



*** COUNTRY PROFILE - EGYPT



Prepared by:

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1. General Information

Capital	Cairo
Area	1,001,450 sq km
Population	106.500 million (2 nd July 2024)
Currency Exchange rate with US\$ & INR	Egyptian Pound; Exchange Rate: 48.30 Egyptian Pound= 1 USD (As on 2 nd July 2024) Exchange Rate to INR: 1 EGP = 1.73 INR (2 nd July 2024).

2. Economic Profile:

a.	GDP, PPP (current international \$)	US \$ 1.67 Trillion (2022-2023)
b.	GDP (official exchange rate)	US \$ 476.75 Billion (2022-2023)
c.	GDP - real growth rate	6.6% (F.Y. 2022-23) (July-June)
d.	GDP - per capita (PPP)	US \$ 4295.4 (F.Y. 2022-23) (July-June)
e.	Per Capita Income	US \$ 4,585.331 (June 2022).
f.	GDP - Composition, by sector of origin	
	Agriculture	11.57% of GDP
	Industry	32.01% of GDP
	Services	51.76 %
g.	Major Agricultural products	Cotton, Fresh fruits, Vegetables etc.
h.	Major Industrial products	Textiles and refined petroleum.
i.	Industrial production growth rate	8.8 % (Dec 2022).
j.	Unemployment rate	7.1 % (Q3 of 2023).
k.	Inflation rate (consumer prices)	29.310% (June 2024).
l.	Population below poverty line	29.7% (Nov 2021).

Source: World Bank, CBE of Egypt.

3. Comparative Indicators

Index	India	Egypt
HDI (UNDP)	0.633 (132nd)	0.73 (97th)
GCI (WEF)	61.4 (68th)	54.5 (93th)
LPI (World Bank)	3.14 (44th)	2.82 (67th)

**Source: UNDP, WEF & World Bank, 2022*

4. Indian Community in Egypt

Egypt has diaspora of only around 3600 Indians who are mainly employed in service sector, manufacturing and high-level management in the Multinational corporation MNCs.

5. Trade Profile:

a. *Egypt Merchandise Trade with World (Apr23- June24)*; (Data is available till March 2024 on CAPMAS)

1.	Exports	US \$ 41.14 billion
2.	Imports	US \$ 81.56 billion
3.	Trade	US\$ 122.70 billion.
4.	Trade/GDP Ratio	25.7 %

**Source: Egyptian Central Agency for Public Mobilization and Statistics CAPMAS*

b. *Trade dependency of Egypt of Top economies of the world (Apr23 – June24)*: (Data is available till March 2024 on CAPMAS)

1.	China	US\$ 12.50 billion (15.27 % of total imports)
2.	KSA	US\$ 5.50 billion (6.72 % of total imports)
3.	USA	US\$ 5.20 billion (6.35 % of total imports)
4.	Russia	US\$ 4.80 billion (5.87 % of total imports)
5.	Germany	US\$ 4.10 billion (4.96 % of total imports)
6.	Italy	US\$ 3.20 billion (3.93 % of total imports)
7.	India	US\$ 2.90 billion (3.54 % of total imports)

**Source: CAPMAS*

c. Egypt Top Export Destinations (Apr 23 - June24): (Data is available till March 2024 on CAPMAS)

1.	Turkey	US\$ 3.14 billion (7.63 % of total exports)
2.	Italy	US\$ 3.10 billion (7.5 % of total exports)
3.	KSA	US\$ 2.90 billion (7.07 % of total exports)
4.	UAE	US\$ 2.20 billion (5.37 % of total exports)
5.	USA	US\$ 2.10 billion (5.08 % of total exports)
6.	Libya	US\$ 2.00 billion (4.77 % of total exports)
7.	Spain	US\$ 1.7 billion (4.10 % of total exports)
8.	Greece	US\$ 1.40 billion (3.41 % of total exports)
9.	United Kingdom	US\$ 1.30 billion (3.07 % of total exports)
10.	India	US\$ 1.00 billion (2.51 % of total exports)

- India's share is US\$ 1 billion (2.51% of total exports). (10th Rank).

d. Egypt Top Import Sources (Apr 23 – June24): (Data is available till March 2024 on CAPMAS)

1	China	US\$ 12.50 billion (15.27 % of total imports)
2	KSA	US\$ 5.50 billion (6.72 % of total imports)
3	USA	US\$ 5.20 billion (6.35 % of total imports)
4	Russia	US\$ 4.80 billion (5.87 % of total imports)
5	Germany	US\$ 4.10 billion (4.96 % of total imports)
6	Italy	US\$ 3.20 billion (3.93 % of total imports)
7	India	US\$ 2.90 billion (3.54 % of total imports)

- Trading Partner India's share is 3.54 % (7th Rank).

**Source: CAPMAS*

e. Membership in FTA's

- Pan Arab Free Trade Agreement/ Greater Arab Free Trade Agreement (GAFTA)
- Common Market for Eastern and Southern Africa (COMESA)

- Agadir Free Trade Agreement
- Egypt-EU Association Agreement
- Egypt-EFTA Free Trade Agreement
- Qualified Industrial Zones (QIZ)
- Egypt Turkey Free Trade Agreement
- Egypt-MERCOSUR Free Trade Agreement

**Source: Egyptian Ministry of Trade and Industry*

6. Bilateral Trade: (Data is available till March 2024 on CAPMAS)

A. Merchandise trade- India's total merchandise trade with Egypt was US \$ 3.420 Bn in (Apr 23 - June 24). India registered a merchandise trade surplus of US\$ 1.516 Billion.

1.	Exports (<i>Apr 23 – June 24</i>)	US\$ 2.5 billion
2.	Imports (<i>Apr 23 - June 24</i>)	US\$ 952.3 million
3.	Trade Surplus (<i>Apr 23 - June 24</i>)	US\$ 1.52 Billion.

(CAPMAS)

Merchandise Trade Data

(Value: USD millions)

Year	Exports	Imports	Total Trade	Trade Balance	%Growth	
					Exports	Imports
2018-19	2,886	1,677	4,564	1,208	20.65	29.77
2019-20	2,504	2,031	4,535	472	-13.24	21.07
2020-21	2,264	1,892	4,156	371	-9.58	-6.84
2021-22	3740	3520	7260	220	65% (YoY)	92% (YoY)

Source: DGCIS

- a. Top 5 Principal commodities of exports (Apr 23 – June 24) (Data is available till March 2024 on CAPMAS)
Petroleum Products, Meat, Ferro-Alloys and rice.

HS Code	Commodity	(Apr 23- June 24)– (US \$)
2023	Cuts of bov, boneless, frozen	541,056,104
2710	95 octane gasoline output from the process of refining crude oil or crude oils obtained from bituminous minerals materials	271,550,000
1006	Semi-milled or wholly milled rice, whether or not polished or glazed	100,040,487
7202	Ferro-silico-manganese	83,267,617
8445	Textile spinning machines	68,213,744

- b. Top 5 Principal commodities of imports (Apr 23 – June 24) (Data is available till March 2024 on CAPMAS)
Crude, Natural Gas, Fertilizers and phosphates.

HS Code	Commodity	(Apr 23- June 24)– (US \$)
2709	Petroleum, crude	444,144,900
2510	Natural calcium phosphates, unground	112,242,427
5201	Other cotton, not carded or combed, ginned	110,050,592
2711	Liquefied natural gas	76,660,000
3102	Urea, whether or not in aqueous solution	40,505,368

c. Products with good potential for export from India

Pharmaceuticals, Automobile and auto components, IT and IT enabled services, railways, construction, Renewable energy, desalination, Infrastructure, data centers, etc.

- B. Services trade-** India's total services trade with Egypt was US\$ 237 million in 2021-22. India registered a service trade surplus of US\$ 216 million. (No recent data)

1.	Exports (2021-22)	US\$ 226.7 million
2.	Imports (2021-22)	US\$ 10.3 million
3.	Trade surplus (2021-22)	US\$ 216.4 million

Source: CAPMAS

a. Service Trade Data

(Value: USD Million)

Year	Exports	Imports	Total Trade	Trade Balance	%Growth	
					Exports	Imports
2018-19	248.2	1.03	249.2	247.17	-15	27.3
2019-20	205.79	1.41	207.2	204.38	-17.1 %	36.8
2020-21	186.78	0.4	187.2	186.38	-9.23 %	-71.6
2021-22	226.7	10.3	237	216.4	21.3	2400

Source: CAPMAS

b. Top sectors of services Export:

Machinery Software (79%)
Pharmaceutical services (18.1%)

c. Top sectors of services Import:

Pharmaceutical services (90.2%)
Machinery Software (5.8%)

d. Potential Services exports from India to Egypt

Telecommunication and Computer Services
Education-related Services
Fin-tech

7. Market Access Issues:

Market access for Indian Cotton, Date palm & Coconut seedlings are explained in point No. 8

8. Non-Tariff Barriers:

Sr	Issue	Action Taken	Feedback/Reciprocal Measures
1	Export of Raw Cotton from India to Egypt	Export of raw cotton to Egypt from India is currently banned due to phytosanitary concerns. During the JWG on Trade and Investment between India and Egypt on 03 rd March 2021, the Egyptian side stated they will have to visit India to complete the Pest Risk Analysis (PRA) exercise.	Egyptian visits to India for inspection are awaited There is a need to expedite the inspection of cotton facilities by Egyptian inspectors at the earliest.
2	Export of Date Palm Seedlings from India to Egypt	Date Palm Seedlings export is banned from India due to phytosanitary concerns. The Egyptian side stated they will have to visit India to complete the Pest Risk Analysis (PRA) exercise.	Egyptian visits to India for inspection are awaited There is a need to expedite the inspection of Indian facilities by Egyptian inspectors at the earliest.
3	Certificate and Registration of Indian drugs	Exclusion from list of reference countries: Although Indian companies have more advanced certifications than US and EU regulators; Egypt continues to rely on the old GMP certification. This adverse regulatory environment is one reason why India is excluded from the list of 22 reference countries used by Egypt's Ministry of Health.	The 1st JWG on Drugs and Pharmaceuticals was held on 14th March, 2022. Egyptian Drug Authority and CDSCO need to coordinate at institution level to include India in the list of 22 reference countries.
4	Export of coconut Seedlings from India to Egypt	Coconut Seedlings export is banned from India due to phytosanitary concerns. The Egyptian side stated they will have to visit India to complete the Pest Risk Analysis (PRA) exercise.	Egyptian visits to India for inspection are awaited There is a need to expedite the inspection of Indian

			facilities by Egyptian inspectors at the earliest.
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9. Institutional basis for engagement (in brief)

- 5th India-Egypt Joint Trade Committee met in Cairo on 25 Jul 2022, in background of highest ever bilateral trade figures of US\$ 7.26 bn in 2021-22. The meeting was chaired by Dr Srikar Reddy, Joint Secretary Ministry of Commerce and Industry and Mr Yahya El Wathik Bellah, Head, Egyptian Commercial Service.
- The 5th Egypt-India Joint Business Council JBC meeting was held in Cairo on 26 Jul 2022, after 6 years. The meeting was attended by FICCI delegation of businessmen representing sectors like chemicals, IT, manufacturing, 2-wheelers etc and business leaders of Egyptian companies.
- JWG – There are four JWGs currently between India and Egypt. The last JWG in Trade and Investment was held in March 2021. Steps to expedite convening the JWGs on Agriculture, Plant and Animal Quarantine (to be taken by Deptt. of Agriculture Cooperation & Farmers Welfare, Deptt. of Animal Husbandry, Dairying & Fisheries and APEDA) and Industrial Cooperation, SMEs and IT (to be taken by Deptt. of Industrial Policy and Promotion, M/O Micro, Small & Medium Enterprises, National Small Industries Corporation (NSIC), Deptt. of Electronics & Information Technology) to take the discussions with the Egyptian side forward in these sectors, which may enhance our exports and help remove non-tariff barriers.
- 01st JWG on Drugs and Pharmaceuticals was held on 14th March, 2022. Indian delegation headed by Dr. Sumit Garg, Deputy Secretary Department of Pharmaceuticals.
- 01st JWG on Health and Medicine was held on 11th April 2022 between Ministry of Health and Family Welfare, Government of India and Egyptian Ministry of Health and Population.
- 01st JWG on Animal Husbandry, Dairies and Fisheries was held (Virtually) on 25th October 2022 between Ministry of Fisheries, Animal Husbandry and Dairying, Government of India & Ministry of Agriculture and Reclamation, Government of Arab Republic of Egypt.

10. Trade Disputes of Egypt with India (In brief, with present status)

The Ministry of Trade and Industry in Egypt has imposed anti-dumping duties on imports of iron alloys (ferrosilicon) from China, India and Russia, for a period of 5

years, starting from 01 April 2021. 15% anti-dumping duties were imposed on the Indian products. The details of the investigation report by the Egyptian side were shared by the Mission to Department of Commerce on 13th April 2021.

11. Investment Details:

- a. Cumulative FDI inflows into India (from Apr 2000 to March 2022):
US\$ 847,400 million
(Including equity, re-invested earnings & other capital)
- b. Cumulative FDI equity inflows (*remittance-wise*)
- c. Share of Egypt in FDI Equity Inflows (from Apr 2000 to March 2022)

1.	Rank	89th
2.	Percentage share of total FDI inflows	0.0
3.	Total FDI Inflows from Egypt	US\$ 10.39 million (Rs.66.2 Crores)

**Source: DPIIT*

d. **Indian FDI**

Egyptian Investment Relation with Egypt,

Egyptian Investment in India	US\$ 37 million
Indian Investment in Egypt	US\$ 3.70 billion

As per the Embassy record, Egyptian companies have invested nearly US\$ 37 million. (*We understand that some of the investments are routed through some third countries*)

e. **Firms operating**

- Indian firms operating in Egypt:
 1. TCI Sanmar, Birla Carbon, Indorama Dhunseri, Embee International Industries, Flex P Films (Egypt) S.A.E, Velocity Group of Companies, Galaxy Chemicals (Egypt) SAE, Misr Hytech Seed International, Dabur Egypt Limited, Pharmed Healthcare, Sun Pharma Egypt, Lulu Group of Companies, EKC Egypt, Platinum Stabilizers Egypt and ABDOS FMCG etc.
- Egyptian companies operating in India:

El Sewedy group, KAPCI Coatings and Modern Waterproofing Group (Bitumode) and 700 Apps.

12. Strategic economic relationship

During this period of 2022-23, the top Indian imports from Egypt were Mineral Oil/Petroleum, Fertilizers, Inorganic Chemicals and Cotton and main items of export to Egypt from India were Buffalo Meat, Iron & Steel, Light Vehicles and Cotton Yarn. In 2023 according to the Egyptian Central Agency for Public Mobilization and Statistics (CAPMAS), India is 9th largest export market for Egypt, India is the 9th Largest Trading partner to Egypt with US 3.926 total trade (Apr 23 - June 23) and 7th largest exporter to Egypt.

13. Defence Cooperation between India and Egypt

Lately there has been a significant increase in traction in Defense cooperation. Focused approach has led to gaining momentum and enhanced military engagement with the Egyptian Armed Forces. Other than subscribing to training courses like DSSC, NDC, NDA (new) and reciprocal delegation visits, Egyptian Military has increased its engagements highlighting the importance being accorded to the mutual relationship. First Joint Tactical Air Exercise involving fighter aircraft was conducted in Egypt from 29-31 Oct 2021. In addition, a Joint Special Forces Exercise, earlier planned in Jodhpur in May 21 is now planned in Jan 2022. Further, there is ever increasing transit traffic of Indian Air Force and Indian Naval aircraft through Egypt; in addition to the Suez Canal traffic and port visits by Indian Naval Ships. It is worthwhile to mention that all Indian military aircraft proceeding to North America, Europe or Russia, transit via Egypt. Same is the case for Egyptian Naval hospitality for Indian Naval ships during the frequent Suez Canal crossings and Port Calls along the Red & Mediterranean Seas. It is also pertinent to highlight that two Port Calls by our frontline stealth frigate, INS Tabar, just 03 months apart (27-28 Jun & 03-05 Sep 2021) demonstrate increase in operational engagements in all three dimensions.

14. Indian COVID-19 Vaccine Recognition status

Covishield produced by SII, India is recognized by the Egyptian Ministry of Health and Population. The process of mutual recognition of vaccine certificates are underway.

15. Details of recent Bilateral Exchanges of India with Egypt

12 Indian delegations participating at the Egyptian fairs as follows:

Sl. No.	Name of Exhibition	Date	Details of delegation
1	Africa Food Manufacturing Exhibition	2-4 August, 2021	6 Indian companies in the field of food processing and manufacturing participated in the event

2	Paper Middle East Exhibition PAPER ME	4-6 September, 2021	FIEO led a delegation of 27 companies in the field of paper manufacturing and paper technology
3	BSM on India-Egypt Food Processing and Packaging Technology	19-21 September, 2021	15 companies led by TPCI organized the BSM in Cairo.
4	Cairo Fashion & Tex Exhibition	23-25 September, 2021	Wool & Woollens Export Promotion Council led a delegation of 21 companies
5	PHARMACONEX Exhibition	3-6 October, 2021	Pharmexcil led a delegation comprising of 26 Indian companies.
6	Mac Tech	9-12 December 2021	EEPC lead a 20 Indian companies' delegation.
7	Food Africa	12-15 December 2021	15 Indian companies participated in the event.
8	Cairo International Fashion and Textile Expo	2-4 March 2022	TEXPROCIL lead a 15 Indian companies' delegation.
9	Egypt Projects Exhibition	17-19 March, 2022	CII headed a 35 Indian companies' delegation.
10	Africa Health ExCon	5-7 June 2022	Pharmexcil headed a 26 Indian companies' delegation.
11	Pharmaconex	4-6 Sept, 2022	46 Indian companies participated in the event.
12	PAPER Middle East (ME)	3-5 Sept, 2022	FIEO headed a 30 member Indian companies' delegation.
13	Cairo Fashion and Tex exhibition	6-8 Oct, 2022	TEXPROCIL and PDEXCIL headed a 29-member delegation.
14.	Egypt Energy	30 Oct-2 Nov 2022	16 Indian companies participated.

	Exhibition		
15.	Food Africa Egypt	5-7 December 2022	20 Indian companies participated including from Dairy sector.
16.	India Africa Business Summit	22-23 January 2023	More than 30 Indian Services Sector company led by SEPC visited Cairo for B2B meetings.
17.	Services Exports Promotion council Delegation	20-23 Jan, 2023	More than 20 Indian Companies services sector companies participated
18.	EGYPSYS 2023	12-14 Feb, 2023	10 Indian Companies participated
19.	Fi Africa and Pro Pak	28-30 May, 2023	More than 17 Indian companies were exhibiting.
20.	Africa Health Ex Con	6-9 June, 2023	More than 23 Indian companies were exhibiting
21.	Agro Egypt	9-12 July,2023	4 Indian companies attended the Event and business meetings.
22.	Seamless North Africa	17-18 July, 2023	NPCI attended the event and had meetings with CBE, EBC and other payments stakeholders in Egypt.
23.	Paper Middle East Exhibition PAPER ME	2 nd September, 2023	Ambassador inaugurated the Exhibition with the participation of 30 FIEO and Indian companies
24.	Metal and Steel Exhibition	2 nd September, 2023	Ambassador inaugurated the Exhibition with the participation of 22 Indian companies
25.	Pharmaconex	3 rd September, 2023	Ambassador inaugurated the Exhibition with the participation of 65 Indian companies
26.	Sahara Exhibition	10 th -12 th September, 2023	The commercial wing participated and interacted with the (7) Indian

			exhibitors at the exhibition.
27.	Hydrogen Summit Egypt	13 th September, 2023	Ambassador participated in a panel about the future of Green Hydrogen
28.	CII Delegation	3-5 October 2023	Around 17 Members of CII had meetings and interacted with the Egyptian Government
29.	India Real State Event (CREDAI NATCON Sharm El Sheikh)	5-6 October 2023, 2023	Ambassador and Egyptian PM participated along with Members of CII, Indian businessmen and 1350 Indians Came in the event.
30.	Food Africa	13 December 2023, 2023	Minister of Supply & Internal Trade H.E. Mr. Ali Moselhi inaugurated India Pavilion at #foodafricacairo on 12 December 2023. More than 40 Indian companies displayed various products including #Basmati Rice, Spices, Tea & Processed Food.
31.	EGYPES	19-21 February 2024	Around 12 companies participated in the event as exhibitors
32.	Cafex	18 th April 2024	Featuring more than 120 key exhibitors covering the full spectrum of the Hospitality.
33.	Waterex	28 th April 2024	Around 3 companies participated in the event as exhibitors The Watrex Expo is a significant international trade fair for water and wastewater technology

ANNEX

A. Ongoing Bilateral Trade Issues (in brief)

India's Concerns

Issues	Status
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Inclusion of India in the 22 Reference countries in Pharmaceuticals.	The issue was discussed in the last JWG on Pharmaceuticals held in March 2022. There needs to be institution level dialogue mechanism between Egyptian Drug Authority and CDSCO in order to include India in the list of 22 reference countries, which was last updated in 2009.
PRA exercises for Date palm seedlings, coconut seedlings and cotton.	Visit by Egyptian inspectors to Indian facilities is pending.

Egypt Concerns

Issues	Status
Export of Pomegranate from Egypt to India	Egypt shared technical information on Egyptian pomegranate in September 2020. The Indian Ministry of Agriculture shared the Pest Risk Analysis PRA report on 14 th August and mission shared it with the Egyptian side and awaiting for the feedback.

Major Issues pointed out by EOI/HCI

Issues	Status
Registration of Indian labs with NFSA (National Food Safety Authority.)	Indian labs if registered with NFSA can overcome issues of residual pesticides content because of which there are issues of inspection of Indian consignments at ports. This has affected tea, spices, rice, etc.