Egypt

Fiscal Year 2026

Capacity Development Activities

Financial Supervision and Regulation

Enhancing Supervision of Digital Banks

In October, METAC conducted a four-day workshop for the Central Bank of Egypt, enhancing supervision of digital banks with over 20 participants from licensing, on-site, and off-site teams. The sessions covered diverse digital banking models, licensing requirements, and emerging risks such as third-party, ICT, operational, and cloud computing vulnerabilities. Participants explored international supervisory practices, digital onboarding, conversion of incumbent banks, and exit strategies. The workshop also identified future technical assistance needs, supporting Egypt's evolving digital finance regulatory and supervisory landscape.

Capacity Building and Developing Supervisory Guidelines on IFRS 9 Implementation (March 29 -April 2)

A hybrid technical assistance mission was conducted to enhance the Central Bank of Egypt's (CBE) supervisory capacity related to banks' IFRS 9 frameworks. The mission focused on (i) building examiners' skills to conduct supervisory assessments and (ii) developing examination procedures to guide these assessments effectively. It included a review of regulatory directives issued to all banks concerning the application of IFRS 9, aiming to identify necessary improvements to the regulatory framework. The mission concluded with the provision of tailored examination procedures for the CBE to facilitate consistent and thorough supervisory reviews.

Supervisory Assessment of Recovery Plans (March 3-April 9)

The Central Bank of Egypt (CBE) requested to enhance its review of banks' recovery plans. The three main objectives of the hybrid mission included: (i) providing practical, hands-on training for supervisors on assessing recovery; (ii) developing supervisory guidelines that establish control points for evaluating the quality of recovery plans and recommend improvements to strengthen the review process; and (iii) reviewing existing regulatory instructions on recovery plans to propose refinements that align with evolving supervisory standards and emerging risks.

Macroeconomic Frameworks

Macroeconomic Frameworks (June 15-26)

This was the second in a series of technical assistance (TA) missions to assist the Central Bank of Egypt (CBE) in upgrading its Forecasting and Policy Analysis System (FPAS), including modernizing the CBE's short-term forecasting tools and Quarterly Projection Model (QPM). The mission expanded the QPM with CPI disaggregation, introduced additional nowcasting models, and estimated the QPM parameters with Bayesian techniques.

Assisting the Central Bank of Egypt in upgrading its existing Forecasting and Policy Analysis System (FPAS) (November 4-13)

This mission was the third in a series of ICD TA missions aimed at assisting the Central Bank of Egypt (CBE) in upgrading its existing Forecasting and Policy Analysis System (FPAS). The CBE is aiming at modernizing its macroeconomic framework, including technical aspects of their short-term forecasting tools and Quarterly Projection Models (QPM). The April 2025 scoping mission found that the CBE's FPAS practice and processes are generally well aligned with best international practices but recommended expanding the set of nowcasting models and extending the baseline QPM.

Assisting the Central Bank of Egypt in upgrading its existing Forecasting and Policy Analysis System (FPAS) (January 28 - February 4)

This mission was the fourth in a series of Technical Assistance missions (led by the Institute of Capacity Development) aimed at assisting the Central Bank of Egypt (CBE) in upgrading its existing Forecasting and Policy Analysis System (FPAS). The mission advanced the CBE's FPAS along three tracks: (i) reviewed progress since the last mission—on fiscal block extension and recalibration/Bayesian estimation; (ii) introduced an external sector block into the Quarterly Projection Models, focusing on how current account dynamics interface with exchange rate determination; and (iii) conducted hands-on sessions to produce model-based scenarios and forecast decompositions.

Public Debt Management

MTDS Formulation and implementation (May 25-29)

A joint METAC/World Bank mission trained staff from the Ministry of Finance's debt management unit on the use of the medium-term debt management strategy (MTDS) framework, its Analytical Tool (AT), and the interpretation of the outputs and results. It also addressed shortcomings in the authorities' practices for the design of their debt management strategy and provided guidance for its successful development and implementation. The mission provided an overview of the MTDS framework, including linkages with the fiscal framework and addressed the participants' knowledge gaps in MTDS design. Additionally, it trained participants in data preparation for use in the MTDS AT and in forward-looking debt portfolio risk analysis and exploring feasible alternative financing options and cost-risk tradeoffs, paying attention to the MTDS methodology.

Real Sector Statistics

Harmonizing National Accounts

In August, METAC conducted a mission to better align the methodologies of the Ministry of Planning, Economic Development, and International Cooperation and the Central Agency for Public Mobilization and Statistics (CAPMAS) for the upcoming national accounts rebase, tentatively scheduled for mid-2027.

Financial and Balance Sheet Accounts III (December 21-25)

The mission assisted the Egypt Ministry of Planning, Economic Development, and International Cooperation (MPEDIC) with the development of Financial Accounts and Balance Sheet Accounts (FABSA). This mission is part of ongoing support to the ministry's staff understanding of the compilation tables and process.

Review of the new 2022-23 National Accounts Benchmark (March 29-April 9)

The review of the new 2022-23 national accounts benchmark has begun and is expected to be completed by September 2026. This updated benchmark based on detailed supply and use tables will serve as a basis for rebasing national accounts, which in turn will help align methodologies and estimates between the Public Mobilization and Statistics (CAPMAS) and the Ministry of Planning, Economic Development, and International Cooperation (MPEDIC).

Revenue Administration

Support to Improving Taxpayer Services

The IMF Fiscal Affairs department provided a follow-up support to the Egyptian Tax Authority (ETA) in developing its Human Resource (HR) management function. This included the development of an HR enhancement plan and a draft HS strategy framework, as well as the design of a CD Plan to support the implementation of HR development actions and strategy.