Chapter 2

The e-government context in Egypt

A new orientation of e-government in Egypt has been growing, driven by demands from citizens and civil society. This is renewing the context for e-government development and implementation in Egypt.

This chapter presents the current developments regarding the institutional structure of Egypt and contextualises the history of e-government. It sets out the main drivers for e-government in Egypt, including a new key driver that has emerged through citizens' demands. Finally, it outlines main components of both past and current approaches and strategies for e-government in Egypt, identifying the overall direction of the current initiatives.

The political and institutional context in Egypt has significantly changed since early 2011. Both the organisation and *modus operandi* of the Egyptian public sector are currently being renewed and the functioning of the government administration is undergoing profound structural changes. A new orientation in e-government has been developing, driven by demands from citizens and civil society. This is renewing the context for e-government development and implementation in Egypt. This chapter will outline key features of the e-government context and analyse the main components of both past and current approaches and strategies for e-government in Egypt.

The institutional structure in Egypt

Egypt is a two-chamber republic based on a Constitution dating back to 1971. Following the 25 January revolution, the Constitution was suspended by the Supreme Council of the Armed Forces (SCAF) on 13 February 2011. A referendum on constitutional amendments was proposed by the Council and approved by the population on 19 March 2011.[1] Hence, in the aftermath of the 25 January revolution, the SCAF was exercising presidential responsibilities, leading the first part of the transition process, including the organisation of the parliamentary and presidential elections.

The legislative branch is structured around the Majlis al Shaab (People's Assembly, or lower house), with 498 elected and 10 appointed members; and the Shura Council (the upper house, Egypt's consultative council) with 270 members (180 elected and 90 appointed). Elections for the People's Assembly were held on 28 November 2011 and concluded on 10 January 2012 in what local and international media dubbed as Egypt's longest and freest parliamentary elections to date. Subsequently, elections for the upper house were concluded on 22 February 2012. The electoral system for these elections was based on a proportional representation for two-thirds of the lower house of Parliament, and a first-past-the-post-system for the remaining third. The Muslim Brotherhood's Freedom and Justice Party won about 40% of the total number of seats in Parliament, followed by the Salafist Al Nour party (about 22%) and the liberal Al Wafd party (about 8%). Detailed results for the elections of the lower house of parliament were published on the official website of the High Judicial Election Committee (*www.elections2011.eg*).

The newly elected People's Assembly convened for the first time on 23 January 2012. As one of its important first tasks, two constitutional committees were established. However, on 14 June 2012 the Egyptian Constitutional Court ruled that one-third of the members of Parliament were elected unconstitutionally, and called for the lower house of Parliament to be

dissolved. Thus the People's Assembly ceased functioning, creating a legislative vacuum, currently filled only by the President. This has also affected the work of the constitutional committees, as one of the two committees established was ruled unconstitutional, leaving the future institutional structures unclear.

Presidential elections were held in two rounds, 23-24 May 2012 and the final round 16-17 June 2012. Mr. Morsi, the candidate for the Freedom and Justice Party supported by the Muslim Brotherhood, was declared the winner of the elections and was inaugurated on 30 June 2012. Mr. Qandil was appointed head of government on 24 July 2012. Executive powers are vested in the President and in the Cabinet, enshrined in a Constitution which provides for a strong presidential system.[2] The division of constitutional powers and responsibilities of the president, the government and the parliament is currently being reviewed by the functioning constitutional committee.

The current Cabinet is holding meetings on a weekly basis and subsequently announces main conclusions and decisions publicly on its website. Meetings with the Prime Minister and the governors are held on a monthly basis (Cabinet, 2012).

The current phase of transition of Egypt's political and institutional context has many implications for policy development and implementation. While decisions on a number of public administration issues, including e-government, seemed to be kept to a minimum before the outcomes of the presidential elections and the formation of a government, it now seems that the government is creating a platform for forward-looking initiatives

Along with a centralised government tradition and a strong presidential role enshrined in the current Constitution, Egypt also has several layers of local government, including state entities as well as local governments such as governorates, cities and villages. The 27 governorates report back to the central government and include directorates of central ministries. The governor of each governorate is appointed by the President and is tasked with administering, formulating and implementing development plans at the local level. Presidents for the Local People's Councils in cities, as well as mayors in villages, are appointed by the governor. The legal system in Egypt is based on a combination of particularly Napoleonic codes and the *Sharia* (Islamic law).[3]

The Egyptian public sector currently employs roughly 6 million public servants, and annual expenditures were 28.9% of GDP in 2010; furthermore, the current budget balance for 2012 envisages a deficit of 8.5% (World Bank Data, 2012; AfDB et al., 2012). Economic growth fell from 5.1% in the fiscal year 2009/2010 to an estimated 1.8% in 2010/2011 – current

projections remain at this level (1.7%) for the year ending in June 2012. As tourism and foreign direct investments were hit hard by the unrest, the Egyptian government now finds itself with constrained room to manoeuvre in addressing popular expectations (AfDB et al., 2012).

Figure 2.1. **Egypt's institutional structure**
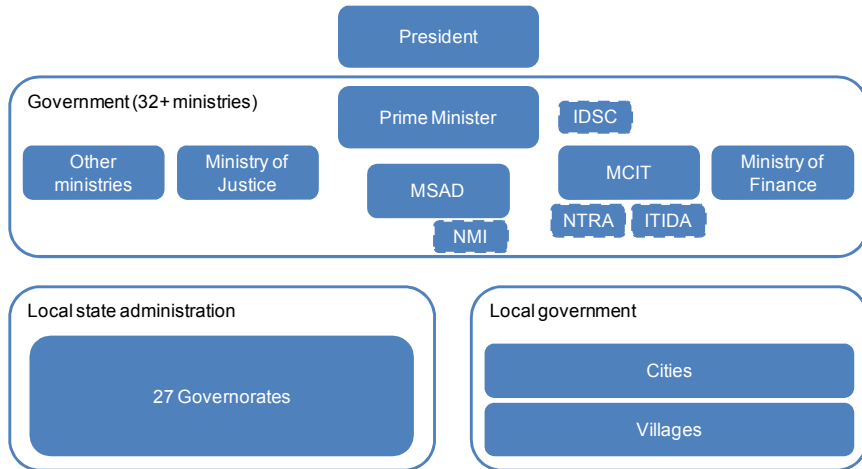
Note: The MSAD is positioned differently from the other ministries, as it is a Ministry of State. The IDSC plays an advisory role within the Prime Minister's Office. The ministries mentioned by name are not exhaustive but illustrative. Key e-government entities include the NMI, established by the MSAD and the NTRA, and the ITIDA, which falls under the competency of the MCIT. Certain competencies of the NTRA are exercised independently of the MCIT. Aside from the Cabinet of the Prime Minister, as of September 2012, 32 ministers have been appointed together with 6 ministers of state.

Source: www.cabinet.gov.eg (accessed September 2012) and www.egypt.gov.eg/english/guide/directory.aspx (accessed January 2012).

The history of e-government in Egypt

Egypt has been using ICTs in the government administration since the 1970s and 1980s (OECD, 2010). As such, e-government in Egypt has benefited from political support earlier than in a number of MENA and OECD countries. Planning, developing, and implementing e-government initiatives in Egypt is mainly the role of the central government. ICT-related issues were first placed under the Cabinet Information and Decision Support Centre (IDSC), established in 1985 as the government think tank located in the Prime Minister's Office and tasked with delivering technical advice on economic and social issues in Egypt. The IDSC played a pioneering role in

disseminating the use of ICTs within the public sector, namely at the governorate level, aimed at improving the Cabinet's decision making (Kamel, 1995). During the 1980s and 1990s, the IDSC successfully established local centres to generate data that enables delivery of evidence-based policy support on socio-economic issues at the governorate level. These Governorates Information and Decision Support Centres were established nationwide to develop and improve administrative effectiveness (Danowitz, 1995; Kamel, 1995). During the 1990s, the IDSC continued to serve as the governmental support for building e-government infrastructure (MCIT & Egyptian Information Society Initiative, 2004).

In 1999, the need to further develop the ICT sector in Egypt and build an information society to sustain social and economic development was high on the political agenda (MCIT, 2004).[4] A National Programme for the Development of Communication and Information Technology was launched with two objectives: first, to establish an information society in Egypt, and, second, to develop an export-oriented ICT industry. The government of Egypt established the Ministry of Communications and Information Technology (MCIT) in 1999 to take the lead in both of these objectives. An additional task for the MCIT included extending the use of ICTs for the delivery of public services and providing the necessary technical expertise, platforms, tools and funding for ICT-related projects in the country. The MCIT has since developed a number of strategies to support the use of ICTs in Egypt.

In 2004, important parts of the e-government portfolio were moved to the Ministry of State for Administrative Development (MSAD), emphasising the role of e-government in advancing public sector reforms (OECD, 2010a). Hence, the MSAD is assigned with the task of implementing and co-ordinating the e-government agenda in Egypt, setting national e-government policies and assisting other ministries in developing and implementing their e-government programmes and services.

Currently, the MCIT is mainly responsible for information society policies and economic growth and infrastructures, and the MSAD is responsible for public administration development and the e-government agenda. This includes the government use of ICTs and also the delivery of some online public services to citizens and business. Both ministries are supported by and collaborate with a number of government entities participating in e-government development and implementation in Egypt within the different policy areas.

Box 2.1. **Basic government ICT infrastructure and usage indicators**

- Mobile penetration: 112.8% (July 2012) (annual growth rate: 16.2%)

- Internet penetration: 37.8% (July 2012) (annual growth rate: 4.8%)

- Proportion of government organisations with a computer: 67% (2011)

- Proportion of government organisations entities connected to the Internet: 40% (2011)

- Government entities using the Internet for sending and receiving e-mails: 87% (2011)

- Proportion of government organisations using the Internet to provide e-government services: 29% (2011)

- Proportion of government organisations using the Internet to exchange data and files: 73% (2011)

- Proportion of government organisations using the Internet to send/receive orders online: 12% (2011)

- Proportion of government organisations with a website or web presence: 69% (2011)

Note: The data refer to government organisations as unitary actors, *i.e.* they do not indicate the extent of use within those organisations. Furthermore, the growth in mobile penetration also reflects a change in methodology from the MCIT.

Source: MCIT (2012), *ICT Indicators in Brief August 2012*; *www.egyptictindicators.gov.eg* (accessed April-October 2012)..

Key drivers for e-government

The development of e-government in Egypt has progressed hand in hand with Egyptian efforts to establish public sector reforms and encourage the development of the information society. These two trends constitute important existing drivers for e-government. Following the uprisings that culminated in the revolution and leading to the ongoing transition process, a third e-government driver has emerged, centred on the needs of the citizens and the civil society (Figure 2.2).

Figure 2.2. **Key drivers for e-government**
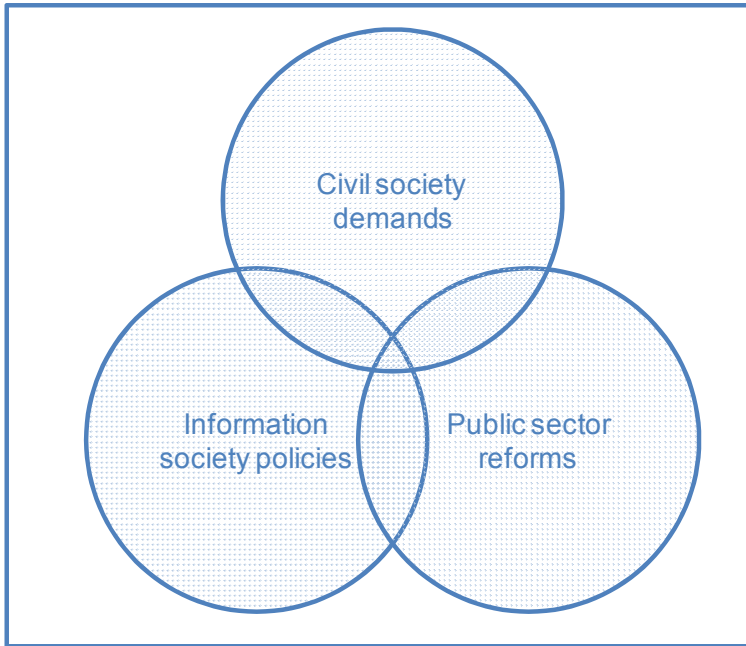
Citizens and civil society: Reinforced drivers for e-government

Reforming the government administration is a challenge for all countries; this is even more so during a period of democratic transition. Despite the difficulties such a transition imposes, many opportunities have also emerged to further drive e-government development and implementation. The recognition of the importance of the use of ICTs to communicate with citizens, and awareness of the crucial role new technologies can play for citizen engagement and for the openness of the government are key examples.[5]

The 25 January revolution placed great pressure on the government to better listen to and respond to the needs of citizens. Moreover, citizens have shown an increasing interest in civic engagement and have adopted ICT tools as an effective facilitator (MCIT, NTRA, 2011). The interactive roles played by citizens and civil society groups during the revolution through the use of ICTs and social media has thus encouraged the government to harness the power of ICTs and further promote e-government services – particularly communication through ICTs. The use of ICTs to support the elections, discussed in Chapter 8, is another example.

Policies for public sector reforms

The role of e-government in public sector reforms was reinforced in Egypt during the last decade in line with MENA and OECD countries (OECD, 2003b; 2005c; 2009a). The potentials of ICTs to support a more effective and citizen-oriented public administration have been clearly recognised by Egypt, particularly through the introduction of e-government as an explicit tool for public sector reform within the MSAD. This is most recently exemplified in the *Administrative Reform Work Plan 2010-2012* (MSAD, 2010c).

This key document defines an administrative reform agenda and also provides a framework for defining the e-government goals in Egypt. Respondents to the OECD E-Government Survey stated that the most important e-government objectives in terms of public sector improvements for the next three years will focus on quality of services, improvement of policy making and effectiveness (Table 2.1).

Table 2.1. **Top three future e-government priorities
for public sector improvements**

Objective	Average rank
Improve quality of public services	2.41
Improve decision-making processes	3.07
Improve internal effectiveness	3.11

Note: The respondents prioritised a number of objectives ranked on a scale from 1 to 6. The table demonstrates the 3 highest-ranked objectives.

Source: The OECD E-Government Survey of Egypt 2011, question 3.5.b.

ICT industry growth and information society policies

Policies for ICT industry growth and the information society have also been key drivers for the advancements in e-government through the development and deployment of the basic enabling ICT infrastructure. The first Egyptian Information Society Initiative was developed by the MCIT in 2005. It aimed at developing the ICT infrastructure and industry in Egypt to establish the country as a world-class competitor in the provision of ICT services centres and in the ICT industry, and to ensure digital access to all and support the achievement of public policy outcomes through the use of ICTs (MCIT, 2005). Important emphasis was also placed on modernising the way citizens interacted with their government and enabling the government to deliver high-quality services to the public (MCIT, 2012).[6]

Egypt has made some advancements towards an information society; achievements include:

- The liberalisation of the telecom industry (including the deregulation and privatisation of Telecom Egypt in 2005 (MCIT, 2007; Kamel, 2005)).

- The development of the ICT sector, which sustained double digit growth and is one of the fastest-growing in the Egyptian economy (MCIT, 2005).

- Increasing use of ICT for government services including deployment of PCs, use of the Internet and the development of skills and online services (the MCIT estimates that about 67% of public administration organisations in Egypt have a computer; approximately the same proportion of the government organisations have a website or other kinds of web presence (MCIT, 2011d)).

- Initiatives aimed at addressing the digital divide (including the provision of basic ICT literacy workshops and the establishment of programmes to improve citizens' access to computers and the Internet; according to the MCIT, about 35% of Egyptian households have used the Internet within the last 12 months (MCIT, 2007; MCIT, 2011d)).

The government's efforts to advance the information society in Egypt have provided a strong case for attracting foreign investments, particularly in terms of the emerging call centre market, where Egypt has demonstrated offshore business potential (see, for example, an analysis by the UK office for trade and investment, UK, 2011). ICT industry growth and information society policies have provided and continue to provide a strong impetus for the development of e-government – and the potential for further exploitation in the future.

E-government approaches

Egypt has used ICTs for several decades and has developed strategies on e-government accordingly. Where e-government priorities in Egypt initially focused on building a strong ICT infrastructure and information society, later initiatives seem more directly aimed at delivering new and improved public services and at supporting administrative reforms. This tendency seems in line with e-government development in many OECD countries, which have initially focused on the information society and on the infrastructure, and afterwards on the development and supply of e-government services (FOECD, 2005).

These two main e-government approaches reflect the different leadership of the MSAD and the MCIT within their different areas of responsibility over the last decade. While the initial strategy documents conceived by the MCIT were very comprehensive and covered e-government in broad terms, a clearer division of roles between the MCIT and the MSAD has emerged in recent years' strategic documents (MCIT, 2004; MCIT, 2007; MCIT, 2012; MSAD, 2007; MSAD, 2010).

E-government as a tool for administrative reform: The approach of the MSAD

In its *2010-2012 Administrative Reform Work plan*, the MSAD sets the framework for administrative development in Egypt, mainly through the use of ICTs (MSAD, 2010c). It is not a dedicated e-government strategy as such, but includes the government's use of ICTs, particularly the promotion of administrative reform. In the work plan, the MSAD states that Egypt aims to achieve an: "Efficient, effective, agile administrative body capable of coping with change, wisely managing public resources, providing distinguished services to citizens and continuously interacting with them" (MSAD, 2010c).

The work plan puts forward broader guidelines to reform administrative practices across government entities with MSAD playing the role of a cross-governmental modernisation function. The agenda for administrative reform in Egypt can be summed up as such:

> …The Ministry of State for Administrative Development (MSAD) has set a clear agenda for the administrative reform in Egypt since 2004. This agenda prioritises new approaches to public management as well as enables good governance principles on both the local and central levels. That includes: introducing competitiveness in the service provision system; increasing citizens' power; enhancing productivity, accuracy and performance in the administrative body while fighting corruption. The agenda also addresses issues as transparency and information openness, accountability, management practices in government, participation, building participatory development processes, insight and predictability in government using better decision making system and tools. (MSAD, 2010c)

The work plan is organised on a vision revolving around two axes: institutional development and government services development (Figure 2.3). MSAD has designed four programmes that cover a number of projects aiming to reach the objectives set out by the ministry. The work plan sets out overall objectives within the two axes, and lists a number of specific projects within the four programmes (MSAD, 2010c):

- The Government Service Development Program targets objectives on simplifying access and facilitation of delivery, increasing accuracy, promoting transparency and accountability, and reducing administrative burdens.

Figure 2.3. **The MSAD's framework for administrative reform**
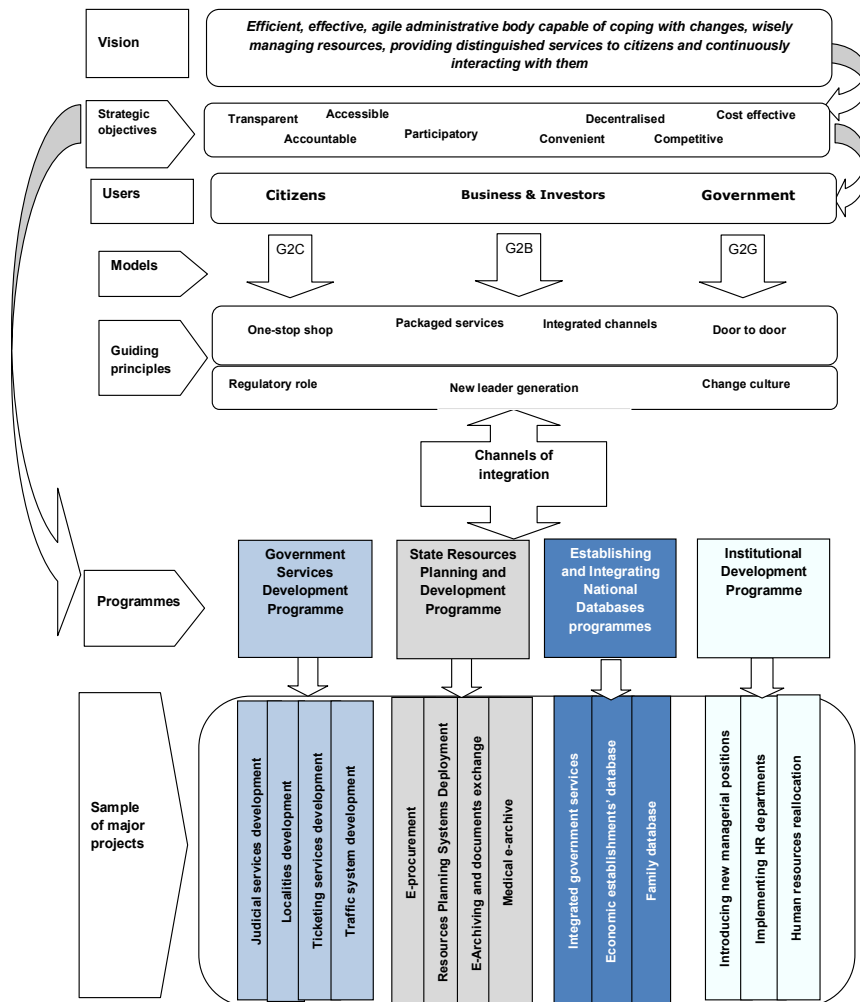
Source: MSAD (2010), "Administrative Reform Work Plan 2010-2012", updated version.

- The State Resources Planning and Development Program aims to expedite back-office processes and enhance the information flow,

share and re-allocate resources, and unify back-office technology tools.

- The National Database Program seeks to link the national databases and integrate government services.

- The Institutional Development Program seeks to improve the efficiency and effectiveness of the state's administrative body by setting measures for accountability, reforming hierarchies, and developing human resource and building capacity.

E-government is included and integrated in all of the four programmes set out by MSAD, demonstrating a broad e-government approach.

The current strategy developed by the MSAD was conceived during the previous regime and has not yet incorporated the changed e-government conditions following the 25 January revolution. This seems to await a clearer political mandate from the newly appointed government. A successful e-government strategy will need to take stock of the changed context and adjust according to priorities and capabilities.

The use of ICTs to strengthen growth and innovation: The approach of the MCIT

The MCIT has worked towards strengthening innovation and information society based on a number of strategies: the National Plan for Information and Telecommunications (1999), the Egyptian Information Society Initiative (2003) and Egypt's Information and Communication Technology Strategy (2007). The latter aims to re-structure Egypt's ICT sector towards a more export-oriented industry, while using ICTs for social and economic development and nurturing innovation to support the ICT industry. There is a specific focus on increasing digital literacy and access of all Egyptians to public services, developing an Arabic content industry, building local capacity, encouraging public-private partnerships in the field of ICTs and promoting investment. Finally, the postal sector is identified as a crucial area of reform (MCIT, 2007).

The current approach to innovation, growth and the information society is mainly defined through the latest strategy conceived by the MCIT, *Technology Innovation and Entrepreneurship strategy 2011-2014* (MCIT, 2011). It reflects progresses in Egypt in the field of digital literacy and mainly focuses on innovation and entrepreneurship through 13 strategic initiatives (Box 2.2).

Box 2.2. **MCIT and TIEC's Technology Innovation and Entrepreneurship Strategy (2011-2014)**

The Technology Innovation and Entrepreneurship Strategy for 2011-2014 established by the MCIT and the Technology Innovation and Entrepreneurship Center (TIEC) aims to promote development in Egypt by enhancing the competiveness of the country and enabling it to become the primary regional hub for innovation and a leading regional player in ICT-based innovation and entrepreneurship. The strategy addresses the challenge of creating economic growth, focusing particularly on the information economy.

The strategy defines four goals:

- Enabling Egyptian ICT companies to innovate;

- Enticing foreign and local ICT companies to generate, enrich and expand on innovative ideas;

- Building Egypt's brand as a regional hub for innovation;

- Engaging stakeholders in the task of generating, financing, supporting and deploying ICT-related innovation.

The strategy also defines 6 pillars and 13 initiatives that aim to achieve these goals. The 13 initiatives fall under three main categories: establishing the foundation of innovation and entrepreneurship; empowering businesses and recognising innovation and entrepreneurship.

Source: MCIT, TIEC (2011), "Technology Innovation and Entrepreneurship Strategy 2011-2014".

Both the MSAD Work Plan and the strategies for the information society are well integrated within the broader public sector and national reform agenda, as they seek to improve public sector efficiency and governance frameworks as well as improve the delivery of efficient services to citizens and an environment conducive to businesses.

Both approaches consider ICTs as tools to achieve the main goals. Several projects are linked to broader policy goals, such as social policy or education. Since the use of ICTs in specific sector policy areas seems to be the responsibility of individual sector ministries, an overall co-ordination framework for e-government remains to be developed in order to effectively support public sector reforms.

<div style="border:1px solid">

Key messages

- Egypt's institutional structure provides for a strong, centralised presidential system. The provisional constitution has revised the division of powers preliminarily while awaiting the drafting of a new constitution. A new president with strong constitutional discretion has been elected and a government appointed. Despite the existence of local levels of government, the traditional main drivers for government reform through the use of ICT come from the central government administration.

- Policies for information society and ICT sector growth, as well as policies for administrative reform and modernisation of services, have functioned as key drivers for e-government development. A new driver has recently emerged. Citizens' demands during and following the revolution have increased the pressure on the new government to deliver on public sector reform, provide better services and include citizens in policy making through the use of ICTs. These drivers are contributing to frame current e-government development and implementation in Egypt.

- E-Government in Egypt benefited from considerable political attention. The recent re-organisations of e-government efforts in 2004 emphasise the value of e-government in supporting administrative reform, modernisation of public services and citizen engagement.

- Different mandates to address administrative reform and the overall use of ICTs in Egypt have been developed, complementing each other. The MCIT approach accentuates ICT sector growth, ICT innovation and the information society economy while the MSAD has organised the work on e-government around the work plan for administrative development and modernisation of the Egyptian public sector. Main e-government themes and challenges are covered in the plan for administrative reform, rather than through a dedicated e-government strategy. A coherent and comprehensive approach to e-government does not seem to be in place across government. Furthermore, it seems that while e-government objectives are well defined, ensuring successful implementation still appears to be problematic.

- Innovative use of social media and participative ICT tools are increasingly widespread following the 25 January revolution. However, the current work plan developed by the MSAD was conceived during the previous regime and has not yet incorporated the changed e-government conditions and requirements following the 25 January revolution. This is expected to be addressed by the new government.

</div>

Notes

1.   The main amendments included: a shortened presidential term, an expansion of the pool of eligible presidential candidates, the restoring of judicial supervision of elections and the establishment of a new constitution to be drafted after the elections, as well as restrictions for the declaration of a state of emergency (Carnegie Endowment for International Peace *http://egyptelections.carnegieendowment.org/2011/03 /03/egypt%e2%80%99s-draft-constitutional-amendments-answer-some-questions-and-raise-others*).

2.   The most recent government is that of Prime Minister Kamal Al Ganzouri; since November 2011.

3.   Freedom house Report, Egypt 2011.

4.   The Information Society is a society which makes extensive use of information networks and ICT, produces large quantities of information and communications products and services, and has a diversified content industry (OECD, 2003).

5.   The OECD defines open government as "the transparency of government actions, the accessibility of government services and information, and the responsiveness of government to new ideas, demands and needs" (OECD, 2005, "Open Government" in Modernising Government: The Way Forward).

6.   MCIT website, page on Egypt's Information Society Initiative *www.mcit.gov.eg/Content.aspx?Cat=1&SubCat=4.*

References

AfDB, OECD, UNDP, UNECA (2012), *African Economic Outlook 2012, www.africaneconomicoutlook.org* (accessed January 2012).

Danowitz, A., S. Goodman, S. Nidumolu, D. Vogel, (1996), "Information Technology for Local Administration Support: The Governorates Project in Egypt", *MIS Quarterly*, Vol. 20, No. 2 (June 1996), pp. 197-224 Published by: Management Information Systems Research Center, University of Minnesota.

Kamel, S. (1995), *IT Diffusion and Socio Economic Change in Egypt.*

MCIT (2004), *The Egyptian Information Society Initiative for Government Services Delivery*.

MCIT (2007), *Egypt's ICT Strategy 2007-2010*.

MCIT, NTRA (2011), *E-Misr, National Broadband Plan*.

MCIT (2011d), *Egypt ICT Indicators*, *new.egyptictindicators.gov.eg* (accessed April-October 2012).

MCIT (2012), *ICT Indicators in Brief August 2012*, *www.egyptictindicators.gov.eg* (accessed April-October 2012).

MSAD (2007), *Institutional Development in the Governmental Entities in Egypt.*

MSAD (2010c), *MSAD 2010-2012 Administrative Reform Work plan*.

OECD (2003b), *The e-Government Imperative*, OECD Publishing, Paris.

OECD (2005), "Open Government", *Modernising Government: The Way Forward?*, OECD Publishing, Paris.

OECD (2005b), *OECD e-Government Studies, Norway,* OECD Publishing, Paris.

OECD (2010a), *Progress in Public Management in the Middle East and North Africa, Case Studies on Policy Reform*, OECD Publishing, Paris.

World Bank Data (2012), *http://data.worldbank.org* (accessed September 2012).