

## REPORTING PROFORMA FOR COMMERCIAL WINGS

### MONTHLY REPORT- June 2024 (Trade in Goods and Qualitative)

Name of the Mission (Country): **EGYPT**

#### **A. TRADE IN GOODS**

Data is available till March 2024 on CAPMAS

a) Total trade in goods during June 2024 (Data is available till March 2024 on CAPMAS)

	<b>Egypt Export (US\$ million)</b>	<b>Egypt Import (US\$ million)</b>	<b>Status (P) Provisional/ (F) Final</b>
Egypt's trade with India Source: CAPMAS, Egypt Data for the Month: May 2024	25.73 million	100.80 million	Final
Egypt's total global trade Source: CAPMAS, Egypt Data for the Month: May 2024	3456 million	5545 million	Final

b) Preferential trade in goods during June 2024

Sl. No.	Preferential / Free Trade Agreement with India	Preferential Imports from India (US\$ million)	Preferential Imports from Egypt (US\$ million)
NA			

(Source: Customs/National Trade Statistics of reporting country)

Sl. No.	Preferential / Free Trade Agreement with India	Preferential Exports to India (US\$ million)	Preferential Exports to Egypt (US\$ million)
NA			

(Source: based on Certificate of Origin Issued by reporting country)

c) Top 10 items of import from India during June 2024 (Data is available till March 2024 on CAPMAS)

Source: CAPMAS

HS Code	Commodity	Value (US\$)	Share in total import (%)
2023	Cuts of bov, boneless, frozen	62,965,269	32.2
2933	Other Patrol vehicles [ring] than harmonious with atom or atoms of is another harmonious nitrogen , unlike what was mentioned	12,951,001	6.6
2818	Aluminum oxide, other than artificial corundum	11,678,989	5.9
1006	Semi-milled or wholly milled rice, whether or not polished or glazed	4,582,362	2.3
8545	Carbon electrodes, with or without metal, of a kind used for furnaces	3,084,095	1.6
6907	Tiles for paving and covering for chimneys or walls whose water absorption coefficient does not exceed 0.5% by weight except included articles in sub-headings 69 07 30 and 69 07 40.	3,052,555	1.6
3004	other medicaments of human medicine, other than those mentioned, consisting of mixed or unmixed products, for therapeutic or prophylactic uses, put up in measured doses (including those in the form of transdermal administration systems) or in forms or packings for retail sale.	2,744,109	1.4
5205	Cotton yarn (other than sewing thread), not put up for retail sale, single yarn, of combed fibers, Measuring less than 232.56 decitex but not less than 192.31 decitex (exceeding 43 metric number but not exceeding 52 metric number)	2,645,672	1.4
0206	Edible livers of bov; frozen	2,575,534	1.3
8479	Other machines and devices with a special function and stand alone, not mentioned or included elsewhere in this chapter	2,428,155	1.3

d) Top 10 items of export to India during June 2024 (Data is available till March 2024 on CAPMAS)

Source: CAPMAS

HS Code	Commodity	Value (US\$)	Share in total export (%)
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0805	Fresh orange other than mentioned above	11,067,064	28.7
2510	Natural calcium phosphates, unground	8,906,775	23.1
5201	Other cotton, not carded or combed, ginned	6,209,540	16.2
2836	Calcium carbonate other than those mentioned above	2,877,709	7.5
0805	Valencia oranges, fresh.	1,348,151	3.5
5301	Flax, hackled or otherwise processed, but not spun	679,359	1.7
2521	Limestone flux; limestone and other calcareous stone, of a kind used for the manufacture of lime or cement	560,739	1.5
7310	Tanks, casks, drums, cans, boxes and similar containers, for any material (other than compressed or liquefied gas), of cast iron, iron or steel,Of a capacity of 50 litres or more and not exceeding 300 litres, whether or not lined or heatinsulated, but not fitted with mechanical or thermal equipment.	506,293	1.3
3814	Organic composite solvents, not included elsewhere in; preparations designed to removed the paint or lacquer.	470,093	1.2
4104	Salals and other hides of dehaired bovine including buffaloes or horses, whether or not split, tanned and prepared in their dry state [crust] but arenot otherwise prepared	383,279	0.9

g) Potential products of Imports from India (Data is available till March 2024 on CAPMAS)

Sl. No.	Commodity (4-digit HS tariff line)	Rationale (Max. 200 words)
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(i)	Textile (5911)	<p>Textile sector accounts for 3% of GDP and 27% of the industrial output of Egypt. 25% of the total industry is focused on textile production, of which 12% are engaged in home textiles, 8% in cotton yarn, and 5% in other textiles. Public sector dominates the production industry with 50% in spinning, 60% in hemming, and 60% in weaving. Private sector owns 90% of the garmenting side of the industry. Spinning and weaving sector is being dominated by the large-scale industries with a strong influence of public sector.</p> <p>Egypt textile sector consists of 3,243 companies with a total investment of USD 3.2 billion. Textile industries of Egypt produce 315 million apparels, and exports 305,000 tons of cloth and apparel annually. US constitute 80% of the country's export market, followed by EU and Arabian countries comprising the remaining 20%.</p> <p>Egypt imported USD 11,051 Million worth of Textiles Where India exported around US\$ 632 thousands worth of textiles &amp; clothing products to Egypt with 5.7 % share during (April23 – March 24).</p>
(ii)	Pharmaceuticals (3006)	<p>India is not among the 22 reference countries in the GMP model of registration followed by Egypt. Therefore, there are several restrictions in importing Indian drug formulations without prior approvals from the Egyptian authorities. There are currently Three Indian investments in pharmaceutical sector in Egypt viz. Sun Pharma, Pharmed Healthcare and Serum Vaccines that are mostly manufacturing generics. There is scope for more joint collaborations between Indian and Egyptian Pharma companies in Egypt.</p> <p>Egypt imported USD 51,108 Million worth of Pharmaceuticals Where India exported US\$ 1,694 Million to Egypt with 3.3% share during (April23 – March 24)</p>
(iii)	Automobile and auto components (8708)	<p>According to the Automotive Information Council (AMIC) Sales in the Egyptian automotive market have dropped by 75 per cent on an annual basis Fewer than 5,400 vehicles were sold in January 2023, down from 21,200 vehicles in January 2022.</p> <p>Some of the reasons for reduced car sales are:</p> <ul style="list-style-type: none"> <li>i) Very high inflation hitting Egyptian purchasing power, the automotive sector is yet to struggle amid a plethora of national and international obstacles.</li> <li>ii) Economic repercussions of the pandemic and the Russian-Ukrainian conflict hamper the world economy; the government's measures to address these challenges have resulted in a protracted crisis in the automotive market.</li> </ul> <p>After the automobile market revives in Egypt, India would have a competitive advantage of its automobiles than other countries due to their reasonable car prices; Bajaj already has a partnership with Ghabbour of Egypt for CKD</p>

		<p>assembly of two and three wheelers for Egyptian markets.</p> <p>Egypt imported USD 458,452 Million worth of Automobile and auto components Where India exported US\$ 32,503 million to Egypt with 7.1% share during (April23 – March 24)</p>
(iv)	Argo products	
	(I) Wheat (1001)	<p>During (April23 – March 24), Egypt imported wheat worth more than US\$ 3.7 Bn with 64.1% imports from Russia and 13.3 % imports from Ukraine. India had no share during April23- March24, Egypt is one of the largest importers of wheat in the world and If India allows wheat exports, then Egypt could be a good market for Indian exports of wheat</p>
	(II) Rice (1006)	<p>Egypt imports around one million tons of rice each year including from Thailand, China, India, Russia, and US. Indian private traders have been supplying rice to Egypt through government procurement as well as at private levels. The Indian companies have to register with GASC to participate in the government procurement process. Though sometimes, the tenders are also open to non-registered companies as well. During (April23 – March 24) Egypt Imported rice worth 119 Million USD, India was the biggest supplier of rice to Egypt with (83.5 %) followed by China (13.2%).</p>
	(III) Millets	<p>Egypt imports almost 70% of its wheat and is looking forward to some alternative to reduce the wheat imports, there is informal indication that the Egyptian government may allot 300,000 feddans of land for cultivation in northern Egypt, Egyptian market may be explored for export of millets.</p>
	(IV) Tea (0902)	<p>Egypt is largest market of tea in MENA region with USD 272 Million imports (April23 – March 24). Kenya is major supplier with 91.8% of Tea imports (due to COMESA Agreement) followed by India and Sri Lanka. Indian tea export to Egypt has increased over the years due to reduction of tariff from 30 percent to 2 percent. In (April23 – March 24), India exported \$ 6.2 million of tea with 2.2 % of tea imports. CTC Dust and Fanning variety are popular in Egypt.</p>

(v)	IT and IT enabled services (Information technology Items:85)	The Egyptian authorities have launched a Digital Egypt Initiative which is in alignment with Egypt Vision 2030 to digitize several sectors like payment and settlement, Governance, Geographical Information Systems.etc. There is good number of foreign IT companies like Microsoft, IBM, Oracle, etc. having their data centers located in Smart Villages mainly located in the outskirts of the capital. Although there is lack of Indian IT companies in Egypt, some Indian companies are providing IT solutions especially in financial services with back-end support from their centers located in Dubai and Middle East. However, there are potential for Indian IT companies to operate in Egypt provided they have physical presence in Egypt. <a href="#">Tech Mahindra</a> a leading provider of digital transformation, consulting, and business re-engineering services and solutions, has signed a Memorandum of Understanding (MoU) with the Information Technology Industry Development Agency (ITIDA) to establish a global delivery Centre in Cairo. Tech Mahindra aims to hire more than 3000 employees over next three years to serve both global and local customers from its newly inaugurated center in Cairo.
(vi)	Plastics and Chemicals	Egypt's plastics market is supplied 65% from imports and 35% from domestic sources. The main suppliers are South Korea, India, Russia, and the Gulf States. Polyethylene, polyvinyl chloride suspension, PET, and thermoset plastics are the most common locally manufactured products. A private company now produces polypropylene, but most propylene continues to be imported. The quality of EU-made products, explain their popularity in Egypt.
(vii)	Coconut seedlings/ Date Palm seedlings	Coconut Seedlings export is banned from India due to phytosanitary concerns. The Egyptian side stated they would have to visit India to complete the Pest Risk Analysis (PRA) exercise.
(viii)	Engineering Goods	India has exported engineering goods worth of US\$ 622.8 Millions to Egypt during April23-March24. In addition, Egypt is expanding in terms of new roads, new cities and new factories are being built so it is expected that the Egyptian demand on the engineering goods would increase and India could be a good supplier to Egypt of engineering goods.

## B. QUALITATIVE

Month: June 2024

### 1. Market Access Alerts:

- a. Alerts on customs tariff changes:-

Egyptian Customs Authority

Sl.	Notificatio	HS Code	Description	Original	Present	Effective	Remarks if any
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No.	n no. and date			customs tariff	customs tariff	from	
1	Resolution No. 3912 of 2023, exempting imports of 12 goods from customs tariffs, for a period of six months.	0207	1- Frozen poultry			11 <sup>th</sup> October 2023	
		0207	2- Edible poultry entrails and limbs				
		0207	3- Meat parts of poultry birds				
		0405	4- Dairy				
		040510	5- Butter				
		040630	6- Cheese				
		0902	7- Tea				
		1506	8- Animal fats and greases				
		1701	9- Sugar				
		1902	10- Pasta				
		2309	11- Preparations of types used for animal feed				
		3004	12- Medicines				

- b. Alerts on non-tariff measures (SPS/TBT/import and export procedures/ restrictions/ prohibitions, licensing/STEs etc.)

Sl. No.	Notification no./ date	Measure	HS Codes	Effective from	Remarks if any
1.	22 May 2024	<b>The Ministerial Decree No. 141/2024 (2 page(s), in Arabic) is concerned with ES 4944 /2005 for “dental equipment connection for supply and waste</b>	4944	14 June 2024	Dental equipment
2.	22 May 2024	Ministerial Decree No.141/2024 which cancels the Egyptian Standard ES 273-4/2005	5201	12 June 2024	Chemical, textile and engineering products
	22 May	Ministerial Decree No.141/2024 which cancels the	5201	12 June 2024	Chemical, textile and engineering products



3.	2024	Egyptian Standard ES 4761/2005			
4.	22 May 2024	Ministerial Decree No.141/2024 which cancels the Egyptian Standard ES 4759/2018.	5201	12 June 2024	Chemical, textile and engineering products
5.	23 May 2024	The Ministerial Decree No. 133/2024 for moisture content of Wheat	1001	5 June 2024	Wheat

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c. Alerts on standards, technical regulations and conformity assessment procedures:

Sl. No.	Notification no./date	Standard/technical regulation/conformity assessment	HS Codes	Effective from	Remarks if any
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		procedure			
1	NIL				

- d. Alerts on trade defense measures taken by respective country:  
(Safeguards including special safeguard, anti dumping, CVD or anti- subsidy)

Two SCOMET cases were verified during the month of June 2024

## 2. Feedback

- a. Feedback from major Indian industries/other commercial concerns and Indian trade visitors to Egypt.

Sl. No.	Name of business house	Activity sector	Trade barrier issues if any (incl. HS codes)	General Feedback (Max. 200 words)
1	Telecom Equipment and Services Export Promotion Council (TEPC)	Telecommunication		<p>Visit of Telecom Equipment and Services Export Promotion Council (TEPC) delegation to Egypt including a wide range of visits on several number of destinations for paving the way to have India Africa ICT Expo 2024 in Cairo, Arab Republic of Egypt.</p> <p>TEPC organizes a flagship event namely India-Africa ICT Expo, yearly, to develop long-term business relations between the telecom fraternity from India and Africa.</p>

- b. Feedback on major trade activities including logistic events (trade fairs/BSM including Indian participation)

Sl. No.	Activity (trade fair, BSM etc.)	Date and Venue	Number of participants from India	Name(s) of large/key participants from India	Feedback received (Max. 200 words)	Source of funding (MAI, TA/TC)

- c. Feedback from local commercial visitors to trade fairs in India, including under BSM; number of Business visas issued:

Sl. No.	Activity (trade fair)	Date and venue	Number of participants from Egypt	List of large/key participants from Egypt	Number of Business visas issued	Feedback received (Max. 200 words)
3	Business Visas	June 2024			171	Consular Wing issued 171 Business Visa during June 2024

3. Trade and Investment:

- a. Significant trends in trade and investment

Sl. No.	Category	Details of significant trends (Max. 200 words)	Analysis (Max. 200 words)
1.	<b>Trade in Goods</b> Source: CAPMAS, Egypt	<p>Data is available till March 2024 on CAPMAS</p> <p>Value of India's Export to Egypt 2023: 860 (US\$ million)</p> <p>Value of India's Export to Egypt 2024: 519 (US\$ million)</p> <p>Value of India's Imports from Egypt 2023: 248 (US\$ million)</p> <p>Value of India's Imports from Egypt 2024: 112 (US\$ million)</p> <p>Total trade comparison: March 2023: 1,108 (US\$ million)</p> <p>March 2024: 631 (US\$ million)</p>	<p>Total trade between India and Egypt during March 2024 <b>decreased</b> to US \$ 477 million compared to same period of 2023.</p> <p>Indian exports to Egypt decreased to US \$ 341 million and the Indian imports decreased with US \$ 136 million compared to same period of 2023.</p>
2.	<b>Trade in Services</b>	The Embassy during March 2024	During January 2024, the Indian

	Source: CAPMAS, Egypt	<p>received 0 inquiries on services.</p> <p>Trade figures of some of the service sectors are given below:</p> <p><b>Pharma Items (HS Code:3004)</b>  India export in March 2023: 7 (US\$ Million)  India export in March 2024 9 (US\$ Million)</p> <p><b>Electrical machinery and equipment and parts including Information technology software. (HS Code: 85)</b>  India export in March 2023: 32 (US\$ million)  India export in March 2024 28 (US\$ Millions)</p> <p><b>Books newspapers, pictures including educational services (HS Code: 49)</b>  India export in March 2023: 136,672 (US\$ thousands)  India export in March 2024 295,482 (US\$ thousands)</p>	<p>export of pharma services and items to Egypt increased recording US \$ 9 (US Million) compared to March 2023.</p> <p>Indian export of IT and Electric Services and staff decreased recording US \$ 28 million compared to March 2023.</p> <p>Indian export of Educational Services increased recording US \$ 295,482 thousands compared to March 2023.</p>
3.	<b>Investment</b>	Nil in June	

a. Opportunities for investments/ assets on offer/ major company divestment:

General Authority for Investment and Free Zones, GAFI, declared availability of 1149 opportunities of investment in Egypt for foreign countries. Details of the opportunities are available on [www.investinegypt.gov.eg](http://www.investinegypt.gov.eg). Below are some of the booming (30) opportunities declared by GAFI.

Sl. No.	Sector Name	Particulars of the asset/ company	Contact details
1	land for investment	<p><b>land for investment</b></p> <p>Governorate: Suez  Location: Ain Sukhna free zone</p>	<p>Ms. Manar Waly  Investment Promotion Officer (Asia Dept.)  Investment Promotion Sector</p>

		<p>Land Allocation Method: Usufruct Sector: Construction &amp; Building Materials Utilities: Not Available Opportunity Type: Land Only Jurisdiction: General <b>Authority for Suez Canal Economic Zone</b> Land Area: 3,000 M2 Zones: Ain Sukhna Free Zone</p>	<p>3 Salah Salem Road, Fairgrounds, Nasr City-Cairo – P.O Box:11562-Egypt Tel: +2 02 240 55452 Ext:6861 Fax: +2 02 240 55425 E-mail: <a href="mailto:m.waly@gafinet.org.eg">m.waly@gafinet.org.eg</a></p>
2	Services	<p>Governorate: Suez Location: Ras Abu Al Darg- Ein Sokhna/Zafarana Road- Al Galala City Sector: Services Utilities: Available Opportunity Type: opportunity with land Jurisdiction: Al Galala City Land Area: 3,000 M2 Project: Al Galala City and Tourist Compound Progress: 90% Competitive Advantages: Al Galala City &amp; Resorts Has More Than 16 Major Investment Opportunities That Ranges from Managing Luxurious Five Stars Hotels, Cable Cars Station, Entertainment Center, International Yacht Marina, The First Real Outlet Mall In Egypt &amp; Africa, First Skydiving Drop Zone, Al Galala University The First Private Medicine University At Egypt &amp; The Most Famous Area For Mining Including Industrial Zone And More.</p>	<p>Ms. Manar Waly Investment Promotion Officer (Asia Dept.) Investment Promotion Sector 3 Salah Salem Road, Fairgrounds, Nasr City-Cairo – P.O Box:11562-Egypt Tel: +2 02 240 55452 Ext:6861 Fax: +2 02 240 55425 E-mail: <a href="mailto:m.waly@gafinet.org.eg">m.waly@gafinet.org.eg</a></p>
3	Operating And Managing Distinguished Technical Schools	<p>A pioneering opportunity to manage, develop, rehabilitate and operate Training Centers into a sophisticated technical school for any of the following initial specializations (electrical installations- metal forming and welding - metal working) or according to the investor's vision. - Available in 28 different locations</p>	<p>Ms. Manar Waly Investment Promotion Officer (Asia Dept.) Investment Promotion Sector 3 Salah Salem Road, Fairgrounds, Nasr City-Cairo – P.O Box:11562-Egypt Tel: +2 02 240 55452 Ext:6861</p>

	<ul style="list-style-type: none"> <li>- Jurisdiction: Ministry of Education and Technical Education</li> <li>- Opportunity with Land and utilities</li> </ul>	Fax: +2 02 240 55425 E-mail: <a href="mailto:m.waly@gafinet.org.eg">m.waly@gafinet.org.eg</a>
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b. Information on tender Notices for projects and procurement of interest to Indian project exporters/ suppliers (USD 15 million & above)

Sl. No.	Tender/ procurement notice No. and date	Sector	Value of tender/ procurement
1	NIL		