



TOGETHER
for a sustainable future

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Meeting to promote specific Industrial
Projects in African Countries.

Nairobi, Kenya, 30 November - 4 December 1970

COUNTRY INFORMATION SHEET

THE UNITED ARAB REPUBLIC

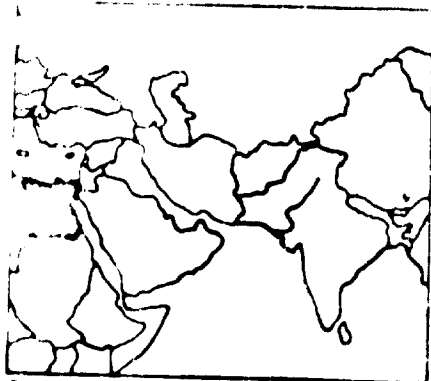
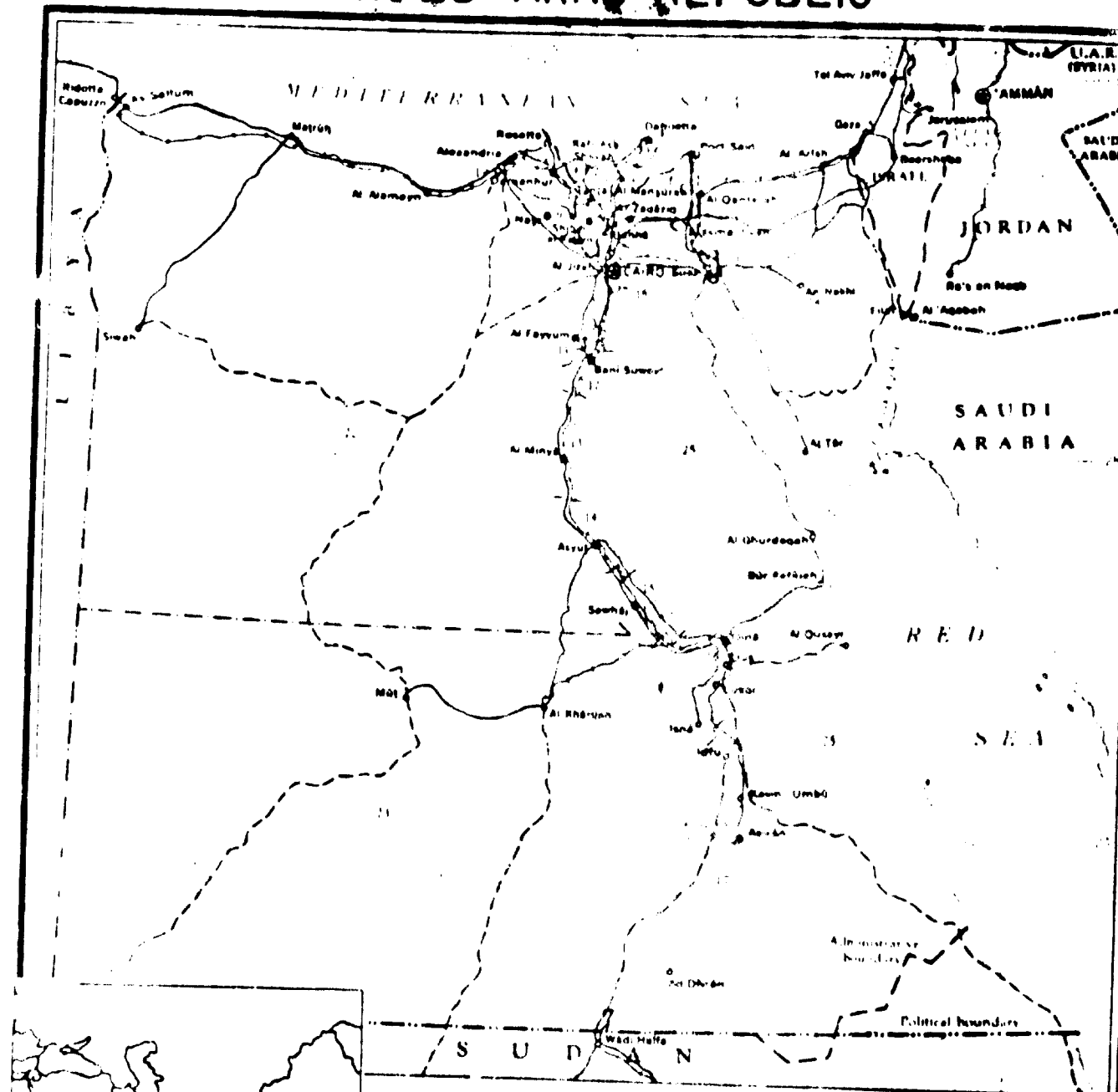
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UNITED ARAB REPUBLIC



- - - Internal administrative boundary
 - - - Armistice line
 ⊕ National capital
 • Province administrative seat
 —+— Railroad
 — Road
 - - - Trail

150 Miles
 100 Kilometers

PROVINCES AND GOVERNORATES

1. AL FARQIYAH	6. AL QHARBIYAH	11. AL QAYSIYAH	16. AL QHARIYAH
2. AL QHARBIYAH	7. AL MADIYAH	12. AL QAYSIYAH	17. AL QHARIYAH
3. AL QHARBIYAH	8. AL QALBIYAH	13. AL MADIYAH	18. AL QHARIYAH
4. AL QALBIYAH	9. AL QHARIYAH	14. AL QALBIYAH	19. AL QHARIYAH
5. AL QHARIYAH	10. AL QHARIYAH	15. AL QHARIYAH	20. AL QHARIYAH
			21. AL QHARIYAH
			22. AL QHARIYAH
			23. AL QHARIYAH
			24. AL QHARIYAH
			25. AL QHARIYAH
			26. AL QHARIYAH
			27. AL QHARIYAH
			28. AL QHARIYAH
			29. AL QHARIYAH
			30. AL QHARIYAH

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April 1961

AID(PC/SRD)

ECONOMIC BACKGROUND HIGHLIGHTS

A. THE COUNTRY AND ITS PEOPLE

1) ECONOMIC GEOGRAPHY:

- a) **AREA:** 386,118 sq. miles; 1,002,000 sq. kms.
- b) **GEOGRAPHY AND CLIMATE:** The UAR is the northeast corner of Africa; with the mediterranean to the north, the Red Sea to the east, Sudan to the south and Libya to the west. The climate is mediterranean, hot and dry in summer and temperate and rainy in winter. The best tourist season is the autumn from November to March.
- c) **POPULATION:** 31.8 million estimated at the end of 1968 with annual rate of growth 2.6%.
- d) **LANGUAGES:** Arabic is the official language. In the towns educated people speak English or French or both languages.
- e) **MAIN CENTRES:** The main cities are:

Cairo (Capital): 4,219,000	Ismailia: 284,000
Alexandria: 1,801,000	Suez: 264,000
Port Said: 282,000	
- f) **TRANSPORT FACILITIES:** - The roads are 14,000 miles.
 - The railways are from Aswan to Cairo and then it forks into a number of branches: to the Libyan frontier and to Port Said and Gaza in the opposite direction.
 - Port Said and Suez are the two links for sea traffic between the east and the west through the Suez Canal. Until 1967 20,000 ships used Suez Canal each year. Alexandria is the third seaport - Cairo airport is an international airport.

2) POLITICAL STATUS AND GOVERNMENT

STRUCTURE IN THE ECONOMIC FIELD: In 1936 the independence agreement was signed by the British. The U.A.R. is a democratic and socialist state.

U.A.R. has been a member of the League of Arab States since 1945, and of the UN and its specialised agencies as well as the OAU since 1963.

The ministries in the economic field are:
Ministry of Electricity and The Aswan Dam
Ministry of Planning
Ministry of Treasury
Ministry of Petroleum, Industry and Minerals
Ministry of Economy and Foreign Trade
Ministry of Agriculture and Agrarian Reform.

Sources: - A.I.D. Economic Data Book Near East-South Asia-1970
- I.B.R.D. Current Economic Position and Prospects of the United Arab Republic August 1969
- EUROPA Year Book 1969
- Africa 1969/70 - The editorial staff of "Jeune Afrique"

B. BASIC ECONOMIC DATA

1) ECONOMIC INDICATORS:

- a) **NATIONAL CURRENCY:** The national currency is the Egyptian pound L.E.
The rate of exchange: L.E.1 = US\$ 2.3
- b) **GROSS DOMESTIC PRODUCT:** 1966/67 at constant price of 1964/65:
L.E. 2325 million.
- Per Capita: L.E. 74
- | | |
|-----------------------------|-------------|
| Primary Sector: | 28% |
| Secondary Sector: | 28% |
| Transport, Trade, Services: | 44% |
| | <u>100%</u> |
- Rate of growth, 1964/65-1966/67
2.6% at constant prices.

c) **PER CAPITA INCOME:** US\$ 166 in 1966

d) **CONSUMER PRICE INDEX:** The cost of living index (1939 = 100)

<u>Dec. 1964</u>	<u>Dec. 1965</u>	<u>Dec. 1966</u>	<u>Dec. 1967</u>	<u>July 1968</u>
339	377	394	392	381

e) BALANCE OF PAYMENTS:

	<u>1967/68</u>
	<u>LE million</u>
Current Account	
Exports	253.4
Suez Canal receipts	-
Travel and other receipts	44.1
Other receipts	15.2
Total	<u>312.7</u>
Imports	386.8
Interests and dividends	16.4
Government expenditure	25.5
Other expenditures	38.7
Total	<u>467.4</u>
Balance of current account	<u>-154.7</u>
Capital Account	
Grants and local currency loans	-
Foreign currency loans and other receipts	172.6
Total receipts	172.6
Debt amortization and other payments	-68.8
Balance	<u>103.8</u>
Financial Balance	<u>-50.9</u>
Foreign exchange reserves	-35.0
IMF	-3.5
Non-resident accounts	-14.6
Errors and omissions	2.2

- 2) **NATURAL RESOURCES:** - The agricultural land is 3% of the area. There are approximately 6 million acres of arable land in the Nile valley and Delta. Completion of the High Dam at Aswan will increase arable acreage by almost a third.
- Cotton is the major cash crop, comprising 50-60% of total exports.
 - Fishing is of some importance. The Mediterranean and Red seas and the Nile furnish ample sources of supply which could be more fully developed.
 - The production for manganese, phosphate rock, salt and iron ore is important. The discovery of lead and copper deposits may have far reaching consequences.
 - Additional Petroleum reserves have been discovered, some refined products are exported. Large scale hydroelectric power development depends on completion of generating facilities at Aswan.
- 3) **LABOUR FORCE:** Labour force is 30% of total population. Agriculture 57%; industry and construction 11%; services 17%; commerce 8% and other 7%.

4) **ORIGIN OF GDP:**(At Factor Cost at Current Prices) (LE million)

	<u>1964/65</u>	<u>1965/66</u>	<u>1966/67</u>
Agriculture	582.1	608.5	611.0
Industry and Mining	423.4	461.1	477.4
Construction	92.6	94.9	94.3
Electricity	<u>24.2</u>	<u>24.3</u>	<u>25.2</u>
Total Productive Services	<u>1,121.3</u>	<u>1,188.8</u>	<u>1,207.9</u>
Transportation, Communication and Storage	176.0	196.6	204.8
Commerce and Finance	<u>168.0</u>	<u>181.5</u>	<u>195.9</u>
Total Distribution Sectors	<u>344.0</u>	<u>378.1</u>	<u>400.7</u>
Housing	74.9	76.1	79.0
Public Utilities	8.2	9.2	9.4
Services	<u>414.2</u>	<u>457.5</u>	<u>482.1</u>
Total Service Sectors	<u>497.3</u>	<u>542.8</u>	<u>570.5</u>
Total of all Sectors	1,962.6	2,109.7	2,179.1
Adjustment of the value of Production	12.4	14.4	14.4
<u>GRAND TOTAL</u>	<u>1,975.0</u>	<u>2,124.1</u>	<u>2,193.5</u>

- 5) **MAIN INDUSTRIES:** Food: Pasta-meat canning - vegetable and fruit canning - sugar refineries - mineral water etc.
- Textiles: Spinning of cotton, wool, silk, jute, sewing cotton (148,000 tons 1966).
- Chemicals: Soap-glycerine, oil from grain, fertilisers, glass, rubber, industrial detergents, tyres, inner tubes, nitric acid and matches - paper-plastic.
- Electricity: Cables, flex, refrigerators, washing machines, batteries, radio sets, television sets.
- Building: Bricks, ceramics, mosaics, plaster work, concrete and clay pipes, cement.
- Metal and Mechanical: Cast iron, steel, steel sheet. Lorry and car assembly, bicycles, sewing machines, trailers, wagons and metallic products.

C. DEVELOPMENT PLAN

A general economic and social development plan for 1960-1965 was followed by another plan for 1966-1972 which aims to find the methods of achieving a rate of growth of the national income in excess of the population growth in order to raise the standard of living, to develop industry which together with agriculture is considered a cornerstone of the economy and to expand exports by the opening of new markets.

1) INVESTMENTS: The investment in the public sector in the years 1964/65 - 1966/67 was as follows: (LE million)

	<u>1964/65</u>	<u>1965/66</u>	<u>1966/67</u>
Agriculture	32.5	30.7	31.3
Irrigation and Drainage	37.9	32.6	34.4
High Dam	18.6	19.0	16.5
Industry and Mining	99.9	100.6	98.4
Construction	5.2	6.8	3.9
Electricity	53.2	61.1	69.3
Total Productive Sectors	<u>247.3</u>	<u>250.8</u>	<u>253.8</u>
Transportation, Communication and Storage	45.9	49.4	42.6
Suez Canal	3.4	3.7	3.5
Commerce and Finance	4.3	2.7	2.6
Total Distribution Sectors	<u>53.6</u>	<u>55.8</u>	<u>48.7</u>
Housing	30.5	47.5	42.3
Public Utilities	11.2	12.4	8.6
Services	21.7	17.3	12.4
Total Service Sectors	<u>63.4</u>	<u>77.2</u>	<u>63.3</u>
Total Including Value of Land	364.3	383.8	365.8
Land Value	<u>5.9</u>	<u>6.4</u>	<u>7.0</u>
Total Excluding Value of Land	<u>358.4</u>	<u>377.4</u>	<u>358.8</u>
Public Sector	338.1	349.6	329.4
Private Sector	20.3	27.8	29.4

2) SOURCES OF FINANCING: The financing of the public sector Capital Expenditure in these years 1964/65-1965/66-1966/67 was as follows: (in LE million)

	<u>1964/65</u>	<u>1965/66</u>	<u>1966/67</u>
<u>CAPITAL EXPENDITURE</u>			
Investment	294.2	300.2	271.3
Debt Repayment	-	-	-
Emergency Fund	-	-	-
Total	<u>294.2</u>	<u>300.2</u>	<u>271.3</u>
<u>Sources of Financing</u>			
Public Savings	87.2	46.9	103.8
Savings Certificates	6.2	17.5	24.8
Postal Savings	8.8	5.1	1.3
Miscellaneous	39.6	48.0	9.5
Bank Claims	71.8	115.9	75.0
Foreign Credits	80.6	66.8	56.9

D. FOREIGN TRADE DATA

1) FOREIGN TRADE BALANCE: (in percent)

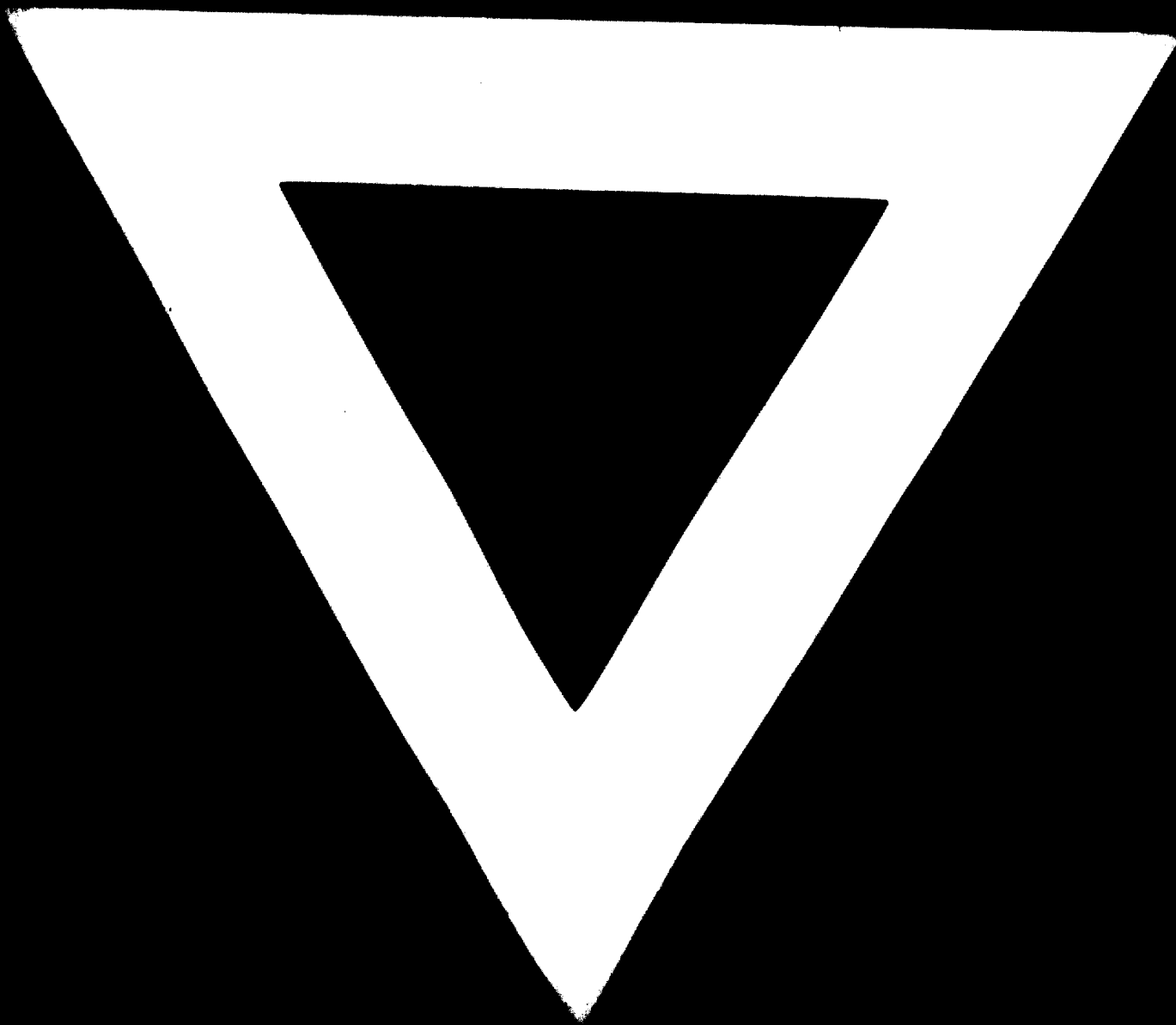
	<u>1964/65</u>	<u>1965/66</u>	<u>1966/67</u>	<u>1967/68</u>
<u>Imports</u>				
Arab countries	8.6	6.6	7.0	6.1
Eastern Europe	19.6	24.9	30.1	41.4
Western Europe	33.4	33.3	27.2	32.3
The Americas	27.6	20.0	22.3	6.2
Far East	8.4	12.5	11.7	8.6
Other	2.4	2.7	1.7	6.4
TOTAL	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
<u>Exports</u>				
Arab countries	7.1	8.9	9.0	12.3
Eastern Europe	47.8	51.2	49.9	42.3
Western Europe	22.2	18.8	18.9	21.8
The Americas	5.0	4.5	2.9	2.5
Far East	15.3	14.7	15.3	15.0
Other	2.5	2.8	4.0	7.1
TOTAL	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

2) VALUE OF IMPORTS; MAIN PRODUCTS: (LE millions)

	<u>1965/66</u>	<u>1966/67</u>	<u>1967/68</u>
Fuels	21.4	29.0	20.0
Raw materials	81.5	80.7	92.2
Intermediate commodities	168.4	121.2	114.0
Capital commodities	108.5	76.7	71.0
Consumer's commodities			
a) durable	7.9	4.9	3.6
b) non-durable	50.8	46.4	28.1
Other commodities	19.1	17.7	16.6
TOTAL "all imports"	<u>463.5</u>	<u>376.5</u>	<u>345.5</u>

3) VALUE OF EXPORTS; MAIN PRODUCTS: (LE millions)

	<u>1965/66</u>	<u>1966/67</u>	<u>1967/68</u>
Fuels	14.0	14.7	6.8
Raw materials	161.7	149.2	128.5
Semi-finished commodities	33.8	35.6	32.9
Finished commodities	43.7	53.0	70.2
Other commodities	3.0	5.3	6.3
TOTAL "all exports"	<u>256.2</u>	<u>257.8</u>	<u>244.7</u>



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