

# Egypt

## Overview



### Commodities

Dashboard

Context

Wages

What's happening

18%

Population below international poverty line

€103

per month

National minimum wage

€284

per month

Rural living wage

20%

Agricultural workforce

12%

Agriculture share of GDP

5

very high

Risk to workers' rights

## Context

Egypt has a population of 109 million people,<sup>[1]</sup> of which 57% live in rural areas<sup>[2]</sup> and the remaining 43% in urban centers.<sup>[3]</sup> The agricultural sector accounts for 20% of total employment<sup>[4]</sup> and contributes to the country's GDP by 12%.<sup>[5]</sup>

Despite its relatively small contribution to GDP, agriculture is of vital importance for Egypt as a major economic activity. Many citizens highly depend on sustenance farming. Smallholder farmers represent half of Egypt's agricultural holdings, with plots of less than 0.42 hectares.<sup>[6]</sup>

Despite its dry climate, Egypt has the Nile to thank for its fertile land, allowing the country to be a large marker for various agricultural products. The top produced crops in Egypt are sugar beet, sugar cane, wheat, maize, potatoes and tomatoes, respectively.<sup>[7]</sup> Egypt's top commodities in terms of export quantity are oranges, potatoes, wheat flour and molasses.<sup>[8]</sup>

## Wages

### Minimum wage

The minimum wage in Egypt is set by law at 2,700 Egyptian Pound (103 EUR) per month. It is based on 8 hours per day for 5-day workweek or on 7 hours per day for a 6-day workweek.<sup>[9]</sup>

However, the minimum wage only covers public sector and government workers, leaving a lack of regulation in the private and informal sectors. This uneven playing field poses a challenge to improve the poor working conditions faced by workers in the informal economy, who make up 40% of the total workforce.<sup>[10]</sup>

## Living wage

The **Global Living Wage Coalition**, has developed a living wage living incomes for rural and urban areas within each country and should not replace countries where a Anker benchmark is available. They are not location-specific, and so are not representative value study for rural Egypt, based on the Anker methodology, which refers specifically to the rural areas of the country.

The Anker Living Wage Reference Value is estimated at 5,048 Egyptian Pound (284 EUR) per month, which is almost double the national minimum wage. The reference value is a wage which would guarantee workers a basic but decent standard of living in a typical rural area in Egypt. Due to the heterogeneous poverty rates in Egypt, it is expected that the minimum living wage gaps will vary greatly from one area to another.<sup>[11]</sup>

## What's happening

### RESOURCE

#### Living Wage Reference Value, Rural Egypt

Living wage estimate for workers in a typical rural area of Egypt to afford a basic but decent living standard. Global Living Wage Coalition.

### RESOURCE

#### Inside Inequality in the Arab republic of Egypt

A book, collaboration of the World Bank and the Social Contract Center of Egypt, drawing a picture on inequality inside of Egypt's borders.

## Footnotes

1. World Bank (2021). <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=EG>
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5. World Bank (2021). <https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS?locations=EG>
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7. FAOSTAT (2021). [http://www.fao.org/faostat/en/#rankings/commodities\\_by\\_country](http://www.fao.org/faostat/en/#rankings/commodities_by_country)
8. FAOSTAT (2021). [http://www.fao.org/faostat/en/#rankings/commodities\\_by\\_country\\_exports](http://www.fao.org/faostat/en/#rankings/commodities_by_country_exports)
9. WageIndicator Foundation (2023). Minimum Wage-Egypt. <https://wageindicator.org/salary/minimum-wage/egypt>
10. U.S. Department of State. (2019) <https://www.state.gov/reports/2019-country-reports-on-human-rights-practices/egypt/>
11. Global Living Wage Coalition (2022). Anker Living Wage Reference Value: Rural Egypt. <https://www.globallivingwage.org/living-wage-reference-value-rural-egypt/>

