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OECD INITIATIVE FOR POLICY DIALOGUE ON

GLOBAL VALUE CHAINS, PRODUCTION TRANSFORMATION AND DEVELOPMENT



Making SEZs work for production transformation

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New opportunities for integration and industrialisation are emerging



GSTP

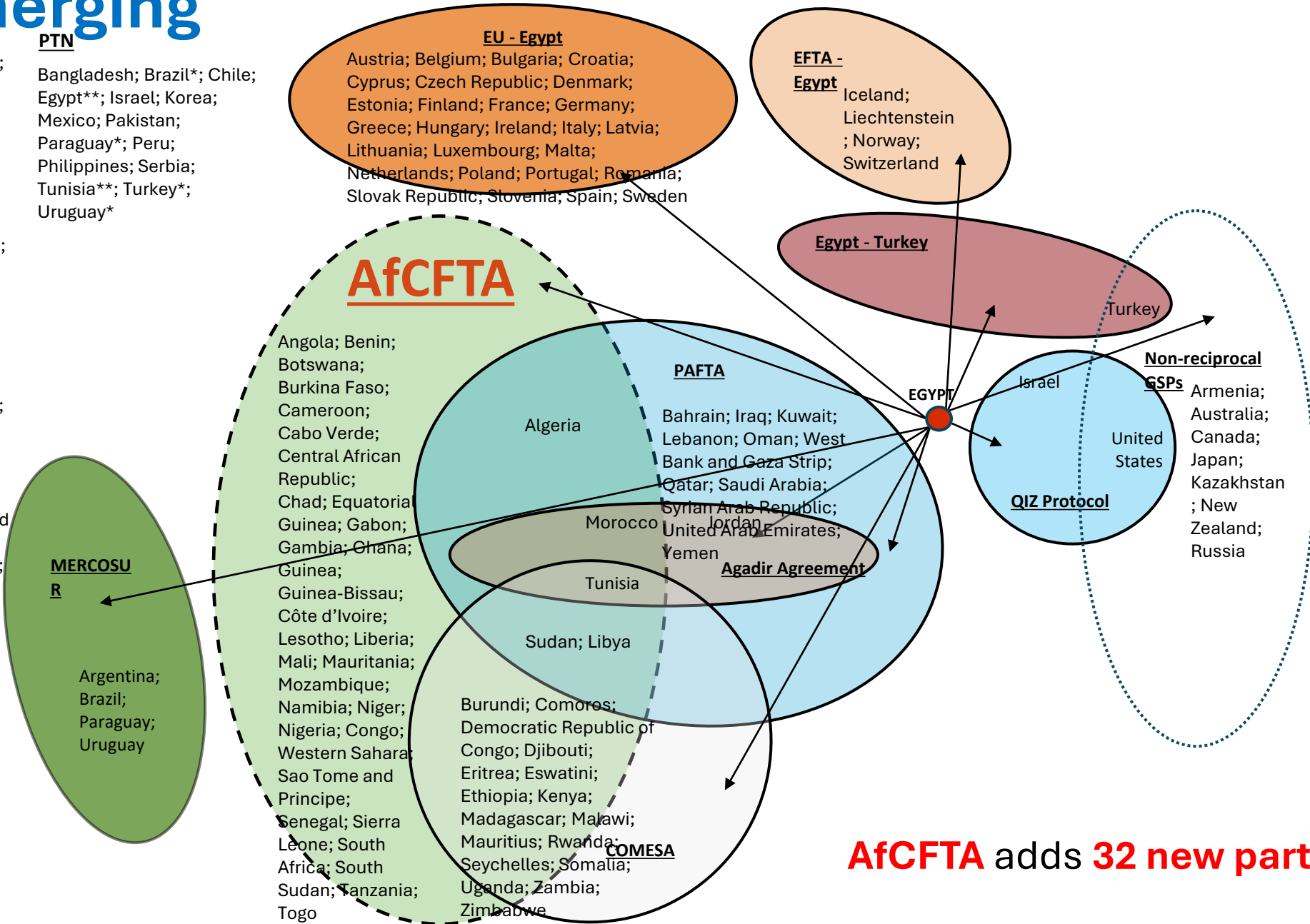
Algeria**; Argentina*; Bangladesh; Benin*; Bolivia; Brazil*; Cameroon*; Chile; Colombia; Cuba; Ecuador; Egypt**; Ghana*; Guinea*; Guyana*; India; Indonesia; Iran; Iraq*; Democratic People's Republic of Korea; Korea; Libya**; Malaysia; Mexico; Morocco**; Mozambique*; Myanmar; Nicaragua; Nigeria*; Pakistan; Peru; Philippines; Singapore; Sri Lanka; Sudan**; Tanzania*; Thailand; Trinidad and Tobago; Tunisia**; Venezuela; Viet Nam; Zimbabwe**

PTN

Bangladesh; Brazil*; Chile; Egypt**; Israel; Korea; Mexico; Pakistan; Paraguay*; Peru; Philippines; Serbia; Tunisia**; Turkey*; Uruguay*

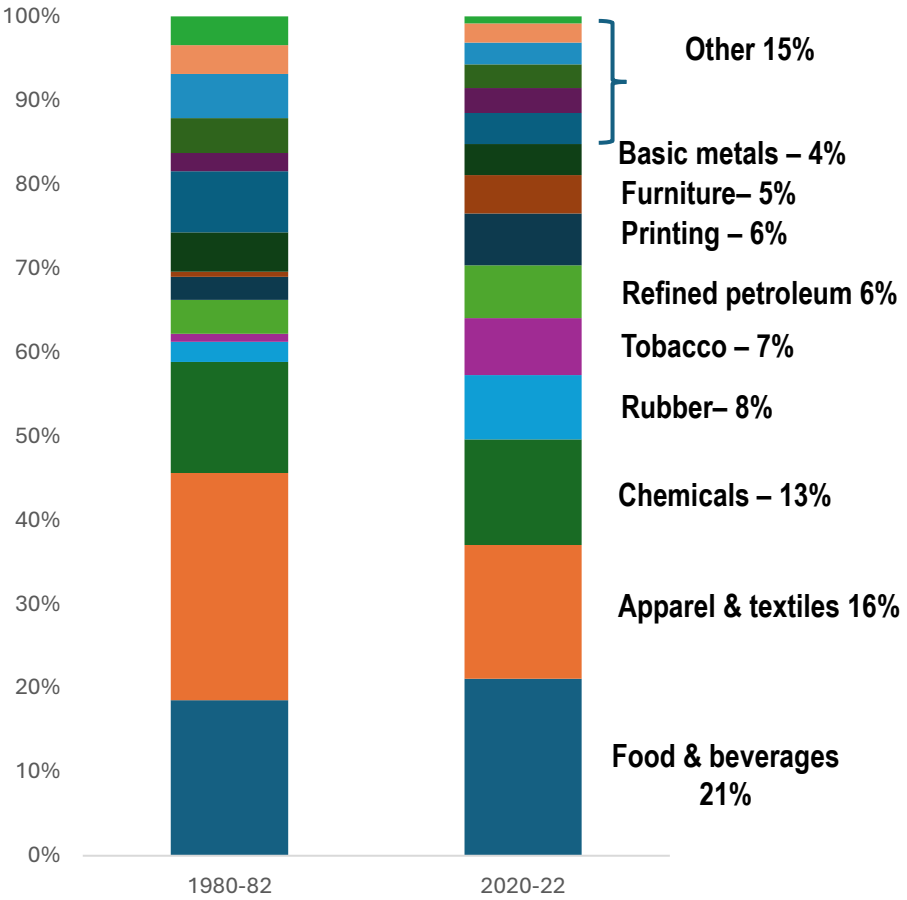
Legend

-  RTA not yet in force
-  Generalised system of preference (non-reciprocal)



AfCFTA adds 32 new partners to Egypt

Egypt has a diversified industrial base with room for upgrading and modernization

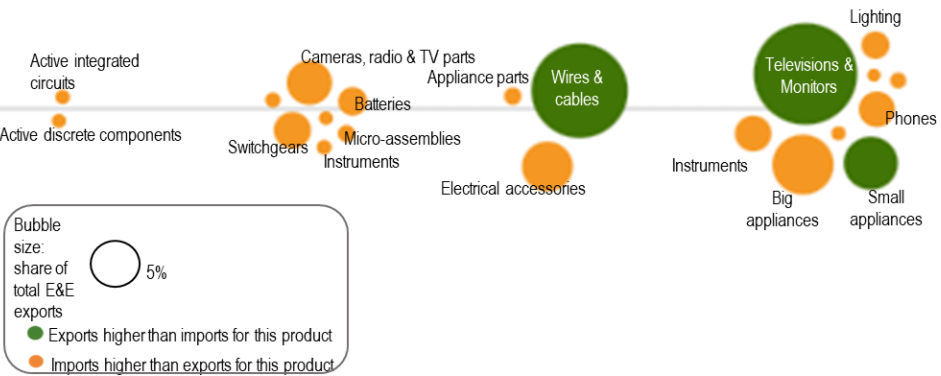


E&E value chain specialisation, 2022-24

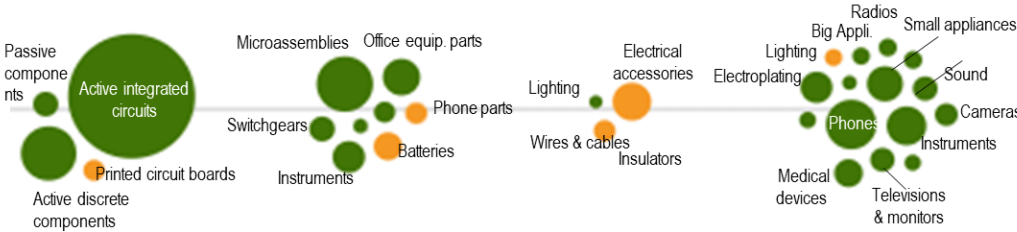
Value chain process →

Electronic components E&E sub-assemblies & parts Other E&E components Final E&E products

Panel A. Egypt



Panel B. Malaysia

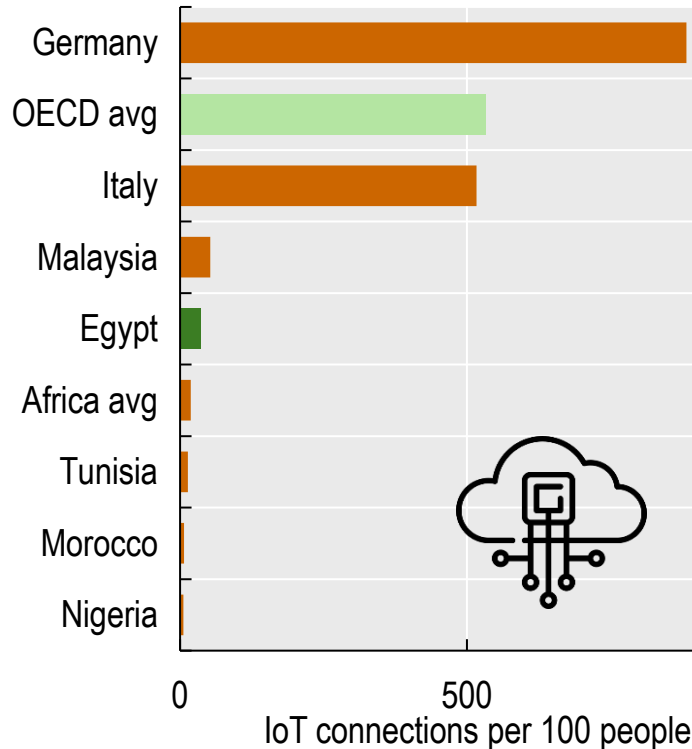


➤ 53.7% of manufacturing firms and 63% of agricultural smallholders are **informal** ➤ Over 87% of agricultural farms occupy less than 1 ha

Updates OECD/ECA/UNCTAD/UNIDO (2021), *Production Transformation Policy Review of Egypt: Embracing Change, Achieving Prosperity*, based on UNIDO, comtrade and FAO

Infrastructure and logistics require expansion, upgrading and modernization are a moving frontier

Number of cellular Internet of Things (IoT) connections per 100 people, 2024



Broadband speed, 2025



260 Mbps



150 Mbps



90 Mbps

Container throughput (TEU) 2024



Egypt: 8.6 million (+32% since 2015)

But from 22% of total African throughput in 2015 to 20% in 2017, and from 47% of North African one to 37%

➤ 36 IoT connection per 100 inhabitants in Egypt vs 533 at OECD (average)

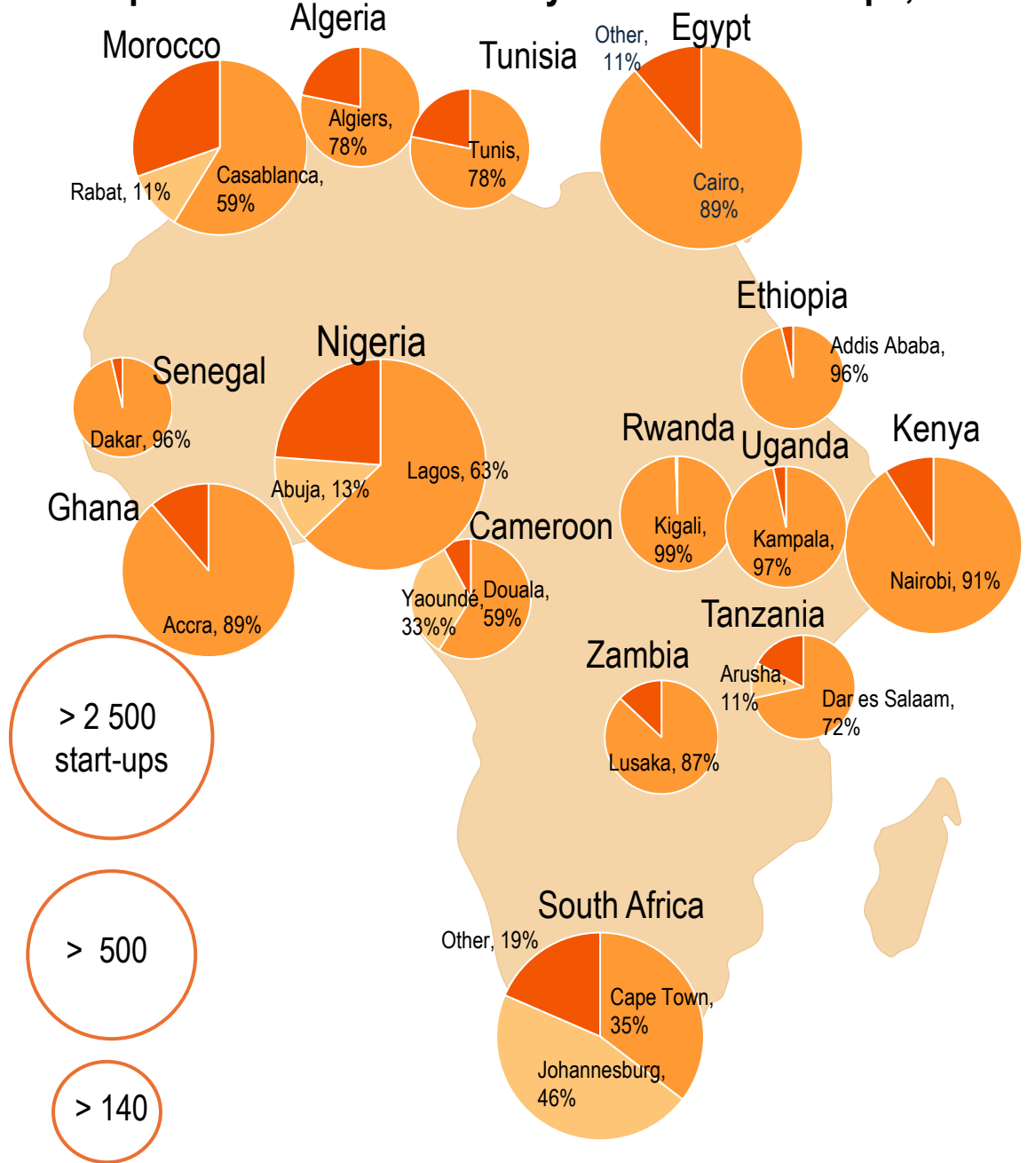
Lessons from international experiences

- Building and managing industrial parks & zones is a tool, not an objective per se → Align with industrial, innovation, trade & regional policy
- Fostering learning in local firms is essential to make linkages happen → Is the policy mix conducive for innovating? Is it so for cooperation?
- Building specialised parks and zones can help the economy find its brand → Quality infrastructure and branding is important
- Recognise the variety of SMEs and the specificity of sectors → Different sectors & firms need different infrastructure and support
- Harness new technologies & start-ups → Incubators, accelerators and specialised instruments for cooperation

Harnessing new technologies & startups

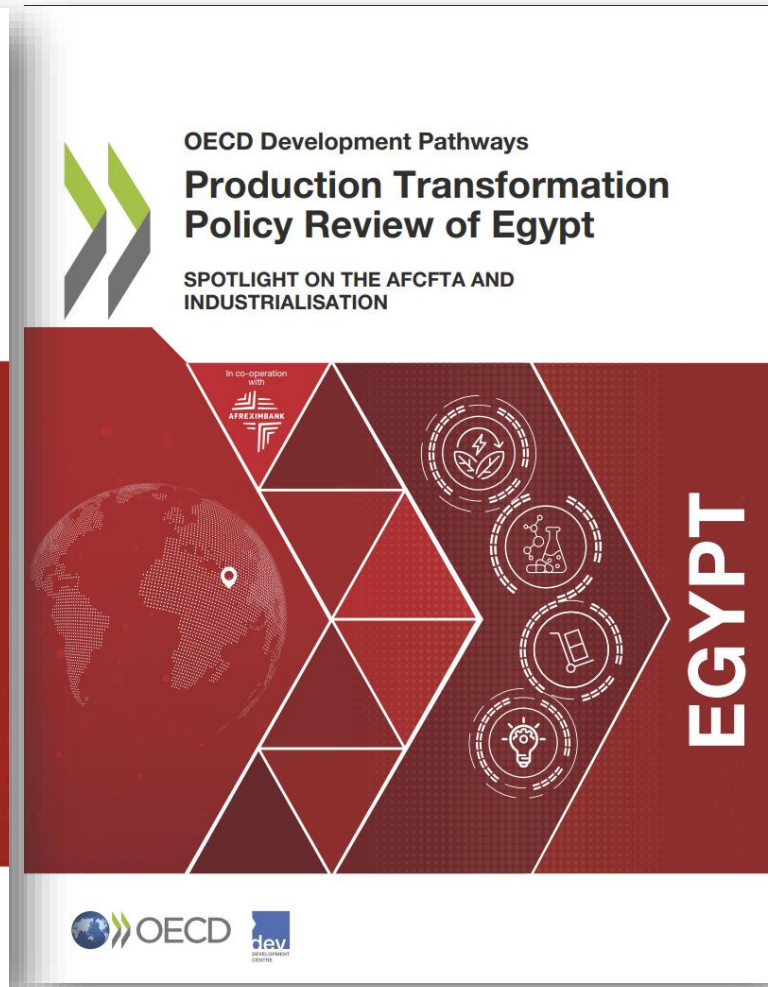
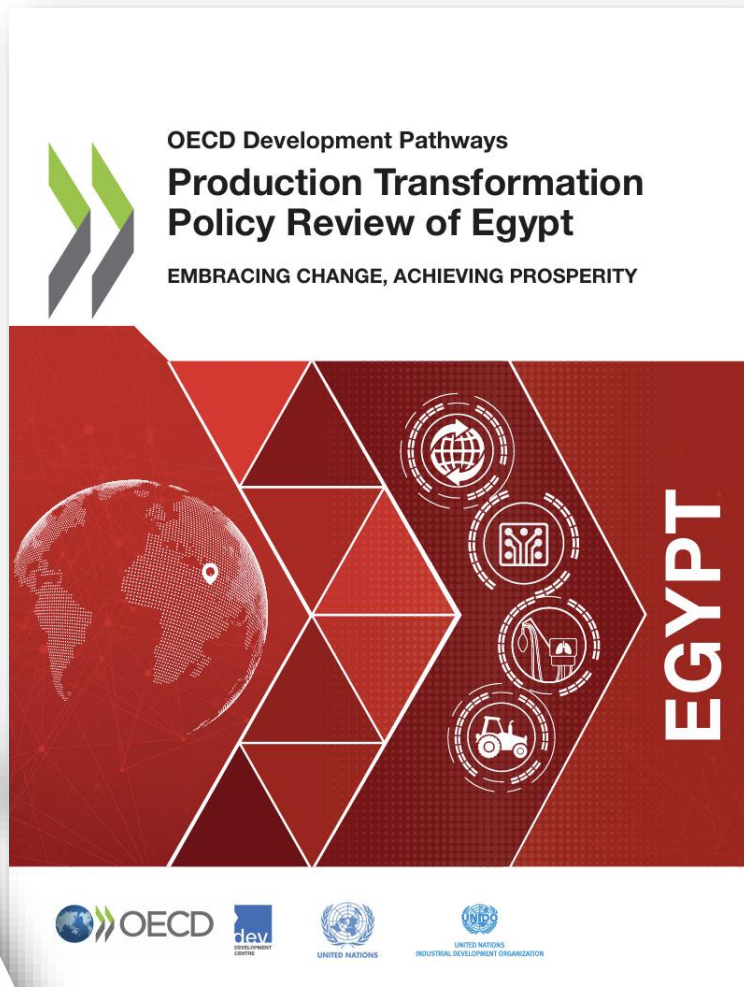
- **3rd start-up hub in Africa** (15% of total)
- **3th** highest amount of **VC** in the continent in 2022-24 (17% up from 10% 4 years before)

Top 15 countries in Africa by number of start-ups, 2024



Updates OECD/ECA/UNCTAD/UNIDO (2021), *Production Transformation Policy Review of Egypt: Embracing Change, Achieving Prosperity*, based on Crunchbase

Thank you!



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