Middle East and North Africa

Mobile cellular subscriptions per 100 people increased 10-fold in Jordan between 2000 and 2007

The share of mobile phone subscriptions in developing economies increased from about 30 percent of the world total to almost 70 percent in 2007. At the end of 2007 there were about 3.3 billion mobile phone subscriptions in the world. In the Middle East and North Africa, the population covered by a mobile cellular network is an impressive 93 percent, but only about 55 percent have a mobile cellular telephone subscription. At the country level, mobile cellular subscriptions range from about 28 per 100 people in West Bank and Gaza to about 83 per 100 people in Jordan—where subscriptions per 100 people increased by 10 times between 2000 and 2007.
People

Fewer women working—At less than 50 percent, the Middle East and North Africa has the lowest employment to population ratio among all regions. The participation rate of women is particularly low. As a consequence, the region shows the largest gender gap in its employment rates. The employment to population ratio for men was 67 percent but on 22 percent for women in 2007. Many women are self-employed or family workers, who have fewer protections than workers in the formal labor market.

Environment

Higher domestic energy use—Energy production in the Middle East and North Africa continues to increase, but not as fast as local demand. Energy output was 47 percent higher in 2006 than in 1990, while the use of energy in the region, subsidized in several countries, more than doubled. The growth of energy use (4.3 percent a year) was the highest of any region. In 1990, energy use constituted 34 percent of the region’s production; by 2006, 47 percent of their production was used for domestic consumption, leaving less for export and the needed foreign currencies.

Economy

Relatively low integration to the international capital markets—Middle East and North Africa makes relatively little use of international capital markets. In 2007 gross financing from international capital markets was $16 billion (1.7 percent of GDP), lowest amount among all developing regions. Foreign direct investment net inflows increased by a mere 5 percent in 2007, equivalent to 3.7 percent of the region’s GDP. Net portfolio equity flows were negative 2 billions dollars, indicating a withdrawal of foreign capital from the region. Net bond issuance declined by 88 percent in 2007, and repayments on earlier loans exceeded the amount newly borrowed from commercial banks and other private creditors.

States and markets

Improving the business environment—In 2007 and 2008, the Middle East and North Africa continued to make important business reforms, with two-thirds of its economies reforming. The region, once known for prohibitive entry barriers, was marked by bold reforms in 3 countries—Saudi Arabia, Tunisia and Yemen, Rep.—which eliminated the minimum capital requirement for starting a business. And Jordan reduced its requirements by 96 percent in 2008. Yemen also launched a one-stop shop to make it easier to start a business, and Egypt’s property registry reform led to increased title registration and a 39 percent increase in revenues from property registration. For the region overall, property registration takes about 37 days from start to finish, considerably lower than other regions: East Asia and the Pacific (113 days); Europe and Central Asia (59 days); Latin America and the Caribbean (66 days); South Asia (106 days); and Sub-Saharan Africa (97 days).

Global links

Low external debt levels—Middle East and North Africa had the lowest level of external debt in 2007 (public and publicly guaranteed as well as private nonguaranteed debt) in nominal terms. The ratio of external debt to GNI declined by 15 percentage points between 2000 and 2007, reaching 19 percent. Most of the external debt of the Middle East and North Africa and Sub-Saharan Africa regions was public and publicly guaranteed debt from official creditors. The shares of debt from private creditors and short-term debt have increased for all other regions.