

STATUTORY AND RECORDED WAGE & MONETARY INCOME LEVELS

BENCHMARK	CALCULATION NOTES	SOURCE	MONTHLY VALUE (EGP)
Industry/sector wage comparator Minimum wage for public sector	<ul style="list-style-type: none"> The monthly salary paid to employees of public sector in normal working conditions, ensuring full working days as standard days in the month and completing the assigned work. 		1,200
Industry/sector wage comparator CAPMAS average wage	<ul style="list-style-type: none"> Average weekly salaries for private sector employees in 2014: Egyptian Pound (EGP) 506 Average monthly wage = $506 * 52 / 12 = 2192.67$ Adjusted for inflation using IMF WEO CPI (to 2015 value): 2433.75 	<u>Central Agency for Public Mobilization and Statistics (CAPMAS)</u>	2,433.75

INCOME AND POVERTY BENCHMARKS

BENCHMARK	CALCULATION NOTES	SOURCE	MONTHLY VALUE (EGP)
World Bank 'international poverty line' (2011 PPP\$ 2.00/day)	<ul style="list-style-type: none"> Following the World Bank's suggestion, we used the 2005 Purchasing Power Parity (PPP) conversion factor, adjusted for inflation. The reason for this is that when the World Bank recently updated its poverty thresholds, the study considered that for a small set of countries, including Bangladesh, Laos, Cambodia, Cape Verde, Jordan, Egypt, Iraq, Yemen, the 'extrapolated' 2005 PPP\$ (adjusted for inflation) was more accurate as a measure of poverty/living costs than the 2011 PPP\$. Therefore, as an exception, the best like-for-like comparison with countries' minimum wages in 2011 PPP\$ for Egypt is the 2005 PPP conversion factor, adjusted for inflation. For more info, see pages 30-31 of the World Bank Group/IMF, 2016, Global Monitoring Report 2015/16 Development Goals in an Era of Demographic Change, at http://pubdocs.worldbank.org/pubdocs/publicdoc/2015/10/503001444058224597/Global-Monitoring-Report-2015.pdf For World Bank international poverty line, poverty is measured at PPP\$3.10 a day, for international extreme poverty line, it is measured at PPP\$1.90 a day. However, due to the reasons stated above, for Egypt, the former standard poverty benchmarks of PPP\$1.25/day (extreme poverty line) and PPP\$2/day (international poverty line) are used instead of the updated \$1.90/day \$3.10/day lines. The \$2/day equivalent is $(1.62 * 2) = \text{EGP } 3.24$ On a monthly basis, this is $(\text{EGP } 3.24 * (365/12)) = \text{EGP } 98.55$ Adjusted for inflation, this amount is $[(336.85 (\text{CPI } 2015) / 127.39 (\text{CPI } 2005)) * 98.55] = \text{EGP } 260.58/\text{person/month}$ The household equivalent of EGP 260.58, assuming two consumption units and one earner is $\text{EGP } 521.17 (2/1 * \text{EGP } 260.58)$ 	<u>World Bank</u>	521.17
	<ul style="list-style-type: none"> The household equivalent of EGP 260.58, assuming three consumption units and one earner is $\text{EGP } 781.75 (3/1 * \text{EGP } 260.58)$ 		781.75

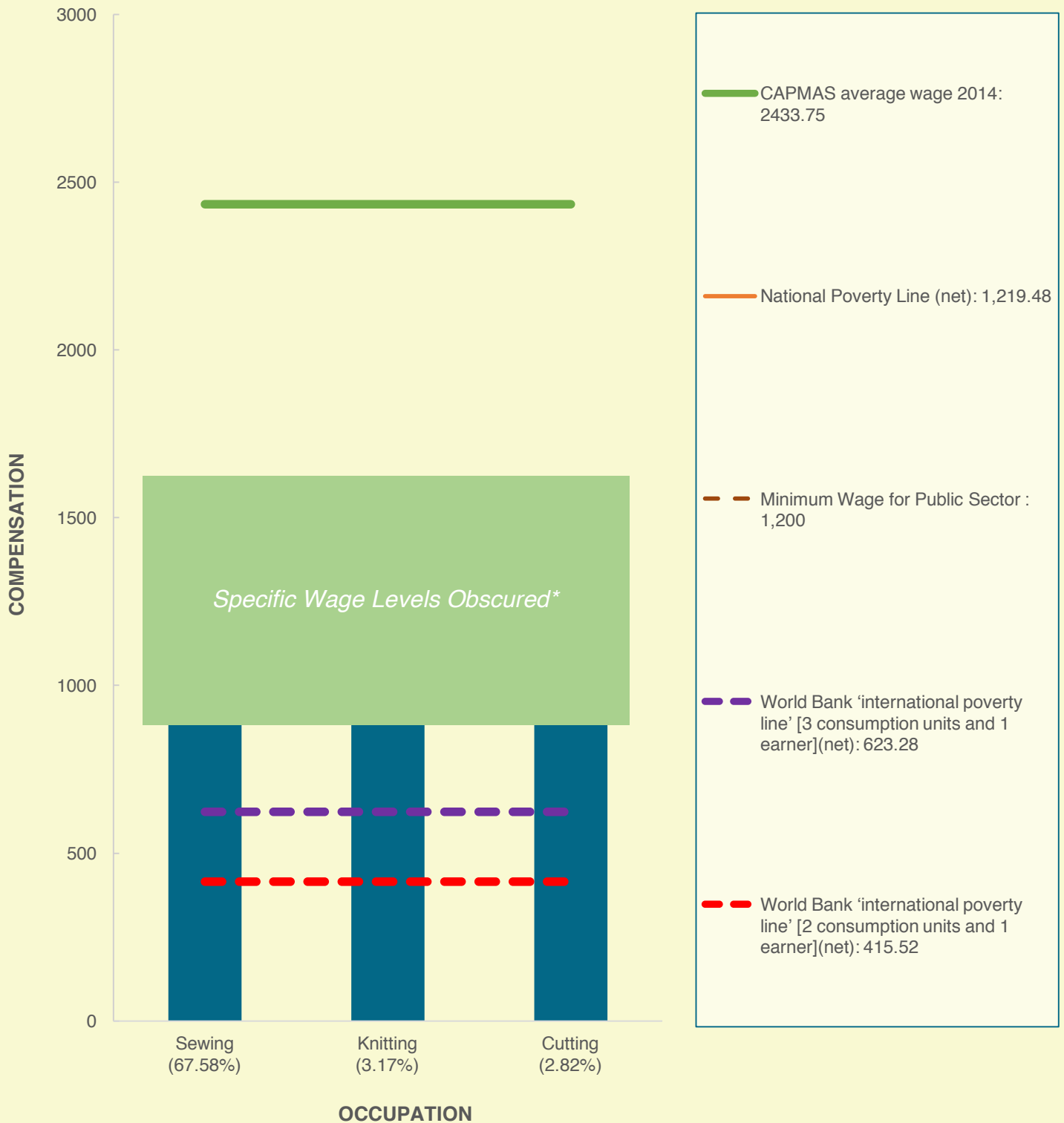
EGYPT

INCOME AND POVERTY BENCHMARKS

BENCHMARK	CALCULATION NOTES	SOURCE	MONTHLY VALUE (EGP)
National Poverty Line CAPMAS (2 adults and 1 earner)	<ul style="list-style-type: none">This data was drawn and calculated from different editions of the CAPMAS' Household, Income, Expenditure and Consumption Survey. Value called 'upper poverty line' selected as a higher value is more likely to be relevant to garment sector due to its location in relatively more costly urban areas. The value of upper poverty line in 2012/13 was 5,600 per person per year, which is 466.67 per person per month.Adjusted for inflation using IMF WEO CPI (to 2015 value): 609.74Monthly, household equivalent (assuming two adult consumption units and one earner): 1219.48	<u>CAPMAS via UNICEF Children in Egypt Statistical Digest 2015</u>	1,219.48

MEDIAN FACTORY COMPENSATION COMPARED TO BENCHMARKS

EGYPT (1) *Currency: Egyptian Pound (EGP)*



Basic Contracted Wage

Cash Benefit

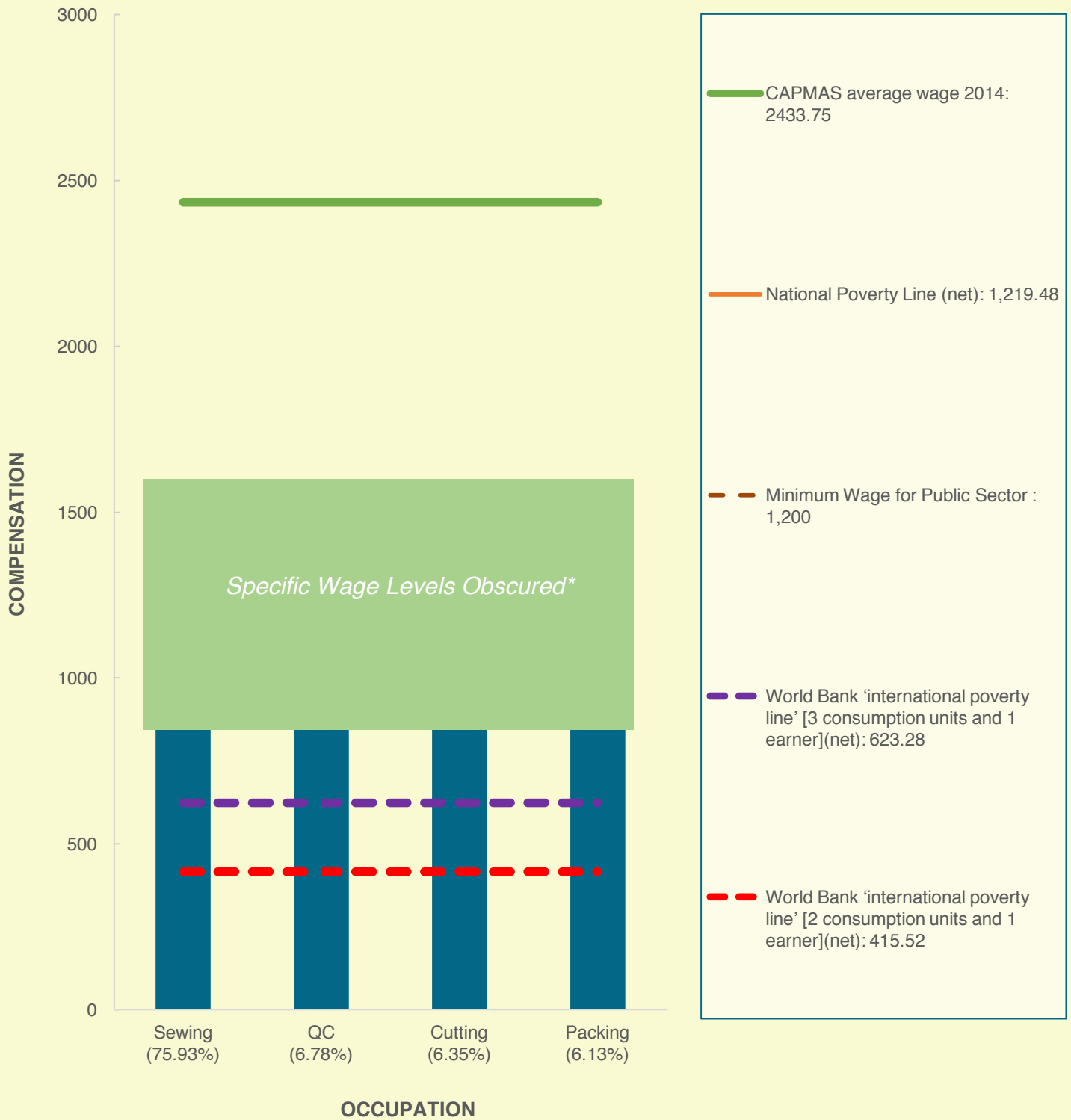
In-Kind Benefit

Incentives

* Specific wage levels have been obscured in an abundance of caution to avoid the potential disclosure of information that may be competitively sensitive.

MEDIAN FACTORY COMPENSATION COMPARED TO BENCHMARKS

EGYPT (2) *Currency: Egyptian Pound (EGP)*



Basic Contracted Wage

Cash Benefit

In-Kind Benefit

Incentives

* Specific wage levels have been obscured in an abundance of caution to avoid the potential disclosure of information that may be competitively sensitive.