



annd

Arab NGO Network for Development
شبكة المنظمات العربية غير الحكومية للتنمية



Surveying the private sector in **Egypt**:
patterns of investments and employment practices

Kareem Mogahed - Political Economy Researcher





annd

Arab NGO Network for Development
شبكة المنظمات العربية غير الحكومية للتنمية



The Arab NGO Network for Development works in 12 Arab countries, with 9 national networks (with an extended membership of 250 CSOs from different backgrounds and 23 NGO members.

P.O.Box: 4792/14 | Mazraa: 1105-2070 | Beirut, Lebanon
Tel: +961 1 319366 | Fax: +961 1 815636

Supported By:

Brot
für die Welt



 **Development
and Peace**
CARITAS CANADA

People
Change
the World **Diakonia**



Introduction:

Since 2014, the Egyptian government has embarked on a new 'economic reform' program¹ that targeted an overall monetary adjustment in face of the increasing levels of internal and external debts. This included the alleviation of energy subsidies, floating the Egyptian pound and decreasing the overall social spending among other procedures.² In essence, however, all of these new arrangements were part of the neoliberalization process that the Egyptian society witnessed, according to which neoliberalism became the main policy framework. Here, neoliberalization refers to the implementation of a neoliberal agenda consisting of socio-economic policies that aims for facilitating the capital accumulation process through encouraging the growth of the private sector, deregulation and financialization while decreasing the state's social spending.³ As a result, this growing orientation towards neoliberalization has been associated not only with a total disregard to the negative socio-economic ramification of neoliberal policies for the majority of the population, but also with a growing attention towards supporting the private sector and facilitating its expansion.

Indeed, within the current context, the private sector is being categorized as the lever of development. This catering for the private sector's expansion is reflected in the official discourse and national planning as can be seen for instance in Egypt vision 2030. The latter is a sustainable development plan launched by the state in 2016 with a framework built on concepts such as social justice and inclusive development. Among the plan's main strategic targets are goals like decreasing the poverty and unemployment rates as well as increasing the private sector's contribution to the gross domestic product (GDP) and attracting a higher influx of foreign direct investments (FDIs).⁴ In a word, the plan seems to be advocating for the interests of private investors, without actually delving into the socio-economic ramifications of such interests. These interests include the low cost of labour in Egypt, which has been used to attract foreign investors,

without any consideration into the working and living conditions of Egyptian labour.⁵

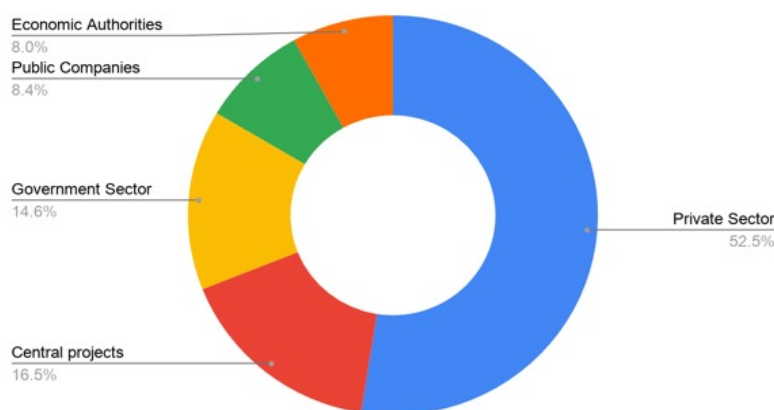
In this light, the aim of this report is to survey the private sector in Egypt and its current investment patterns, in addition to the potential developmental impact of such patterns and employment practices exercised by the private sector in today's Egypt. The purpose of the report's focus on the Egyptian private sector's investment patterns is to understand the connection between these investment patterns, given the support and encouragement it receives from the government, and the Egyptian private sector's social accountability. By the same token, the report aims to highlight and assess the developmental impact of this ongoing support to the private sector on the Egyptian society as a whole.

In doing so, the report starts in the first section by surveying investments in Egypt, particularly private sector investments in the Egyptian economy. This is followed by a discussion of foreign direct investments and its sectoral preferences in Egypt. In the second section, we discuss the current public-private partnerships followed by a general overview of the legal issues that relate to the realm of investments. In the third section, we delve into the employment conditions within the Egyptian private sector, followed by a discussion of two structural problems linked to the sector, i.e informality and gender discrimination. Finally, the report concludes with some general remarks.⁶

General overview of private investments patterns in the Egyptian economy

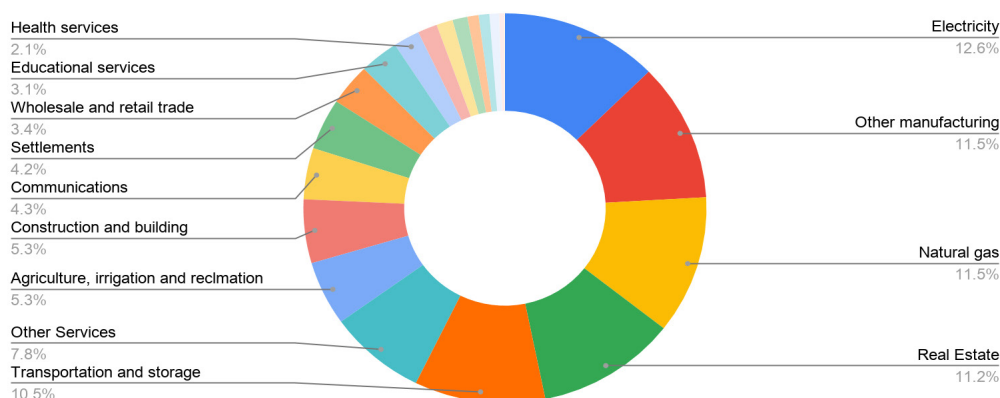
Overall, the official figures reveal that out of the total implemented investments for the year 2018/2019⁷ estimated at EGP 922,499.8 million (\$58,757.95), the private sector alone contributed EGP 484,176 million (\$30,839.24).⁸ In other words, the private sector conducted about 52.5% of the implemented investments in Egypt in 2018/2019.⁹

Figure 1- Total Implemented investments 2018/2019¹⁰



In terms of overall investments by economic sector, the electricity sector received 12.5% of the total implemented investment, which was the largest share received by a single sector.¹¹ It was followed by 'other manufacturing' and natural gas (11.5% each), real estate (11.2%), transportation and storage (10.5%), other 'miscellaneous' services (7.8%), 'agriculture, irrigation and reclamation' and 'construction and building' (5.3% each), communications (4.3%), financial settlements (4.2%), wholesale and retail trade (3.4%), educational services (3.1%), and health services (2.1%).¹²

Figure 2- Implemented investments by economic sector 2018/2019¹³

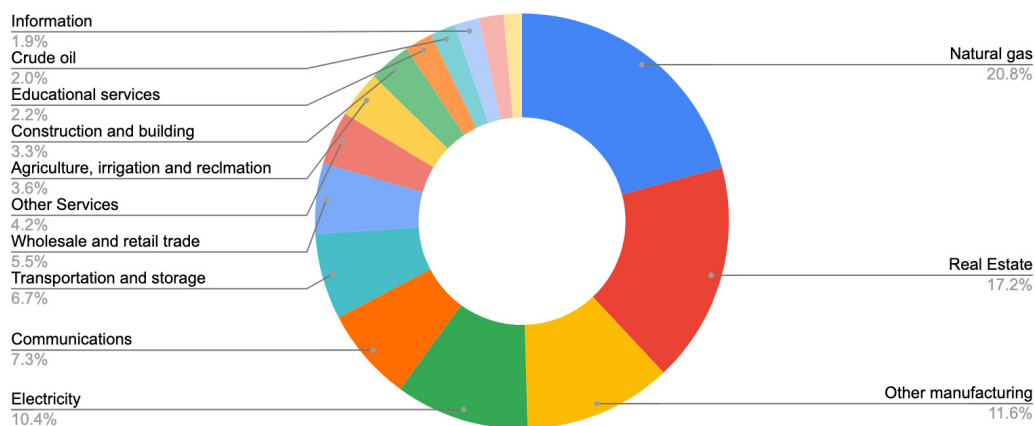


1. Private sector investments

In general, both the private sector and other official institutions tend to invest in the same fields. Nonetheless, the private sector is distinguished by its highly diversified investment portfolio in comparison to other state's and official institutions. Indeed, overall, these different governmental institutions and authorities inject investments into all economic sectors (each of these official institutions invest in different sectors leading to the presence of official institutions grouped in all economic sectors), the private sector invests in almost every sector, if not all, on its own.

At the forefront of private sector investments, came the natural gas sector, with a share of 20.8% of the total private sector implemented investments.¹⁴ At the second place, came real estate with a share of 17.2%, followed by other manufacturing with a share of 11.6%, electricity (10.4%), communications (7.3%), transportation and storage (6.7%), wholesale and retail trade (5.5%), other services (4.2%), agriculture, irrigation and reclamation (3.6%); construction and building¹⁵ (3.3%); educational services (2.2%); crude oil (2%); and information (1.9%).¹⁶

Figure 3- Distribution of private sector's implemented investments 2018/2019¹⁷

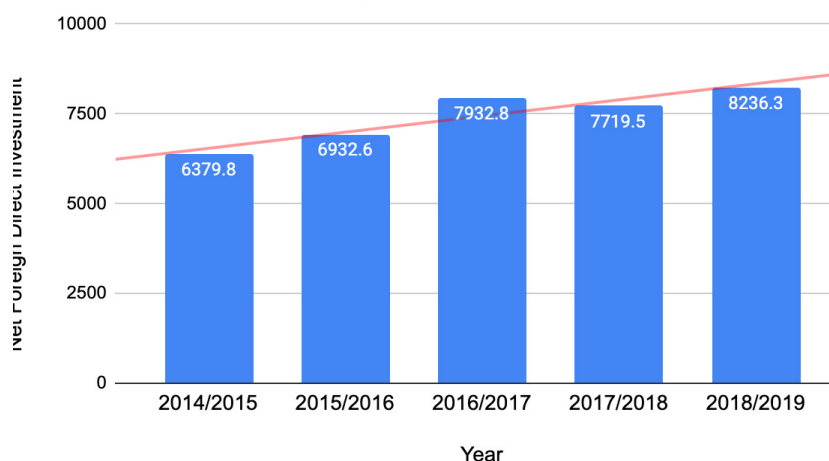


2. Foreign direct investments:

As previously mentioned, securing a higher influx of foreign direct investments has become one of the main pillars of economic planning (and decision making) in Egypt over the past few years. Doubtfully, appealing to foreign investors is not new to Egyptian policy makers. Instead, "... it has been a steady feature of economic planning, at least since the 1970s when President Sadat initiated the *infitah* (economic opening) policy. However, and regardless of the weak returns of this orientation and the many obstacles it faced, FDIs have always retained pride of place in governmental rhetoric".¹⁸ Nonetheless, one of the main direct consequences of the ongoing neoliberalization is the shift "... in the official discourse according to which foreign direct investments became a central pillar of economic planning. As a matter of fact, higher rates of FDIs are now cited to signify the success of the neoliberal economic reform, even when its actual developmental impact is in question. This can be traced in the official events and statements praising the influx of FDIs".¹⁹

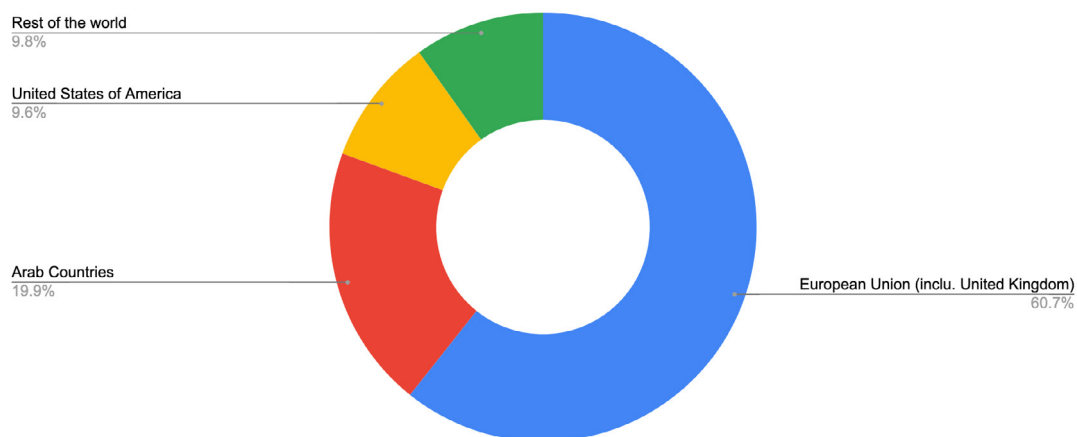
In terms of figures, FDIs influx has enjoyed an upward movement since 2014/2015 except for the year 2017/2018 when the trend was reversed before resuming its previous positive trend.²⁰

Figure 4- Net Foreign Direct Investments until 2018/2019(\$)²¹



Geographically, most of the net FDIs that came to Egypt in 2018/2019 arrived from the European Union (EU), including the United Kingdom (UK)²² with a share of 60.7% of the total net FDIs that Egypt received.²³ An additional 19.9% of the total net FDIs came from the Arab countries, with another 9.6% from the United States of America (USA) and 9.8% from the rest of the globe.²⁴

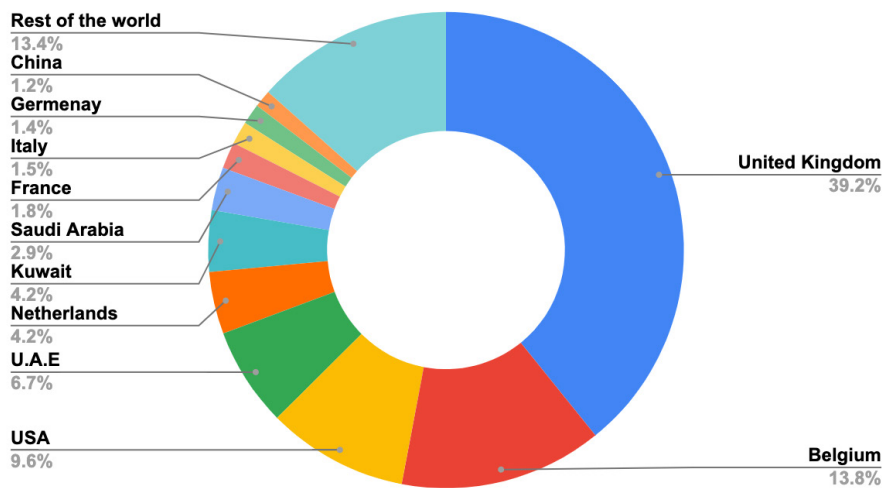
Figure 5- Geographical distribution of FDIs 2018/2019²⁵



Country wise, the United Kingdom was the largest provider of FDIs with a share of 39.2% (equivalent to \$6423.7 million) of the total FDIs received.²⁶ Belgium was the second largest provider of FDIs to Egypt in 2018/2019 with a share of 13.8% (equivalent to \$2262.5 million), with the USA coming third with a share of 9.6% of the total FDIs received. Arab countries too played a significant part as FDIs providers to Egypt over 2018/2019, with the United Arab Emirates (U.A.E) coming first among Arab countries with a share of 6.7% (equivalent to \$1104.2 million) of the total FDIs received, followed in the second place

by Kuwait with a share of 4.2% (equivalent to \$684.2 million) and in the third place by Saudi Arabia with a share of 2.9% (equivalent to \$478.1 million) of the total FDIs received.²⁷ Here, it should be pointed out, as some analysts suggest, that a large percentage of the FDIs arrive in Egypt through tax havens abroad, mainly in Belgium. Moreover, such FDIs in fact include investments by Egyptian businessmen, who invest in Egypt through foreign companies to benefit from the incentives presented to foreign investors in Egypt.²⁸ For instance, in a study conducted by EIPR, it was estimated that secret investments and profit transfers conducted through tax havens in Egypt reached about L.E 68 billion annually.²⁹ Moreover, in the period 1970-2013, many of the small countries considered as tax havens such as the Cayman Islands and Virgin British Islands occupied top positions in terms of investments in Egypt.³⁰ This is explained by the fact that Egyptians (and foreigners) register their 'shell' companies in such countries to transfer their profits there and benefit from zero-tax policy before re-transferring them to countries such Egypt in the form of investments. Eventually, this enables such investors to hide their original nationalities and the categorization of their investments as foreign investments.³¹

Figure 6- Countries' shares of total FDIs 2018/2019³²




3. Foreign direct investments by sectors

Building up on the above, two questions pose themselves: where do these investments were directed to generally? And were they concentrated in certain sector(s) in comparison to others? As a matter of fact, the answers to these questions are more revealing than one might have expected. As per the available figures for FDIs by economic sector (July-September 2018/2019), the economic sector of oil received a share of 71% of the total FDIs received over 2018/2019.³³ It was followed by real estate (8.3%); manufacturing (6.9%); financial sector (3.1%) and construction (2%).³⁴ Interestingly, other vital sectors such as agriculture and tourism received minor shares that did not exceed 0.54% and 0.38% respectively. The increasing FDI flows have been a source of pride for the government, a fact that coincides perfectly with the ongoing neoliberalization and the reorientation of the state's role. Yet, as the figures above show, FDIs flowing into Egypt are extremely concentrated in specific sectors, mainly extractives. The latter is primarily a capital-intensive sector that can generate economic growth but not genuine development. This is so because the extractives sector does not generate a high number of "well-paying jobs" is quite limited" and hence this sort of investment does not necessarily help in uplifting the socio-economic conditions of the majority of the working class.³⁵ Moreover, the sector remains mostly disconnected (enclaved)

from the rest of the economy and thus does not establish interlinkages with other industries vital to develop the entire production structure in the economy.³⁶ Similar critique can be extended to the investments in real estate developments, which depend on speculation to generate a high rate of returns for owners, while estimates suggest that 80% of workers in the construction sector are categorized as poor workers.³⁷

So, in a nutshell, the focus and performance of FDIs clearly falls from enforcing a true structural change capable of increasing productivity and achieving a high degree of tangible development. Instead, as the figures show, foreign investors remain reluctant to invest in other essential sectors such as industry and agriculture in favor of the steady and guaranteed profits of extractives and real estate, regardless of the limited developmental effect the latter two sectors have.



Foreign investors remain reluctant to invest in other essential sectors such as industry and agriculture in favor of the steady and guaranteed profits of extractives and real estate, regardless of the limited developmental effect the latter two sectors have.

The public-private partnership

Based on the above, it can be seen that private sector investments are strongly present in vital services sectors such as electricity, educational services, communications, transportation and storage. However, private investments are not limited to these sectors. Indeed, under the public-private partnership scheme (PPP), the private sector managed to infiltrate other sectors. These PPP investments rose to prominence mainly after 2006, when the government established the central unit for public-private partnerships within the Ministry of Finance and after the enactment of law 67 for the year 2010 concerning the organization of private sector's participation in infrastructure and public utilities projects.³⁸ For sure, PPPs existed in Egypt prior to these dates.³⁹ Nonetheless, more attention has been directed towards it with the ongoing neoliberalization process and the increasing role of the private sector in the economy associated with it.⁴⁰ This can be seen in the Ministry of finance's decision to modify the law in 2018 so as to ensure a larger role to the private sector in the infrastructure sector, citing its vital role in achieving development while helping to relieve the state's budget from more financial burdens.⁴¹ According to the latest figures, there are 55 infrastructure projects with private participation in the fields of electricity, airports, ICT, ports, water and sewerage, natural gas...etc.⁴² The total cost of investment is estimated at \$10,314 billion, with electricity being the sector with the largest investment share while greenfield projects are the one with the largest share in investment.⁴³ The top sponsors of these projects come from Egypt, Spain, France, Germany, Denmark, Japan, Malaysia and the U.A.E.⁴⁴

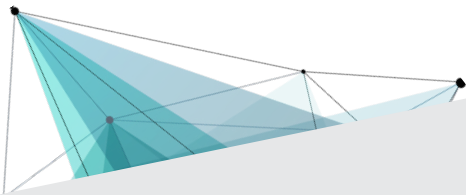
Table 1-PPI by economic sector⁴⁵

Sector	Number of Projects	Total investments in \$ millions
Electricity	32	4524
Airports	7	398
Ports	6	2565
ICT	4	1660
Water and sewerage	3	475
Natural gas	2	689
Treatment/disposal	1	4

In addition to these investments, the government is planning to allow for PPP projects in other sectors. This includes the educational sector, where it signed 8 different contracts with 8 different Egyptian and Arabic companies in February 2019 to construct and operate 24 language schools (with a capacity of 1000 classrooms) in 7 governorates with a cost of L.E 650 million.⁴⁶ This was followed in October 2020 by another announcement to launch the second stage of the national project of constructing 1000 new schools in partnership with the private sector.⁴⁷ Similarly, announcements were made about plans to launch 4 water desalination projects in partnership with the private sector in January 2021.⁴⁸ Finally, the 3rd stage of partnerships with the private sector in land projects will be delayed until further evaluation of the first 2 stages that witnessed signing 11 out of 13 contracts with the private sector.⁴⁹

Doubtlessly, PPP is an approach that has been implemented in different underdeveloped countries and enjoyed varying degrees of success. However, in Egypt's case, there are several obstacles that have to be overcome for this approach to be developmentally successful, mainly the problems of transparency and accountability. Overall, Egypt suffers from .. "the absence of strong formal institutions", including rule of law and contract enforcement.⁵⁰ This raises questions in regards to the government's ability

to ensure that the private sector will not deviate from the plans agreed upon to ensure higher rates of returns on its investments. Compounding the problem is the fact that there are no concrete or defined accountability measures that can be used to guarantee that the private sector will be penalized if they broke their agreement with the government. On the contrary, it seems that the private sector is granted special treatment to ensure that no other parties will interfere with its business. A case in point is the law no. 32/2014 prohibiting third parties from challenging business contracts between the state and private investors, which will be discussed in the following section. Moreover, there are no guarantees in place to insure that the private sector will meet certain developmental targets. Finally, there is the problem of the lack of transparency, especially in relation to dissemination of data concerning the projects conducted in collaboration with the private sector. This prevents both specialists and the wider public from following the results of such collaboration to determine if it is beneficial for the interests of the public or not.



PPP is an approach that has been implemented in different underdeveloped countries and enjoyed varying degrees of success.

Investment treaties and reform's shortcomings

Generally, Egypt has signed approximately 115 international investment agreements.⁵¹ According to the official figures, these consist mainly of 74 enforced Bilateral Investment treaties in addition to 13 international investment agreements that contain investment-related provisions, most of which were signed in the mid-1990s.⁵² Interestingly, the Egyptian government adopted a reformist stance in regards to the regulation and terms of the bilateral investment treaties.

In particular, Egypt advocated for reforming the legal basis of the treaties as their applications showed several problems, which resulted from the imbalances in the provisions of these agreements and their tendency to favor protection of foreign investors at the expense of the legitimate rights of the host countries in the regulation and treatment of foreign investments in accordance with the right to achieve sustainable economic development.⁵³ This call for reform adhered to developments in international investment law to supposedly ensure that such treaties "... contribute to sustainable development goals and national development strategy".⁵⁴ Accordingly, an action plan for reform was developed based on two axes, the first of which included internal technical review of the agreements and the development of an updated model advocating for a policy space for the Egyptian state, transparency concerns and sustainable development considerations.⁵⁵ As for the second axis, it is composed of "reviewing and amending Egypt's signed BITs".⁵⁶

All this effort aims to implement a new IIAs regime that balances investors' rights and obligations while attaining developmental objectives. In the words of the officials, the reform should result in "...an IIA regime that protects investors effectively, but also protects the state against unfounded claims" and "a new era where investment

protection goes hand in hand with the right of the state to implement policies for the well-being of its people".⁵⁷

However, as part of the economic reform that the Egyptian government initiated, attention has been directed to overcome certain legal issues related to the realm of investments within national law. Such a task was seen as essential, especially after the number of arbitration cases against the Egyptian state faced in recent years and thus negatively impacted the image of Egypt as an appealing destination for foreign investment without affecting its status as the largest FDIs recipient in the continent.⁵⁸ Among these changes, the most important ones were included in the new investment law for the year 2017.⁵⁹ Building on earlier versions of the law, the government maintained its guarantee to protect foreign investments in Egypt against nationalization as well as "arbitrary procedures or discriminatory decisions".⁶⁰ Moreover, the law "...permits foreign investors the right to transfer their profits abroad, to employ foreign employees up to 10% of the total number of employees and 20% in investment companies, with the latter retaining the right to transfer the compensation they receive abroad".⁶¹ More interesting is that the new law permits "... foreign investors to receive the same treatments as Egyptian citizens under Egyptian law and to be granted a residence for the duration of their projects".⁶² Further, the new law allows foreign investors to receive preferential treatment if the Council of Ministers approves.⁶³

In relation to possible charges against private investors committing crimes such as corruption and embezzlement of public funds, the new version of the law did not highlight any specific procedures except revoking the project licenses if such crimes are proven. However, it is expected that legal procedures (litigation) will follow in the steps of the 2015 investment law. That law provides that investors accused of such crimes can reconcile with the Egyptian authorities away from courts even though such crimes were previously

punished with heavy prison sentences. Therefore, this new law came to represent "a transgression on Egypt's criminal justice system and articulate a new perception ... that corruption and embezzlement of public funds are minor offenses, and not crimes".⁶⁴ Associated with these changes was the law no. 32/2014 prohibiting third parties from challenging business contracts between the state and private investors. So, as Sherif and others suggest, it is very unlikely that any court will be able to prove such crimes of corruption with the existence of the other law prohibiting third parties from disputing investment contracts and protecting investors by making their corruption un-exposable. Thus, it can be expected for investors would be "... unchallenged".⁶⁵


Finally, in relation to the Egyptian private sector's stance on human rights and sustainable development causes, there is no concrete information about efforts on the private sector's side to commit and offer solutions to support these causes. It is true that certain businessmen and institutions declared their intentions to develop plans and frameworks that incorporate such concepts. However, it seems that such announcements were made only to declare their approval of the government official rhetoric, without necessarily developing actual plans on the ground.⁶⁶ If all of these changes reflect anything, they reflect a clear discrepancy between the official governmental rhetoric on the international stage and the changes actually taking place in relation to the legal framework governing the work of private investors. Indeed, the current legal framework lacks clear-cut mechanisms that can be used to guarantee that the private sector will achieve the desired developmental targets required from them. Moreover, it seems that it provides these investors with legal protection against crimes that can enrich them at the expense of the host countries. Therefore, any genuine reform to the international investment agreement must contain provisions that overcome such shortcomings. These could include provisions that speak to investors' obligation to provide working

opportunities capable of lifting the standard of living. Similarly, there should be attention to the topic of human rights and what it entails to avoid any sort of exploitation that could affect the freedoms of those employed as well as regular inceptions measures to ensure no violations to these rights. The same applies to the national law, particularly because while it gives such rights to workers and employees, the absence of adequate supervision leads to denying such citizens their constitutional rights as will be shown in the following section.

Employment conditions within the private sector

As already mentioned, the new economic reform prioritizes facilitating the road for the private sector and foreign investments to increase their involvement (i.e investments) in the local economy. This is based on the belief that the private investors, both local and foreign, are more efficient and thus more capable to have a larger developmental impact on the Egyptian society. Only recently, the Minister of the business sector (the public sector owned by the state) announced that unless state-owned enterprises started imitating the business models of the private sector soon, it will not be able to compete and will have to shut down.⁶⁷

In reality, however, the current norms and practices of the private sector are far from being perfect and its developmental impact is questionable to say the least. Indeed, as one expert mentioned, quoting the well-known Egyptian tycoon Hussein Sabour, there are about 8000 factories belonging mainly to the private sector faltering and cannot pay their debts to the banks.⁶⁸ Similarly, there is a problem with the ongoing political deployment of the private sector, which is governed by the socio-economic regressive policies dictated by international financial institutions as the International Bank and International Monetary Fund, and results in granting major exemptions and concessions to the private sector in investments zones while the latter shows clear negligence in their social duties towards the labour they employ.⁶⁹ This sheds light on the fact that the private sector is not necessarily capable of operating as the advocates of the new economic reform assume, a fact that is neglected from the current discourse supporting the expansion of the private sector. It follows here that since the private sector is becoming the main sector responsible for the development



In relation to the Egyptian private sector's stance on human rights and sustainable development causes, there is no concrete information about efforts on the private sector's side to commit and offer solutions to support these causes.

process, at time when it prefers investing in the sectors of extractives, constructions and real estate development while reaping the benefits of the state's reluctance to invest in education and health care, the prospects of attaining genuine development⁷⁰ are in danger.⁷¹

As it stands, on the one hand, the private sector employs about 12.6 million individuals in 3.7 million facilities, within both its formal and informal branches.⁷² On the other hand, the most recent figures concerning employment in official and governmental institutions in 2018 show that 818,78 individuals were employed within the business sector (stated-owned companies)⁷³, in addition to 5,022,821 individuals employed within the governmental sector.⁷⁴ As such, as it stands, the private sector is the main employer in Egypt.⁷⁵ This leaves the bargaining power in the hands of the private sector, especially that the government stopped offering new job opportunities as part of its austerity measures associating the neoliberal economic reform to minimize its wage bill.⁷⁶ It follows here that this extensive presence of the private sector in the Egyptian economy has a number of important implications, mainly the absence of genuine developmental impact, keeping in mind the rapidly deteriorating working terms and conditions within the private sector. For sure, this problem extends beyond the role of the private sector and relates too to the state's allowance of such norms to survive. So, as matter of fact, this is a combined problem of a private sector, which is profit oriented by nature, that is left unchecked and unchallenged by the state to enforce whatever exploitative measures it sees fit with its profit maximization mentality. At the same time, it is the exact private sector that is encouraged by the state to expand its activities without having to implement actual measures that can improve the standards of living for those working within it.

For instance, it is estimated that only 1 within every 3 individuals employed by the private sector has a stable job.⁷⁷ Furthermore, there has been a clear decline in formal working opportunities within the private sector in favour of precarious jobs in construction, storage and transportation.⁷⁸

This last point is important for two main reasons. First, while there has been an official recognition of the rise in precarious employment, nothing has been done, on the government's side, to deal with the problem. Indeed, only recently, the Minister of manpower stated that Egypt has at least 10 million precariat workers.⁷⁹ Yet, the government rhetoric continues to show clear support to the private sector to play the leading role in the economy.⁸⁰ Second, despite the government's decision to stop new employment, it still offers better working conditions in comparison to the private sector. In a study conducted by the **Economic Research Forum**, results show that 93% of those employed by the public sector, holding a secondary education or more enjoy social insurance vis-a-vis 34% only in the private sector; and that 94% of the former enjoy paid vacations in comparison to 47% in the latter.⁸¹ Likewise, in terms of wages and salaries, those employed by the public sector receive on average L.E 1278 per week in comparison to L.E 877 for those employed by the private sector.⁸² In more general terms, the dominance of the private sector with its profit maximization mentality reflects on the norms controlling the working conditions. So, it is not astonishing to find out that 55% of wage-workers have no employment contracts and that 74% of poor workers, living on or beneath the poverty line, have neither contracts nor (medical and social) insurance.⁸³ Other estimates highlight the absence of legal protection and job security by indicating that 60% of workers have no permanent employment contracts and only 5% have temporary contracts, with rural workers having higher chances of working with no contracts.⁸⁴ The same estimates conclude that only 26% of poor workers have social insurance compared to 52% of non-poor workers.⁸⁵ There is also the fact that the private sector in Egypt rarely, if ever, disburses the employees' share of profits.⁸⁶ Finally, existing labour legislation does not [realistically] hold companies accountable for the absence of insurance, even when accidents occur to workers.⁸⁷ As one expert put it, a lot of absurdities of catastrophic ramifications happen within the private sector, especially in relation to social insurance and protection. As while the labour law superficially protects the labour, in reality the

lack of supervision over its implementation leads to numerous violations.⁸⁸ Further, the government has been cracking down on workers' elections and syndical activity at a time when this kind of activity should be seen as a stability tool because it can create legitimate channels for negotiations.⁸⁹


1. The problem of informality

With that being said, it should be noted that the majority of enterprises belonging to the private sector in Egypt operate from within the informal economy. This situation has led some political economists to conclude that "the private sector in Egypt is the informal economy. It makes up most of the Gross Domestic Product (GPD) and employs most of the wage-earners. This sector, however, is characterized by activities of low productivity and limited developmental benefits. Most of these activities are motivated by seeking sustenance rather than by plans of development or accumulation".⁹⁰

In fact, statistics support such arguments, as the official figures show that the size of the informal economy is estimated at %40 of the Egyptian economy.⁹¹ In terms of establishments, it is projected that out of the 3.7 million establishments/ enterprises operating in Egypt, about 2 million operate on an informal basis (approximately %54).⁹² This is reflected in patterns of employment, as out of the total waged laborers⁹³ in Egypt, %53 are employed in the informal sector.⁹⁴ Accordingly, such workers are usually hired with merely a temporary contract or no contract at all. Moreover, those working within the informal sector have no social insurance.⁹⁵ More significantly, perhaps, is that %72 of poor workers are employed within the informal sector and %83 of illiterate waged workers are employed within the same sector.⁹⁶ Adding to the above, is the fact that the Egyptian agricultural sector remains the main sector responsible for the production of informal jobs.⁹⁷

Here, one can wonder about the reasons behind the prevalence of such informality. However,

as Ali al-Raggal suggests, the strong presence of informality is a result of the state policy that imposes "a logic of negotiation and harmonization, and presents these practices as the norm, in the place of the law". In other words, the state has a system in place through which it administers both formal and informal sectors simultaneously.⁹⁸ In reality, this means that the state, to a large extent, tolerates the existence of informality instead of working on eliminating it altogether which can be related to the high social unrest that could result in the case of declaring war on informality. Hence, it can be argued that the growth of the private sector, under the current dominating economic regimes and mentality will not necessarily improve the living and working conditions for the majority of Egyptian workers. Rather, on the contrary, the wellbeing of Egyptian workers is inversely proportional to the growth of the private sector under its current form and practices.

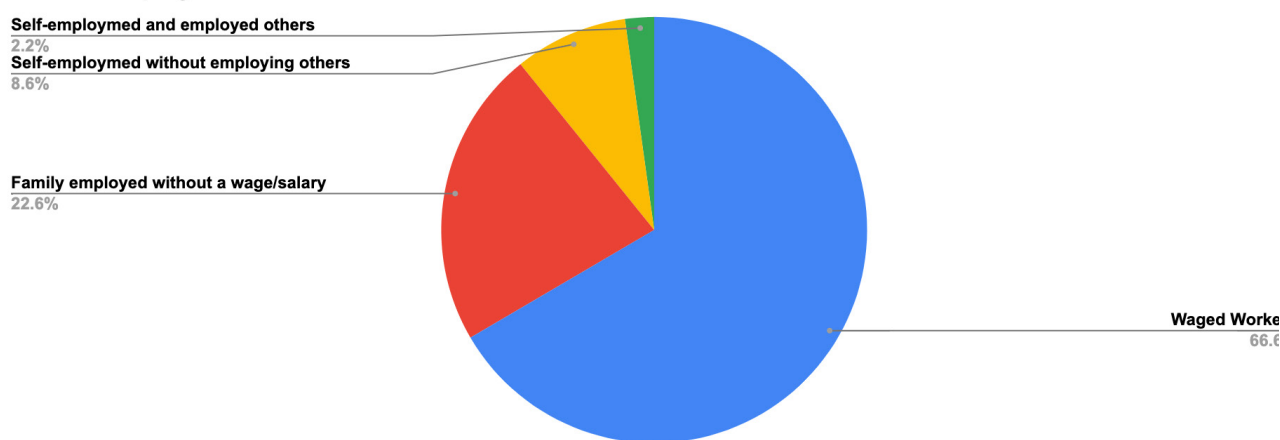


The growth of the private sector, under the current dominating economic regimes and mentality will not necessarily improve the living and working conditions for the majority of Egyptian workers. Rather, on the contrary, the wellbeing of Egyptian workers is inversely proportional to the growth of the private sector under its current form and practices.

2. The gender gap

Despite the growing attention towards gender inequality and discrimination, several problems still exist and hence prevent the elimination of discrimination based on gender.⁹⁹ This is particularly true in relation to employment patterns. According to a recent survey conducted by CAPMAS, of all employed females, 66.5% are waged workers, 22.6% are employed by their families without a wage or a salary, 8.6% are self-employed without employing others and 2.2% are self-employed while employing others.¹⁰⁰ This means that the majority of working females are exposed to the harsh conditions discussed in the previous section. Linked here is that female vulnerable employment¹⁰¹ in Egypt is estimated at approximately 33% of total female employment in 2019.¹⁰² Moreover, that 80% of technical schools' female graduates are left out of the labour market due to the weak habilitation they receive in comparison to their male counterparts.¹⁰³

Figure 7- Female Employment in first quarter of 2020



More significant is legal (structural) impediments preventing the treatment of males and females on an equal basis. This is so, as for instance, labour law 12 for year 2003 excludes large sections of female agricultural laborers from the legal protection extended to their male counterparts, particularly if they work on family lands or for no wages. Likewise, article 4 of the same law excludes domestic workers, an occupation that is usually filled by females, from protection.¹⁰⁴ This extremely problematic situation given the concentration of female employment in fields/ sectors that tend to operate on an informal basis (figures 8 and 9) or are mostly restricted to traditional sectors such as selling vegetables and fruits; raising livestock and cleaning.¹⁰⁵ Compounding the issue is that at least 14% of all families in Egypt are financially supported and headed by female members.¹⁰⁶ Moreover, experts believe that the private sector's vision in work impacts any project it conducts, even if such a project is carried out in collaboration with the civil society.¹⁰⁷ Accordingly, within such projects, women face increasing levels of discrimination and become restricted to the low-paying sections.¹⁰⁸ Similarly, other private enterprises consider female labor as complementary laborers. Hence, the latter are forced to leave their work when they marry. In such cases, female laborers usually choose not to enter into disputes with their employers due to discriminatory gendered-obstacles they face.¹⁰⁹

Figure 8- Key female occupations¹¹⁰

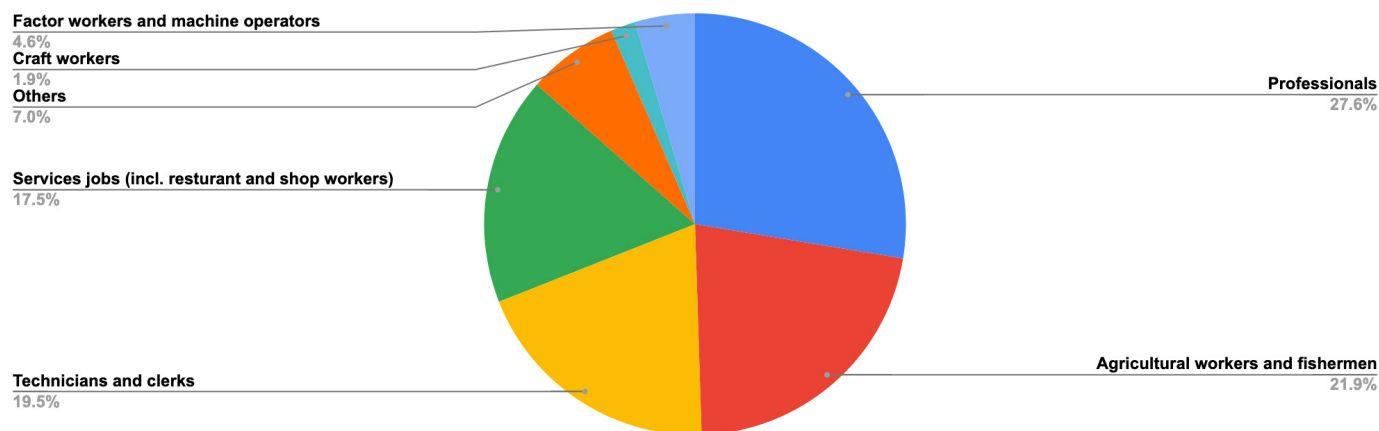
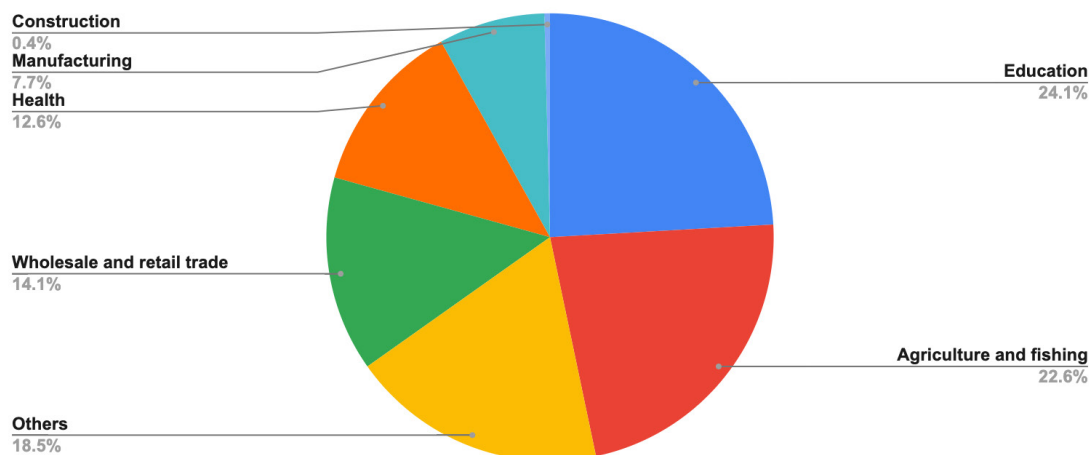


Figure 9- Female employment by economic sector¹¹¹



In this light, it is not surprising that only 6.3% of all firms in Egypt had females as top managers in 2016.¹¹² By the same token, it is not surprising that there is an income gap between males and females that ranges on average from 22% to 27%.¹¹³ Thus, given the current dominant practices exercised by the private sector, the expansion of the latter will not bring forward any improvement, unless these practices themselves are abolished.

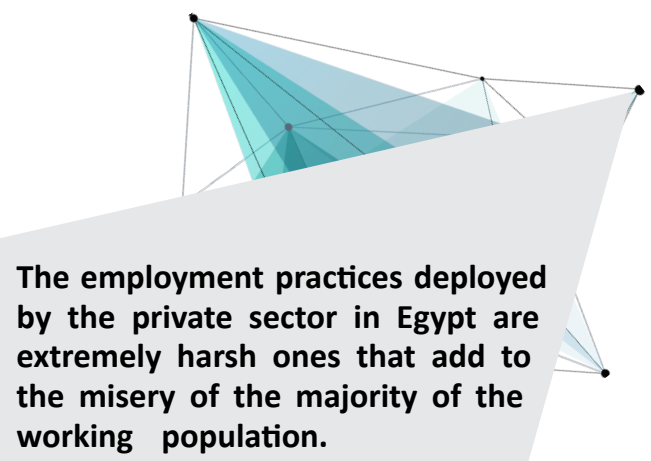
In other words, unless there is a serious effort directed towards eradicating such structural biases and the traditional mentality limiting working opportunities for females to certain sectors, the current gender discrimination will persist. This means directing efforts mainly towards extending legal and social protection to female labourers (domestic and agricultural labourers).¹¹⁴ Similarly, there should be a re-evaluation of the role (scope) played by the newly established anti-discrimination unit. The unit was established by the Ministry of Manpower in Cairo and other provinces to inspect employment practices. Nonetheless, many of such practices fall away from the scope of the unit's work without any clear explanation.¹¹⁵ Finally, there should be more pressure on the government to start implementing the standards set by the International Labour Organization in the decent work agenda (especially the part concerning the female labourers in the private sector) as well as the equal pay standards, implemented in different countries around the world.¹¹⁶ By the same token, efforts should be directed towards pressuring the government to accept the labour agreement concerning domestic labourers.¹¹⁷

Conclusion

To reiterate, the aim of this report was to survey the private investments in Egypt including investment patterns and employment norms. As shown above, private investment patterns, particularly foreign investments, are concentrated in fields that do not necessarily help in overseeing the structural reform needed to generate tangible developmental impact. By the same token, the employment practices deployed by the private sector in Egypt are extremely harsh ones that add to the misery of the majority of the working population. As a matter of fact, such practices are directly responsible for the deterioration of the working and living conditions of these groups. Here, the experience of the covid-19 crisis shows that the private sector's current practices in Egypt should not be defined as developmental, especially for female workers. Indeed, starting from the businessmen's push for workers to return to their jobs at the peak of the pandemic spread to the refusal of private health services providers to stick to the prices range suggested by the government and threatening to stop providing the service were all actions that showed that the private sector refuses to risk its profitability at the expense of the entire society, even during the times of crises.¹¹⁸ Similarly, it seems that such stance came mainly at the expense of the female workers, where according to a recent study conducted by the New Woman Foundation, 58% of female labourers interviewed lost their jobs and 31% experienced a decline in income.¹¹⁹

As such, decision makers must deal with the proposed expansion of the private sector carefully and those private investors maintaining such practices must be held accountable. Moreover, more efforts should be directed towards raising the awareness about the social responsibility of the private sector and its supposed developmental role. That means that the private sector should not be left unchecked to pursue its profits at any cost. Rather, as enterprises that operate within the Egyptian society, they should be faced with their obligation to achieve genuine development

through their activities by raising the standard of living of those they employ and permitting them the space to work without any discrimination. Yet, for this to happen, the state is required to ensure that the private sector is actually responsible for attaining certain goals that can result in a tangible development and that it will be deprived of its current privileges if it failed to do so. In a word, the private sector will be held accountable if it fails to generate the required developmental impact. Similarly, there should be focus from the state's side to encourage the informal private sector to register and integrate within the formal economy by facilitating such a process, decreasing the red tapes required and granting them time to complete their formalization process. This will help mainly in stopping such informal business owners from shifting the burden of the costs required for the completion of the formalization process to the shoulders of their workers. Lastly, there should be attention to the lack of transparency and access to data so that other parties, including civil society actors, can follow up on the progress of the private sector and help disseminate it to the wider audience while showing that genuine development consists of more than mere higher economic growth figures and actually respecting the rights of its employees and those of the society as a whole.



The employment practices deployed by the private sector in Egypt are extremely harsh ones that add to the misery of the majority of the working population.

Appendix 1-Some of the tax havens investing in Egypt between 1970-2013¹²⁰

Country's name	Number of established companies	Issued capital (\$ million)	Nationality contribution during the period (\$ million)
Cayman Islands	85	5817.78	2514.86
British Virgin Islands	112	2738.44	1283.24
Panama	92	1358.34	714.43
Luxembourg	85	1037.10	250.87
Bahamas	11	275.51	170.86
Bermuda	22	128.73	85.50
Mauritius	20	185.93	75.59
Jersey	6	264.96	28.79
United States Virgin Islands	2	45.06	10.66
Liechtenstein	11	72.11	8.65
Barbados	3	8.75	7.53
Liberia	16	77.86	6.78
Marshall Islands	5	6.80	4.91
Gibraltar	4	190.13	3.36
Antigua and Barbuda	1	5.42	3.26
Vanuatu	1	3.14	1.21
Saint Kitts and Nevis	1	1.00	0.43
Seychelles	2	0.37	0.12
Total	479	12217.43	5171.05

Appendix 2-Investment Treaties

Egypt's Bilateral Investment Treaties (In force agreements)¹²¹

Name of the treaty	Parties	Date of Signature	Status (date of entry into force)
Egypt - Mauritius BIT	Mauritius	2014/06/25	In force (2014/10/17)
Egypt - Switzerland BIT	Switzerland	2010/06/07	In force (2012/05/15)
Egypt - Ethiopia BIT	Ethiopia	2006/07/27	In force (2010/05/27)
Egypt - Germany BIT	Germany	2005/06/16	In force (2009/11/22)
Egypt - Iceland BIT	Iceland	2008/01/08	In force (2009/06/15)
Egypt - Qatar BIT	Qatar	1999/02/12	In force (2006/07/14)
Egypt - Serbia BIT	Serbia	2005/05/24	In force (2006/03/20)
Armenia - Egypt BIT	Armenia	1996/01/09	In force (2006/03/01)
Egypt - Finland BIT	Finland	2004/03/03	In force (2005/02/05)
Egypt - Mongolia BIT	Mongolia	2004/04/27	In force (2005/01/25)
Egypt - Sudan BIT	Sudan	2001/07/08	In force (2003/04/01)
Australia - Egypt BIT	Australia	2001/05/03	In force (2002/09/05)
Egypt - Turkey BIT	Turkey	1996/10/04	In force (2002/07/31)
BLEU (Belgium-Luxembourg Economic Union) - Egypt BIT	BLEU (Belgium-Luxembourg Economic Union)	1999/02/28	In force (2002/05/24)
Austria - Egypt BIT	Austria	2001/04/12	In force (2002/04/29)
Egypt - Kuwait BIT	Kuwait	2001/04/17	In force (2002/04/26)
Egypt - Singapore BIT	Singapore	1997/04/15	In force (2002/03/20)
Egypt - Viet Nam BIT	Viet Nam	1997/09/06	In force (2002/03/04)
Egypt - Thailand BIT	Thailand	2000/02/18	In force (2002/02/27)
Bosnia and Herzegovina - Egypt BIT	Bosnia and Herzegovina	1998/03/11	In force (2001/10/29)
Egypt - Portugal BIT	Portugal	1999/04/29	In force (2000/12/23)

Denmark - Egypt BIT	Denmark	1999/06/24	In force (2000/10/29)
Egypt - Malta BIT	Malta	1999/02/20	In force (2000/07/17)
Egypt - Mali BIT	Mali	1998/03/09	In force (2000/07/07)
Egypt - Russian Federation BIT	Russian Federation	1997/09/23	In force (2000/06/12)
Bulgaria - Egypt BIT	Bulgaria	1998/03/15	In force (2000/06/08)
Algeria - Egypt BIT	Algeria	1997/03/29	In force (2000/05/03)
Egypt - Oman BIT	Oman	1998/03/25	In force (2000/03/03)
Comoros - Egypt BIT	Comoros	1994/11/13	In force (2000/02/27)
Egypt - Slovenia BIT	Slovenia	1998/10/28	In force (2000/02/07)
Egypt - Malaysia BIT	Malaysia	1997/04/14	In force (2000/02/03)
Egypt - Korea, Dem. People's Rep. of BIT	Democratic Republic of Korea	1997/08/19	In force (2000/01/12)
Egypt - Slovakia BIT	Slovakia	1997/04/30	In force (2000/01/01)
Egypt - Malawi BIT	Malawi	1997/10/21	In force (1999/09/07)
Egypt - State of Palestine BIT	State of Palestine	1998/04/28	In force (1999/06/19)
Cyprus - Egypt BIT	Cyprus	1998/10/21	In force (1999/05/11)
Croatia - Egypt BIT	Croatia	1997/10/27	In force (1999/05/02)
Belarus - Egypt BIT	Belarus	1997/03/20	In force (1999/01/18)
Egypt - United Arab Emirates BIT	United Arab Emirates	1997/05/11	In force (1999/01/11)
Bahrain - Egypt BIT	Bahrain	1997/10/04	In force (1999/01/11)
Egypt - Syrian Arab Republic BIT	Syrian Arab Republic	1997/04/28	In force (1998/10/05)
Egypt - Morocco BIT	Morocco	1997/05/14	In force (1998/07/01)
Egypt - Latvia BIT	Latvia	1997/04/24	In force (1998/06/03)
Egypt - Jordan BIT	Jordan	1996/05/08	In force (1998/04/11)
Egypt - Yemen BIT	Yemen	1996/06/06	In force (1998/04/10)
Egypt - Sri Lanka BIT	Sri Lanka	1996/03/11	In force (1998/03/10)
Egypt - Netherlands BIT	Netherlands	1996/01/17	In force (1998/03/01)
Egypt - Poland BIT	Poland	1995/07/01	In force (1998/01/17)
Canada - Egypt BIT	Canada	1996/11/13	In force (1997/11/03)

Egypt - Hungary BIT	Hungary	1995/05/23	In force (1997/08/21)
Egypt - Lebanon BIT	Lebanon	1996/03/16	In force (1997/06/02)
Egypt - Korea, Republic of BIT	Republic of Korea	1996/03/18	In force (1997/07/25)
Egypt - Romania BIT	Romania	1994/11/24	In force (1997/04/03)
Egypt - Kazakhstan BIT	Kazakhstan	1993/02/14	In force (1996/08/08)
China - Egypt BIT	China	1994/04/21	In force (1996/04/01)
Egypt - Turkmenistan BIT	Turkmenistan	1995/05/23	In force (1996/02/28)
Egypt - Greece BIT	Greece	1993/07/16	In force (1995/04/06)
Czech Republic - Egypt BIT	Czech Republic	1993/05/29	In force (1994/06/04)
Egypt - Italy BIT	Italy	1989/03/02	In force (1994/05/01)
Egypt - Spain BIT	Spain	1992/11/03	In force (1994/04/26)
Albania - Egypt BIT	Albania	1993/05/22	In force (1994/04/06)
Egypt - Uzbekistan BIT	Uzbekistan	1992/12/16	In force (1994/02/08)
Argentina - Egypt BIT	Argentina	1992/05/11	In force (1993/12/03)
Egypt - Ukraine BIT	Ukraine	1992/12/21	In force (1993/10/10)
Egypt - United States of America BIT	United States of America	1986/03/11	In force (1992/06/27)
Egypt - Libya BIT	Libya	1990/12/03	In force (1991/07/04)
Egypt - Tunisia BIT	Tunisia	1989/12/08	In force (1991/01/02)
Egypt - Somalia BIT	Somalia	1982/05/29	In force (1983/04/16)
Egypt - Sweden BIT	Sweden	1978/07/15	In force (1979/01/29)
Egypt - Japan BIT	Japan	1977/01/28	In force (1978/01/14)
Egypt - United Kingdom BIT	United Kingdom	1975/06/11	In force (1976/02/24)
Egypt - France BIT	France	1974/12/22	In force (1975/10/01)

Egypt's Treaties with investments provisions¹²²

Name of the Treaty	Parties	Date of Signature	Status (date of entry into force)
Egypt-United Kingdom Association Agreement	United Kingdom	2020/12/05	Signed/ Not in force
COMESA Investment Agreement	Member states of the common market for Eastern and Southern Africa	2007/05/23	Signed/ Not in force
EFTA-Egypt FTA	European Free Trade Association	2007/01/27	In force (2008/09/01)
Egypt- Turkey FTA	Turkey	2005/12/27	In force (2007/03/01)
Egypt-Mercosur Framework Agreement	MERCOSUR (Mercado Común Sudamericano)	2004/07/07	Signed/ Not in force
COMESA-US TIFA	United States of America	2001/10/29	In force (2001/10/29)
EC-Egypt Association Agreement	European Union	2001/06/25	In force (2004/06/01)
Egypt-US Investment Development Agreement	United States of America	1991/07/01	In force (1991/07/01)
COMESA Treaty	Member states of the common market for Eastern and Southern Africa	1993/11/05	In force (1994/12/08)
AU Treaty	Member states of the Organisation of African Unity (OAU)	1991/06/03	In force (1994/05/12)
Egypt- Saudi Arabia	Saudi Arabia	1990/03/13	In force (1990/12/18)
OIC Investment Agreement	Member States of the Organisation of the Islamic Conference	1981/06/05	In force (1988/02)
Arab Investment Agreement	The member states of the League of Arab States	1980/11/26	1981/09/07
Arab League Investment Agreement	Member states of the Agreement of Arab Economic Unity	1970/08/29	In force (1970/08/29)

Endnotes

1 This is not to be mistaken with the 'economic reform' that was initiated in the early 1990s amid the accumulation of debts and consequently opened the door for privatizing the public sector among other measures. For more on this topic and its shortcomings, see Mahmoud 'Abdel-Fadil. *Barameg al-islah al-iqtisadi al-haikali fi misr wa al-maghreb: bin al-motwa'a'a wa al-maamol- The structural economic reform programs in Egypt and Morocco between the expected and the desired-*. (Beirut: Markaz al-Dirasat al-Istiratijiyah wa-al-Buhuth wa-al-Tawthiq, 1994).

2 Kareem Megahed. "A developmental parody: rapid neo-liberalization in post 2011 Egypt and its social discontents". ANND, 2018 study week alumni research papers, 2019. < <https://bit.ly/3pQkWL1>>.

3 For a case study on neoliberal Egypt, see *Ibid*.

4 For more on the plan, see "Egypt Vision 2030". Ministry of Planning and Economic Development, 2016. <<https://bit.ly/3nZPxDB>>.

5 See "al-Sisi le kobra al-sharekat al-nemsaweya: ladayna monakh we beea gadeedan lil-ethethmar fi masr"- al-Sisi to the biggest Austrian companies: we have new environment and atmosphere for investing in Egypt-. Soot al-Umma, 2018. <<https://bit.ly/2Ptwx4L>>; Mahmoud al-Badawi. "al-raasa: al-mothtathmorn yaroon enkhefad taklefa al-'amalah al-misryah meeza iqtisadiya"- The Presidency: Investors see an economic advantage in Egypt's low cost of labour-. al-Watan, 2019. <<https://www.elwatannews.com/news/details/4214444>> and Mohamed Alaa al-Din. "Wazeer al-etislat: Misr al-oola 'alamyian fi al-'amalah monkhafedh al-takleef bi qeta'a teknlogya al-ma'alamat"- The Minister of communication: Egypt ranks first worldwide in low cost labour within the field of information technology-. Masrawy, 2018. <<https://bit.ly/2MCxe9k>>.

6 It should be noted that a part of the paper's findings is based on the discussions conducted over the two-day workshop "Dor al-qeta'a al-khas al-misiri fil-tanmia wa idmag mokawen al-noa'a al-igtima'ai"- The Egyptian private sector's role in development and integrating the gender component- in collaboration with the New Woman Foundation in the period of 31-30 April 2021.

7 The choice of the financial year 2019/2018 goes back to the fact that is the latest financial years for which official data was released in total (i.e. the four quarters of the financial year) in comparison, for instance, to the financial year 2020/2019 where only figures of the first 3 quarters are available.

8 See «Monthly statistical bulletin». Central Bank of Egypt, No. 277, April 2020. P.129. The official \$ exchange rate in April 2020 (the year where the information was published) averaged EGP 15.7 for 1\$. See "Exchange rates". Central Bank of Egypt, 2020. <<https://www.cbe.org.eg/en/EconomicResearch/Statistics/Pages/ExchangeRateshistorical.aspx>>.

9 The private sector's shares of implemented investments outweighed the contribution of other official or governmental institutions such as central projects, government sector, public companies and economic authorities', estimated at %8.4, %14.6, %16.5 and %8 respectively. *Ibid*.

10 See "Investments in Egypt: from extractives to exportation". Social Justice Platform, 2019. As the chart shows, there are 5 main investors in Egypt who control investments in Egypt. 4 of these separate entities belong to the state and these are the economic authorities (responsible for the management of public utilities providing a service or more to the citizens); central projects responsible for mega-nationalist projects); government sector (responsible for providing services to the citizens) and public companies (productive and services companies responsible for providing main commodities for the citizens). As for the fifth player, it is the private sector composed of individual (private) investors seeking to maximize their capital through investing in different sectors.

11 "Monthly statistical bulletin", 2020.

12 *Ibid*.

13 "Investments in Egypt...", 2019.

14 "Monthly statistical bulletin", 2020.

15 This is not to be mistaken with real estate development. As while the latter is responsible for the process of buying or leasing raw lands (financing the purchase deals), obtaining the required permits, extending infrastructure (water, electricity...etc), developing a final design (shape and architecture) for the project and finally marketing and selling the buildings within the project, construction is the actual process of building within the project.

16 *Ibid*.

17 "Investments in Egypt...", 2019.

18 *Ibid*.

19 *Ibid*.

20 See Mostafa Eid. "Lemaza taraga' al-isthethmar al-agnabi al-mobasher bi-Misr li-aqal mostawa fi 5 sanawat?"-

What caused the foreign direct investments to reach its lowest level in 5 years? - Masrawy, 2019. <<https://bit.ly/2O69vgo>>. For the numerical details, please see "Investments in Egypt....", 2019.

21 "Investments in Egypt....", 2019.

22 Up until that moment, the United Kingdom was still officially a part of the European Union because the Brexit transition period officially ends on 31th of December 2020.

23 «Monthly statistical bulletin», 2020. P.94-93.

24 Ibid.

25 "Investments in Egypt....", 2019.

26 «Monthly statistical bulletin», 2020. P. 93.

27 Other noticeable countries include China with a share of %1.2 (equivalent to 192.4\$ million); France with a share of %1.8 (equivalent to 296.1\$ million); Germany with a share of %1.4 (equivalent to 231.2\$ million) and Italy with a share of %1.5 (equivalent to 253.2\$ million). Ibid.

28 S.H. "Dor al-qeta'a al-khas al-misiri fil-tanmia wa idmag mokawen al-noa'a al-igtima'ai"- Day 1.

29 Osama Diab. "Al-siyaha al-darbiyah: mosmar faded fi na'ash al-a'adalh al-igtma'aiyah". - Tax Tourism: a new nail in the coffin of social justice-. EIPR, 2015. P. 11

30 Ibid. For more, see Appendix 1

31 Ibid.

32 «Investments in Egypt....», 2019.

33 «Economic Review». Central Bank of Egypt, Vol. 59 no.2019 ,1. P. 65.

34 Ibid.

35 Amr Adly. Cleft Capitalism: the social origins of failed market making in Egypt. (Stanford; California: Stanford University Press, 2020). P. 7-6.

36 Ibid. P. 20.

37 See "Thalthat asbab lil-etefta bil-had al-adnaa lil-agr.ma'aa darorh mad mazlath lil-a'aamleen fel qeta'aa al-khas"- Three reasons to celebrate the minimum wage ...and extending it to the private sectors workers is a must-. EIPR, 2019. <<https://bit.ly/3d4jUDQ>>.

38 Hany Ahmed Khalil. "Partnership between the Public and Private Sectors in Egypt -evaluation and future vision for the experience". Institute of National planning, 2017. P. 151.

39 Other earlier PPP projects in Egypt include Alexandria University Hospitals project, New Cairo wastewater treatment plant, Shubra/Banha highway project and Rod el-Farag access project. See "Update on the national program for public-private partnerships". The Ministry of Finance, 2009. <<https://bit.ly/3bvIPRI>>.

40 For more on the PPP in Egypt, see Ibid. P.150-125.

41 Ahmed Ya'aqoub. "al-Maliyah togry ta'adeel a'ala qanon al-mosharka ma'a al-qeta'a al-khas PPP li-da'am doorh fil tanmeyah"- The Ministry of finance is amending the PPP law to extend its role in development-. al-Youm al-Saba'a, 2018. <<https://bit.ly/3pvPh1m>>.

42 "Private participation in infrastructure (PPI)- Country snapshots- Egypt". The World Bank, 2020.<<https://ppi.worldbank.org/en/snapshots/country/egypt-arab-rep>>. Other estimates put the total number of PPP currently operating or under-construction at 53. See "Egypt". PPP Knowledge Lab, 2020. <<https://pppknowledgelab.org/countries/egypt>>.

43 "Private participation in infrastructure (PPI).... The World Bank, 2020.

44 Ibid.

45 Ibid

46 Mohamed Mahros. "al-Maliyah: tawqee'a 3eqod inshaa 24 madrash loghat gadeeda bi-nizam al-mosharka ma'a al-qeta'a al-khas". - The Ministry of finance: signing contracts for the construction of a new 24 language school under the public-private partnership scheme-. al-Ahram, 2019. <<https://bit.ly/3puK8qg>>.

47 Mona 'Abdelbary. "al-Maliyah: tarh al-marhala al-thanya min mashroa'a al-maraders bil-sharka ma'a al-qeta'a al-khas al-ahd al-moqbel". - The Ministry of finance: the second stage of the schools' project in partnership with the private sector to be launched next sunday- al-Mal, 2020. <<https://bit.ly/38lv5Df>>.

48 Ahmed Ya'aqoub. "al-Maliyah to'aln tarh 4 mashroa'at li-tahliah al-myah bil-mosharka ma'a al-qeta'a al-khas yanyar al-qadem"- The ministry of finance announces 4 water desalination projects in partnership with the private sector in January -2021. al-Youm al-Saba'a, 2020. <<https://bit.ly/331Z6KX>>.

49 The total lands to be included in the project overall is estimated at 8000 feddans with a total investment of L.E 150 billion. See Mohamed 'Abdel-Nasser. "al-Iskan: tageel tarh al-marhala al-thaltha li-arady al-sharaka wa al-takhsees al-mobasher lays badeela"- The ministry of housing: delaying the 3rd stage of PPP land projects and direct assigning is not

an alternative-. Masrawy, 2019. <<https://bit.ly/3lJEzBO>>.

50 Adly. Cleft Capitalism...., 2020. P. 62.

51 "International investment agreement navigator- Egypt". UNCTAD, N.D. <<https://bit.ly/3oSH7Ag>>.

52 "UNCTAD expert meeting on taking stock of IIA reform- Geneva 16 March -2016 Egypt". UNCTAD, 2016. <<https://bit.ly/3wA2WHR>>. For the specifics of the treaties, check appendix 1. There it will be noticed that there are 72 enforced bilateral investment treaties and 15 IIAs with investment-related provisions. This discrepancy between the figures could be related to different categorization of the treaties between the Egyptian state and the UNCTAD. As for the rest of the IIAs, there are 29 treaties that were signed but not in force and another 15 there were terminated.

53 Ibid.

54 Ibid.

55 Ibid.

56 Ibid.

57 Ibid.

58 See "ISDS in numbers: impacts of investment arbitration against African states". TNI, 2019. It could be said that Egypt's status as the largest recipient of foreign investments in Africa is attributed to its large investments in infrastructure, saving investors major costs, as well as the relatively trained and cheap labour, the relative political stability it enjoys in comparison to other countries and the large incentives it grants to foreign investors.

59 For the complete law and its provisions, see "Qanon al-isthithmar raqm 72 li-sanah 2017: al-laih al-tanfiziyyah-qarar raees magls al-wozara raqm 2310 li-sanah 2017"- Investment Law No. 72 for year 2017: executive Regulations-Prime Minister's decision no. 2310 for the year -2017. Ministry of Investment and International Cooperation, 2017; and "Qarar raees magls al-wozara raqm 2310 li-sanah 2017 bi-shan isdar al-laih al-tanfiziyyah li-qanon al-isthithmar al-sader bil-qanon raqm 72 li-sanah 2017"- Prime Minister's decision no. 2310 for the year 2017 concerning the issuing of the executive regulations for the investment law no. 72 for the year -2017. The Official Gazette, 43 (A), 28 October, 2017. P. 90-2.

60 "Egypt's New Investment Law: Opening Egypt for Business". American Chamber of Commerce in Egypt, 2017. <<https://www.amcham.org.eg/invlaw.asp>>.

61 See "Investments in Egypt: from extractives to Exportation-Part 2". Social Justice Platform, forthcoming.

62 Ibid.

63 "Egypt's New Investment Law...", 2017.

64 Nourhan Sherif; Heba Khalil; and Hatem Zayed. "Above the state: multinational corporations in Egypt". ECESR, 2015.

65 Ibid.

66 This highlights two main issues that researchers face in Egypt, i.e the lack of transparency and stable/ secure access to information.

67 "Wazeer qeta'a al-a'amal: law mesh handar neshtgal bi-aliyat al-qeta'a al-khas wi-nenafso yebaa neqfel ahsan"- The Minister of the business sector: unless we deployed the mechanisms of the private sector and compete with it, it is better to shut down-. al-youm al-Saba'a, 2020. <<https://bit.ly/2QzgbJ2>>.

68 E. A. "Dor al-qeta'a al-khas al-misiri fil-tanmia wa idmag mokawen al-noa'a al-igtima'ai"- Day 1.

69 M.E. "Dor al-qeta'a al-khas al-misiri fil-tanmia wa idmag mokawen al-noa'a al-igtima'ai"- Day 1.

70 By genuine development here we mean plans capable of raising the living standards for the majority of the population through more job opportunities with higher wage and social protection as well as providing high quality social services such as education and health care with affordable prices.

71 E. A. "Dor al-qeta'a al-khas al-misiri fil-tanmia wa idmag mokawen al-noa'a al-igtima'ai"- Day 1.

72 Ali Nasser. "al-Ta'aba wa al-ihsaa yoa'aalen moaasherat al-tea'aadad al-iqtisadi: 3.7 milyon monshaa intaqiyah wa khadamiyah tadam hawaly 13.5 malayen moshtghel"- Statistics and mobilization authority: 3.7 million productive and services' facility employs nearly 13.5 million workers and employee-. Daaarb, 2020. <<https://bit.ly/2yRW4fT>>.

73 "A'adad al-a'amleen bil-qeta'a al-a'am wa al-a'mal al-a'am"- The number of those employed within the public and business sectors-. CAPMAS? <https://www.capmas.gov.eg/Pages/IndicatorsPage.aspx?Ind_id=1111>.

74 "A'adad al-a'amleen bil-hekoma"- The number of those employed within the governmental sector-. CAPMAS? <https://www.capmas.gov.eg/Pages/IndicatorsPage.aspx?Ind_id=1111>.

75 Based on the official employment figures of 2018, which estimated that the labour force reached 28.9 million individuals, the private sector employs nearly %43.6 of the total Egyptian labour force. See "Egypt's labour force reached 28.9 million in %90 ,2018 employment rate: CAPMAS". Ahram Online, 2019. <<https://bit.ly/2xmyCHb>>.

76 "Salama Hussein: al-Hekoma tozeed al-faqr aw tonqesh 'aan tareeq al-mwazna al-a'ama". - Salma Hussein: the

government increases or decreases poverty through the general budget-. Alternative Policy Solutions, 2019. <<https://bit.ly/3bUOBv0>>.

77 Salma Hussein. "Ertfa'aa al-infaq al-igtma'ai fa erfta'aa al-faqr...ayn al-khata al-thany?"- Social spending increased so did poverty rates...where is the second mistake? -. al-Sherouk, 2020. <<https://bit.ly/3f6EXYp>>.

78 Ibid.

79 Mohamed O. Ramdan. "al-Qowa al-a'aamlh": al-a'amalh a; -gheer montazemh tazeed a'ala 10 mieyon a'amil". - The Ministry of manpower: irregular workers exceed 10 million workers-. al-Watan, 2020. <<https://bit.ly/2VYjGsg>>.

80 "al-Sisi: al-qeta'aa al-khas moharek raaeesy li-tawfeer foras al-'amal wa tazayood al-nomow al-iqtisadi"- President al-Sisi: the private sector is a key player for generating jobs and boosting economic growth-. al-Youm al-Saba'aa, 2019. <<https://bit.ly/2poLUyQ>>.

81 Mentioned in "Hal al-iqtisad al-Misry yakhleq foras 'aaml gayedah? Lays ba'aad"- Does the Egyptian economy generate good working opportunities? Not yet-. Economy Plus, 2019. <<https://bit.ly/322MwaB>>.

82 See "al-Taqreer al tahlily lil-nashara al-sanaweya l-ihsaat al-twazf wa al-egor wa saat al-'amal 'aam 2018"- The annual report for labour, wages, and working hours' statistics in -2018. CAPMAS,2019.<https://www.capmas.gov.eg/Pages/Publications.aspx?page_id=5104&YearID=23462>. In relation to this point, Hussein mentions that more than %50 of those employed by the private sector receive L.E 1800 or less monthly on average while the World Bank estimates the average profitability rate for the Egyptian private sector in the last 3 decades to be around %40. See Hussein. "Ertfa'aa al-infaq al-igtma'ai fa erfta'aa al-faqr...". al-Sherouk, 2020.

83 See Heba al-Leithy. "Arqam al-faqr al-gdeeda fi Misr: lemaza tazdad a'adad al-foqra? Wa ma al-a'aml?"-. A lecture hosted by Alternative Policy Solutions, 2019. <https://www.youtube.com/watch?v=EmG8Ky2_jcc&t=4622s>. Also note that the percentage of poor workers from the total number of workers increased between 2018-2012 from %51 to %57, affecting %68 of poor female workers. See Hussein. "Ertfa'aa al-infaq al-igtma'ai fa erfta'aa al-faqr...". al-Sherouk, 2020.

84 Dina Armanious. "The informal sector: inequality and social protection". Alternative Policy Solutions, 2020. <<https://bit.ly/35zLbNy>>.

85 Ibid.

86 M.G. "Dor al-qeta'a al-khas al-misiri fil-tanmia wa idmag mokawen al-noa'a al-igtima'ai"- Day 2.

87 By the same token, the existing official labour union does not represent the majority of Egyptian workers. A. I. "Dor al-qeta'a al-khas al-misiri fil-tanmia wa idmag mokawen al-noa'a al-igtima'ai"- Day 2.

88 M.S. "Dor al-qeta'a al-khas al-misiri fil-tanmia wa idmag mokawen al-noa'a al-igtima'ai"- Day 2.

89 A. I. "Dor al-qeta'a al-khas al-misiri fil-tanmia wa idmag mokawen al-noa'a al-igtima'ai"- Day 2.

90 See Amr Adly. "Informal economy in Egypt: realities of marginalization and illusions of empowerment". Assafir Al-Arabi, 2019.

91 Ahmed al-Desouki. "Al-ta'abaah al-'amah wa al-ihsa: al-qeta'a al-gheer rasmy yastahwez 'ala %40 min al-iqtisad".- CAPMAS: informal sector takes up %40 of the economy-. al-Maal, 2019.<<https://bit.ly/2Mg7jTC>>. Other estimates put the informal economy's size at %35-27 of the GDP and possibly rising to %60. Moreover, that %80 of all small and micro businesses operate from within the informal economy. (Osman al-Sharnoubi. "Some people prefer working in the shadows". Madamasr, 2019. <<https://bit.ly/2nPnRZl>>.). Meanwhile, the The Egyptian federation of industries' estimated the annual turnover of the informal economy at \$ 288 billion. (See Sayid Ali. "Trenyolat al-iqtisad al-mowazy ya hekoma"- The billions of the parallel economy, government". al-Ahram, 2019. <<https://bit.ly/2xu2Qbq>>.)

92 Nasser. "al-Ta'aba wa al-ihsaa yoa'aalen moaasherat..."; 2020. <<https://bit.ly/2yRW4fT>>.

93 An increase in informal waged employment occurred between 2018-2012, according to which informal employment increased from %18 in 2012 to %23 in 2018. See Ragui Assaad. "Is the Egyptian economy creating good jobs? A review of the evolution of the quantity and quality of employment in Egypt from 1998 to 2018". Economic Research Forum, Policy Brief no. 2019 ,45.

94 Of all workers in Egypt, estimates put waged labourers at %69. See Armanious. "The informal sector..."; 2020.

95 Ibid. This highlights the obstacles facing irregular workers in registering for social insurance. M.G. "Dor al-qeta'a al-khas al-misiri..."- Day 2.

96 See Armanious. "The informal sector..."; 2020.

97 M.G. "Dor al-qeta'a al-khas al-misiri..."- Day 2.

98 Ali al-Raggal. "Informal Economy in Egypt: A Problem of Governance or an Economic Crisis?". Assafir Al-Arabi, 2019. <<https://bit.ly/2VS63L8>>.

99 See al-Raggal. "Informal Economy in Egypt..."; 2019.

100 "Bahs al-qowa al-a'aml: al-nashra roba'a sanweyah- alroba'a al-awal 2020". - The labour force survey: first

quarter of -2020. CAPMAS, 2020.

101 Vulnerable employment here refers to the unstable status of employment, according to which the employed person can be fired or released from their jobs due to absence of social and legal rights.

102 "Vulnerable employment, female (% of female employment) (modeled ILO estimate) - Egypt, Arab Rep.". World Bank, 2020. <<https://data.worldbank.org/indicator/SL.EMP.VULN.FE.ZS?locations=EG>>.

103 M.S. Dor al-qeta'a al-khas al-misiri..."- Day 2.

104 Heba Khalil and Kareem Megahed. "Employment Security in the aftermath of Covid19-" in Social Protection in Amr Adly; Dina Makram Ebied et al. Social protection in Egypt: mitigating the socio-economic effects of the COVID 19 pandemic on vulnerable employment, The American University in Cairo, 2021. <https://fount.aucegypt.edu/faculty_journal_articles/503/>.

105 Mona Ezzat. "Irregular labor and lack of social protection: how to address vulnerabilities of female workers". Alternative Policy Solutions, 2020. <<https://bit.ly/2IPs6hp>

106 Hend el-Behary. "14 percent of Egyptian families depend on female breadwinners: CAPMAS". Egypt Independent, 2018. <<https://bit.ly/2EfYAzN>>. Here, one should recall that female unemployment increased in between 2018-2012 from %25.8 to %27.8. See Caroline Krafft, Raugi Assaad and Caitlyn Keo. "The evolution of labour supply in Egypt from -1988 2018: a gendered analysis". Economic Research Forum, Working Paper No. 2019 ,1358. P. 31

107 L.L. "Dor al-qeta'a al-khas al-misiri..."- Day 2.

108 Ibid.

109 In many cases, women accept an indirect bribe in the form of employment to their husbands or male relatives. This leads to dropping their right to a fair severance pay or terminal bonus. Ibid.

110 "Bahs al-qowa...", 2020.

111 Ibid.

112 "Gender". Word Bank, n.d. <<https://www.enterprisesurveys.org/en/data/exploretopics/gender>>.

113 Yasmine Samra. "Egypt's GDP could jump %32 by achieving gender equality: IFC". Egypt Today, 2018. <<https://bit.ly/3httkBY>>. Earlier estimates put the gender wage gap at %25. See Amal Khairy Amin Mahmoud. "An Analysis of the Gender Pay Gap in the Egyptian Labour Market". IARIW-CAPMAS Special Conference, 2015. P. 5

114 T.S. "Dor al-qeta'a al-khas al-misiri..."- Day 2.

115 M.S. "Dor al-qeta'a al-khas al-misiri..."- Day 2.

116 I.M. "Dor al-qeta'a al-khas al-misiri..."- Day 2.

117 The government allegedly refused the treaty and the classification of domestic female labourers as workers eligible to legal and social protection due to social pressure against the latter as individuals who could use the secrets they hear within the households against their employees. Ibid.

118 For more on the private sector actions during the crisis, See Khalil and Megahed. "Employment Security in the aftermath of Covid2021 ,"...19-.

119 S.G. "Dor al-qeta'a al-khas al-misiri..."- Day 2.

120 Diab. "Al-siyaha al-darbiyah....", 2015. P. 15.

121 "International investment agreement navigator- Egypt - Bilateral Investment Treaties (BITs)". UNCTAD, N.D. <<https://bit.ly/3oSH7Ag>>.

122 "International investment agreement navigator- Egypt- Treaties with investment provisions". UNCTAD, N.D. <<https://bit.ly/2RFHq51>>.