The Report comprises six chapters that monitor and assess a number of different development topics over the past ten years: investment in human capital, economic development, social protection, women's empowerment, environmental enhancement, and governance. The Report aims to ensure overall consistency as well as to explore the intersections between the different topics, both conceptually and in terms of data.

The analysis also gives considerable weight to the COVID-19 pandemic's ramifications for these development issues, while maintaining the core aim of the Report: to monitor and analyse Egypt's development path over recent years and to provide a general framework for future directions and policies.

The Report also presents a set of comparisons between Egypt and other countries that the authors believe could be beneficial. The countries compared are drawn from the 10 that precede Egypt on the Human Development Index in the 2019 and 2020 rankings; other Middle Eastern and North African (MENA) countries that, like Egypt, do not export oil; and other countries classified by the World Bank as middle-income.

The Report includes a set of frameworks that demonstrate successful experiences in the context of development in Egypt, aiming to shed light on them. These include the Egyptian Women's Health Support Initiative, the changes in health insurance system governance, the measures taken to deal with the COVID-19 pandemic, and the National Anti-Corruption Academy.

The process of preparing the Report involved cooperation with a number of Egyptian government agencies in order to provide the necessary information, documents and data.

The preparation of the Report was led by the Ministry of Planning and Economic Development, and the Report has been comprehensively reviewed by a number of experts and specialists in the topics it discusses, including former ministers; research institutes; academics; experts in economics, political science and social policies; and representatives of civil society.