

WIPO/IP/DIPL/CAI/04/10

ORIGINAL: English

DATE: November 2004



MINISTRY OF FOREIGN AFFAIRS  
ARAB REPUBLIC OF EGYPT



WORLD INTELLECTUAL  
PROPERTY ORGANIZATION

## **WIPO NATIONAL TRAINING WORKSHOP ON INTELLECTUAL PROPERTY FOR DIPLOMATS**

organized by  
the World Intellectual Property Organization (WIPO)  
and  
the Institute for Diplomatic Studies

**Cairo, December 13 to 16, 2004**

CULTURAL INDUSTRIES IN EGYPT: AN OVERVIEW

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## Objectives of the Study

- Describing the economic performance of the core cultural industries (Book Publishing, Music, Film, and Software) in Egypt (as well as Jordan, Morocco, Lebanon, and Tunisia) and estimating their contribution in the economy (GDP, employment, foreign trade)
- Studying the economic performance of such industries while identifying the main determinants (both positive and negative) that affect their performance (cultural, economic, legal, social, technological, and political)
- Helping policy makers to undertake the right decisions needed to enhance such industries based on the information provided in this report

## Contribution in the GDP

- Book Publishing: 20 million US \$ (year 2000)
- Music Industry: 15-17 million US \$ (year 2000)
- Film Industry: 20-25 million US \$ (year 2000)
- Software Industry: 50 million US \$ (year 2000)

- In Egypt the contribution of the cultural industries to GDP is less than 0.5% compared to 2.9% in Germany, 5.6% in India, and 4.5% in the Netherlands (different methodologies applied)

## Similar Aspects Among the Different Industries

- Enforcement of IPR law is weak
- High taxes
- Lack of finance
- Lack of qualified labor
- Weak government support
- Demand conditions are highly affected by the prevailing economic, social and political conditions
- High demand and income elasticities
- Weak supporting activities

## Government Policies

- Weak government support with the exception of the software industry
- Weak enforcement of IPR laws and regulations
- Absence of competition law
- Absence of coordination and overlapping of jurisdictions between government institutions

## Differences between Such Industries

- The lax enforcement of IPR laws and regulations has different effects from one industry to the other
- The demand conditions affect the industries differently
- Data availability and classification differs significantly

## Summary of the main results (1)

	Book Pub.	Film	Software	Music
Overall Performance	Cannot be determined	Cannot be determined	Positive	Moderate
Role of Supply (Labor, Capital)	(Important, Moderate)	(Important, Highly Important)	(Important, Important)	(Important, Important)
Role of Demand (Domestic, Export)	(Important, Important)	(Important, Highly Important)	(No major bottlenecks, no major bottlenecks)	(Important, no major problems)

## Summary of the Main Results (2)

	Book Pub.	Film	Software	Music
Role of Related Industries (Upstream, downstream )	(Major bottlenecks in distribution, no major problems)	(Highly Important, Highly Important)	(No major bottlenecks, no major bottlenecks)	(Important, no major problems)
Role of Market Structure (Type of Market, Competition)	(Cannot be determined due to high degree of fragmentation, moderate-intense)	(Several large firms and ten small firms, intense but unfair)	(Competitive but fragmented, intense)	(Three large firms and 20 small firms, moderate)

## Summary of Main Results (3)

	Book Pub.	Film	Software	Music
Role of Government Policies (human resources and technology, infrastructure)	(Weak, Weak)	(Moderate, weak)	(High, high)	(Weak, absent)
(Stimulation of demand, enforcement of IPR)	(Weak, Weak)	(Weak, Weak)	(High, Weak)	(Weak, Weak)

## Expectation of the Firms

- Book Publishing: Largely undetermined
- Film: Largely undetermined
- Software: Optimistic
- Music: Optimistic but largely skeptic on some issues