The GSMA represents the interests of mobile operators worldwide, uniting more than 750 operators with nearly 400 companies in the broader mobile ecosystem, including handset and device makers, software companies, equipment providers and internet companies, as well as organisations in adjacent industry sectors. The GSMA also produces the industry-leading MWC events held annually in Barcelona, Los Angeles and Shanghai, as well as the Mobile 360 Series of regional conferences.

For more information, please visit the GSMA corporate website at [www.gsma.com](http://www.gsma.com)

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**GSMA Intelligence**

GSMA Intelligence is the definitive source of global mobile operator data, analysis and forecasts, and publisher of authoritative industry reports and research. Our data covers every operator group, network and MVNO in every country worldwide – from Afghanistan to Zimbabwe. It is the most accurate and complete set of industry metrics available, comprising tens of millions of individual data points, updated daily.

GSMA Intelligence is relied on by leading operators, vendors, regulators, financial institutions and third-party industry players, to support strategic decision-making and long-term investment planning. The data is used as an industry reference point and is frequently cited by the media and by the industry itself.

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Economic impact of the mobile ecosystem in 2017

**Total impact**

In 2017 the mobile ecosystem generated **6.6% of GDP** or $15.7 billion in value added.

The economic impact is expected to raise from $15.7 to $19.1 billion by 2022, primarily due to increased take-up and usage of mobile internet.

The size of the content, apps and services part of the mobile ecosystem is expected to expand, meeting increased usage of mobile internet.

**Employment**

Firms in the mobile ecosystem created almost **60,000 direct jobs** in 2017.

Their activity also supported the indirect employment of over 75,000 people, bringing total job creation to 135,000.

This includes formal and informal employment, the latter being primarily associated to distribution and retail of mobile devices and services.

**Public funding**

The contribution of the mobile ecosystem to public funding equalled **5.5% of government tax revenue** ($1.7 billion).

More than half of the value added directly created by the mobile industry is kept by the government.

Over a third of all tax payments are sector-specific taxes, which consumers and operators pay on top of general taxation.
The mobile industry makes an important contribution to Egypt’s economy

The economic value generated by the mobile ecosystem is through its direct, indirect and productivity impacts.
Economic impact of the mobile ecosystem in 2017

1. Total contribution to GDP

Economic impact in $bn, and as a proportion of GDP

- DIRECT IMPACT
  - Mobile Operators: $12 bn, 5.1% GDP
  - Infrastructure Providers: $0.6 bn, 0.3% GDP

- INDIRECT IMPACT
  - Device Manufacturers: $15.7 bn, 6.6% GDP
  - Distributors and Retailers: $3.1 bn, 1.3% GDP
  - Content, Apps and Service Providers: $0.6 bn, 0.3% GDP

Ecosystem firms value added: wages, taxes and business surplus

Knock-on effect in sectors providing inputs in the supply chain of mobile goods and services

Improved efficiency throughout the economy via the use of mobile technology

Source: GSMA Intelligence analysis
2. Employment impact

**135 thousand jobs supported**

**DIRECT JOBS**

- **Mobile operators***: 40,000 jobs
- **Distributors and retailers**: 15,500 jobs (7,000 informal)
- **Infrastructure**: 2,500 jobs
- **Content, applications and services**: 1,000 jobs
- **Device manufacturers**: 500 jobs

**INDIRECT JOBS**

- **75th.**

More than 40% of jobs were created directly in the ecosystem, and the rest was produced through the knock-on effect on the sectors that provide inputs for mobile goods and services.

*Includes employment impact of fixed and mobile operations of MNOs

Source: GSMA Intelligence analysis. Totals may not add up due to rounding of numbers.

Informal employment is mainly driven by the Distribution and Retail sector, which has higher informality levels, more in line with a large part of the Egyptian economy.

Expected to increase in 2018 as the new plant announcement of Chinese manufacturer IKU Mobile materializes.
Economic impact of the mobile ecosystem in 2017

3. Contribution to public funding of the entire mobile ecosystem

- The tax contribution of $1.7 billion means that more than half of the value added directly created by the ecosystem is extra government revenue
- The mobile ecosystem contributes 5.5% of government tax revenue – while revenues of the mobile ecosystem represent 1.3% of GDP.
- This includes payments of general taxes across the entire ecosystem, as well as sector-specific taxes and fees paid by consumers and mobile operators (excl. spectrum one-off fees).
- Taxes specific to the mobile industry, levied on consumers and operators account for 35% of the entire tax contribution. Most part of it is driven by the higher VAT rate that consumers pay on mobile services and devices
# Economic impact of the mobile ecosystem

## 4. Forecast to 2022 (i)

<table>
<thead>
<tr>
<th></th>
<th>Total impact</th>
<th>Direct employment</th>
<th>Indirect employment</th>
<th>Public funding</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2017</strong></td>
<td>$15.7 billion</td>
<td>60,000 direct jobs</td>
<td>75,000 indirect jobs</td>
<td>5.5% Government tax revenue</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$1.7 billion</td>
</tr>
<tr>
<td><strong>2022</strong></td>
<td>$19.1 billion</td>
<td>62,000 direct jobs</td>
<td>80,000 indirect jobs</td>
<td>6.8% Government tax revenue*</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$ 2.1 billion</td>
</tr>
</tbody>
</table>

- Significant part of the increase in the total impact of the mobile ecosystem will be brought by productivity improvements, driven by increased take up of mobile internet in general, and 4G especially.
- The increased impact will also be through an expansion of the mobile ecosystem - particularly in Content and Services, meeting increased usage of mobile internet.