

# EGYPT

TRADE AND  
INVESTMENT  
SECTION,  
CAIRO



## IMPORT PROFILE REPORT 2022

CAIRO, EGYPT

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## 1. INTRODUCTION

Historically, Egypt's location has made it a natural hub for trade routes; westward along the coast of North Africa, northwest to Europe, northeast to the Levant, south along the Nile to Africa and southeast to the Indian Ocean and Far East. The fact remains that Egypt possesses the most important maritime corridor in the world; The Suez Canal, where over 10 percent of the world's trade passes through.

Egypt's navigable waterways total approximately 3,000 km, where almost 90% of Egypt's international trade travels through its ports. Grand Alexandria (Alexandria and Dekheila) is the main port, handling approximately 38% of Egypt's trade. Other significant major ports are Damietta and Port Said on Mediterranean Sea, in addition to Suez and Sokhna on the Red Sea. Total cargo handling capacity for all Egyptian ports was estimated to be 170.6 million tons for the year 2021.

Cairo International Airport is Egypt's largest airport and is the second busiest airport in Africa. Over 47 commercial and charter airlines and 12 cargo airlines use the Cairo airport, Egypt Air is the largest operator at the airport (joined the Star Alliance in July 2008), Cairo International Airport has 5 cargo terminals handle around 400,000 tons each year, 60% of which are exports from Egypt.

Foreign trade in Egypt has experienced significant developments in recent years. The Government has overhauled Egypt's customs legislation to streamline the process for importing and exporting goods. A number of regulations and decrees have been introduced to improve inspection and control procedures and liberalize trade movements. However, the country has a long way to go, with its ranking of 171 out of 190 on the 'Trade between Borders' scale on the Ease of Doing Business Index 2020.

A brief overview of Egypt is given asunder:

### FACTS AND FIGURES AT A GLANCE

<b>Location</b>	Northern Africa; bordering Libya and the Gaza Strip, and the red sea north of Sudan
<b>Area</b>	1,001,450 sq km
<b>Boundaries</b>	2,612 km
<b>Climate</b>	Desert; hot, dry summers and moderate winters
<b>Natural resources</b>	Petroleum, natural gas, iron ore, phosphates, manganese, limestone, gypsum, talc, asbestos, lead, zinc, rare earth elements
<b>Land use</b>	Agricultural: 3.6% (2018 estimate) Forest: 0.1% (2018 estimate)

	Others: 96.3% (2018 estimate)
<b>Irrigated land</b>	36,500 sq km (2012)
<b>Importance</b>	Controls Sinai Peninsula, only land bridge between Africa and remainder of Eastern Hemisphere; controls Suez Canal, the only sea link between Indian Ocean and the Mediterranean Sea
<b>Population</b>	104 million (July 2020 estimate)
<b>Languages</b>	Arabic (official)
<b>Religion</b>	Muslims 90% Christians 10%
<b>Unemployment</b>	29.6%
<b>Major bilateral agreements in trade</b>	GAFTA, COMESA, Agadir Free Trade Agreement, Egypt-EU Association Agreement, Egypt-EFTA Free Trade Agreement, QIZ, Egypt Turkey Free Trade Agreement, Egypt-MERCOSUR Free Trade Agreement
<b>GDP (purchasing power parity)</b>	\$1.204 trillion (2017 est.)
<b>GDP growth rate</b>	4.2% (2017)
<b>GDP per capita</b>	\$12,700 (2017)
<b>GDP by sector</b>	Agriculture: 11.7% Industry: 34.3% Services: 54% (2017 est.)
<b>Agriculture products</b>	Cotton, rice, corn, wheat, beans, fruit, vegetable; cattle, water buffalo, sheep, goats
<b>Industries</b>	Textiles, food processing, tourism, chemicals, pharmaceuticals, hydrocarbons, construction, cement, metals, light manufactures
<b>Inflation</b>	23.5% (2017)
<b>Exports</b>	\$26.815 billion (2020)
<b>Export partners</b>	UAE (10.7%), Saudi Arabia (6.4%), Turkey (6.2%), USA (5.5%), Italy (5.2%), India (4.6%), Spain (2.8%), UK (2.8%), Canada (2.6%), Greece (2.5%)
<b>Export commodities</b>	Crude oil and petroleum products, natural or cultured pearls, plastics, electrical machinery, fruits and vegetables, fertilizers, articles of apparel, iron and steel
<b>Imports</b>	\$60.279 billion (2020)
<b>Import partners</b>	China (15%), USA (6.7%), Saudi Arabia (6.3%), Germany (5.8%), Turkey (4.9%), Italy (4.3%), Russia (4.2%), India (3.8%), Kuwait (3.3%), Brazil (3.2%)
<b>Import commodities</b>	Mineral fuels, machinery and equipment, cereals, vehicles, plastics, iron and steel

*Sources: CIA Factbook and ITC Trademap*

## 2. TRADE PREFERENCE AGREEMENTS OF THE HOST COUNTRY

There is no preferential trade agreement between Pakistan and Egypt, though Egypt is a signatory of the following regional trade agreements:

**1. The Pan-Arab Free Trade Agreement (PAFTA), also known as the Greater Arab Free Trade Agreement (GAFTA):** Came into force in 1997, between 18 members of the Arab League (Algeria, Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Qatar, Saudi Arabia, Sudan, Syria, Tunisia, UAE, Yemen and Palestinian Territories). Members agreed to eliminate all NTBs, reach zero tariffs and grant least developed members' preferential treatment.

**2. Agadir Free Trade Agreement:** Came into force in 2004, between Egypt, Jordan, Morocco, and Tunisia. Members agreed to establish a free trade area between the countries. As part of the Agadir Agreement, all industrial and agricultural products are exempt from all tariff and non-tariff measures.

**3. EU-Egypt Free Trade Agreement:** Came into force in 2004 with the members of the European Union. The agreement removes tariffs on industrial products and makes agricultural products easier to trade. The agreement focuses on increasing trade by reducing custom duties fee on trade until complete elimination.

**4. Egypt-EFTA Free Trade Agreement:** This agreement came into force in 2007 with the member states of the European Free Trade Association (EFTA), namely Iceland, Liechtenstein, Norway and Switzerland. The agreement aims to increase bilateral trade and promote economic integration into the Euro Med Zone through liberalization on industrial and processed agricultural goods. Special exemptions have been given to Egypt's prized agricultural exports of potatoes, oranges, tomatoes and flowers.

**5. Egypt-Turkey Free Trade Agreement:** Came into force in 2007 with bilateral trading partner, Turkey, to create a free trade area between the two countries for 12 years. A point of note is that this agreement facilitates the Egyptian entry into the European Union market. Egyptian exporters face stiff competition in accessing the market, even with the Egypt-EU FTA. This free trade agreement help's Egypt meet the strict regulations and standards of EU by integrating Turkish and Egyptian industries.

**6. Egypt-MERCOSUR Free Trade Agreement:** Signed in 2010, with the Southern Common Market (MERCOSUR), namely Argentina, Brazil, Bolivia, Paraguay, Uruguay and Venezuela and six associate members Chile, Columbia, Ecuador, Guyana, Peru and Surinam. Preferential

treatment is given to Egyptian exports, whilst tariffs are reduced on imported sugar, meat and soy oil.

**7. Common Market for Eastern and Southern Africa (COMESA):** Egypt acceded to the Common Market for Eastern and Southern Africa in 1998, along with its twenty active members (Burundi, Comoros, Congo, Djibouti, Eritrea, Eswatini, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Uganda, Zambia and Zimbabwe). Egypt grants full customs duty exemptions to all products having a COMESA certificate of origin, with a 45% value-added component.

**8. Qualified Industrial Zones:** Designated areas within Egypt enjoy duty-free status with the United States, following certain conditions. Companies located in certain industrial zones (Alexandria, the Suez Canal, Greater Cairo, Central Delta regions, Minya and Beni Suef) are granted duty-free access to the United States, with 10.5% of Israeli content and minimum 35% local content.

Other agreements signed between Pakistan and Egypt are enumerated below:

1. Protocol on Trade Negotiations, signed December 8, 1971.
2. Agreement on Global System of Trade Preferences among Developing Countries, signed 13 April, 1988.
3. Agreement between the Islamic Republic of Pakistan and the Arab Republic of Egypt for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, signed December 16, 1995.
4. Memorandum of Understanding (MoU) for establishment of Pakistan-Egypt Joint Business Council between Federation of Pakistan Chamber of Commerce and Industry (FPCCI) and Federation of Egyptian Chamber of Commerce (FEDCOC), signed December 15, 2006.
5. Memorandum of Understanding (MoU) for establishment of Joint Working Group on Trade between Ministry of Commerce, Pakistan and Egyptian Commercial Service, signed 16 October, 2019.

### Talks of further Preferential Trade Agreements

Negotiations have been launched for talks on a Preferential Trade Agreement between Egypt and Eurasian Economic Union, Indonesia, India and UK have been circulating in the press.

### 3. OVERVIEW OF IMPORTANT REGULATION

An overview of major trade bodies and the role they play in trade regulations and the legal framework of import and exports are given below:

Sr. No	Body/Entity	Procedures in scope of framework
1	Egyptian Customs Authority, Ministry of Finance ( <a href="http://www.customs.gov.eg">www.customs.gov.eg</a> )	1. Customs procedural certificate – Dealer Card 2. Certificate of practicing the profession of customs clearance 3. Import Declaration Form or SAD 4. Import Valuation Declaration 5. Export Declaration Form or “Form 13” 6. Import Release Certificate 7. Export Release Certificate
2	General Organization for Export and Import Control (GOEIC), Ministry of Trade and Industry ( <a href="http://www.goeic.gov.eg">www.goeic.gov.eg</a> )	1. Import License 2. Export License 3. Production Requirement Card 4. Certificate of Origin
3	Export Development Authority (EDA), Ministry of Trade and Industry ( <a href="http://www.expoegypt.gov.eg">www.expoegypt.gov.eg</a> )	Conducts all export development activities
4	Egypt Expo and Convention Authority (EECA), Export Development Authority, Ministry of Trade and Industry ( <a href="http://www.eeca.gov.eg">www.eeca.gov.eg</a> )	Responsible for all local and international exhibitions
5	Egyptian Tax Authority, Ministry of Finance ( <a href="http://www.eta.gov.eg">www.eta.gov.eg</a> )	1. Tax ID Card 2. VAT Registration Certificate
6	Foreign Trade Training Center (FTTC), Export Development Authority, Ministry of Trade and Industry	1. Certificate of “Practicing Importation” 2. Certificate of “Practicing Exportation”
7	Industrial Development Authority (IDA), Ministry of Trade ( <a href="http://www.ida.gov.eg">www.ida.gov.eg</a> )	1. Industrial Register (Manufacturing certificate)
8	Industrial Control Authority (ICA), Ministry of Trade and Industry ( <a href="http://www.ica.gov.eg">www.ica.gov.eg</a> )	1. Manufacturing Percentages Certificate
9	Federation of Egyptian Chamber of Commerce (FEDCOC) ( <a href="http://www.fedcoc.org.eg">www.fedcoc.org.eg</a> )	Umbrella representative of all chambers in the country, and possesses commercial register

10	Federation of Egyptian Industries (www.fei.org.eg)	Umbrella representative of all chambers of industries. It represents 20 chambers of the industrial sector and 24 committees.
11	Industrial Modernization Center (www.imc-egypt.org)	Offers courses and trainings to local industry
12	General Authority for Investment (GAFI), Ministry of Investment and International Cooperation (www.gafi.gov.eg)	Goods release letter for production projects
13	Central Laboratories, Ministry of Health (www.healthlabs.net)	1. Testing on Import Shipments of Food 2. Health certificates for export shipments of Food
14	Central Laboratory of Residue Analysis of Pesticides and Heavy Metals in Food, Ministry of Agriculture (www.qcap-egypt.com)	1. Testing on Import shipments of agriculture 2. Agriculture certificates for export shipments
15	Central Department for Agriculture Quarantine, Ministry of Agriculture	Notifications of prior arrival agro products
16	Egyptian Drug Authority (EDA), Department of Importers Registration Licensing, Ministry of Health (www.eda.mohp.gov.eg)	1. Importers Register for Pharma products 2. Pre-imports approval for pharma products and medical devices
17	National Telecom Regulatory Authority (NTRA), Ministry of Telecommunications (www.tra.gov.eg)	Pre-import approvals for telecommunication products
18	Egyptian General Petroleum Corporation, Ministry of Petroleum (www.egpc.gov.eg)	Pre-import and pre-export approvals for petroleum products
19	General Organization for veterinary services, Ministry of Agriculture (www.govs.gov.eg)	Pre-imports approvals for Livestock animals and veterinary quarantine
20	Egyptian Exporters Association (Expolink) (www.expolink.org)	Non-profit private sector association for export promotion
21	Central Administration of Plant Quarantine (www.capq.gov.eg)	Body awarding certificates for Sanitary and Phytosanitary measures in Egypt
22	National Food Safety Authority (www.nfsa.gov.eg)	Egyptian authority that sets food standards
23	ISEGHalal (https://iseghalal-eg.net/)	Halal registration granting authority, for meat



#### 4. NON-TARIFF BARRIERS

Although trade is not restricted, importers are discouraged in Egypt in favor of domestic production through various measures relating to documentation, testing, inspection and certifications. This follows from Egypt's Ministry Industry and Trade Development Strategy (2016-2020) whereby "Industrial development to be the engine of sustainable and inclusive economic development in Egypt, which meet domestic demand and enhance exports growth, for Egypt to become a key player in the global economy and capable of adjusting to international developments."

This strategy comes from the economic pillar of the Egypt Vision 2030, whereby, "The Egyptian economy is a balanced, knowledge-based, competitive, diversified, market economy, characterized by a stable macroeconomic environment, capable of achieving sustainable inclusive growth. An active global player responding to international developments, maximizing value added, generating decent and productive jobs, and a real GDP per capita reaching high-middle income countries level."

Egypt is ranked 171 out of 190 economies on the "Trading Across Borders" component of the Ease of Doing Business Index 2020, which measures the time and costs of documentary compliance, border compliance and domestic transport.

##### **4.1 IMPORT LICENSES**

Local manufacturers may be permitted to import production inputs they require without mandating an entry into the Import Register. They may, on the other hand, apply for "Supplies/Needs Card" from GOEIC, the General Organization for Export and Import Control. Import licenses are required for all other entities that who engage in commercial/trading activities.

As of June 2017, it is now mandatory to have two years of business activities and a minimum annual turnover of EGP 2 million (estimated PKR 21 million), before even applying for an import license.

Steps for obtaining an import license differ according to the nature of the entity applying, asunder:

##### **1. Individual Trader**

1. An application form containing all details of the applicant and business history
2. An official transcript from the commercial register, showing importation as one of the business activities, with minimum capital of EGP 500,000

3. Certificate from relevant (geographical) chamber of commerce, authenticated from Egyptian Chambers Federation
4. ID copy
5. Official transcript of birth certificate
6. Tax card copy
7. A certificate of “Practicing Importation” under the name of the trader himself, issued by the Foreign Training Trade Center
8. An authenticated copy of tax declaration for the prior year, showing an annual turnover of atleast EGP 2,000,000
9. A depository receipt or a letter of guarantee by amount of EGP 50,000
10. A declaration from the trader that he has not been convicted of a felony or a penalty restricting his freedom in a crime that violates honor or trust
11. A declaration from the trader that no final judgment has been issued against him for committing a crime or bankruptcy
12. A declaration by the trader stating non-membership in the parliament or municipalities.

## **2. Individual Companies/Corporations**

In addition to the document cited above:

1. A copy from the “Companies Bulletin” editions, containing Memorandums of Association
2. A declaration from the managing director that atleast 51% from company’s shares are owned by Egyptian citizens

## **4.2 SANITARY AND PHYTO SANITARY REQUIREMENTS (SPS)**

The Central Administration for Foreign Agricultural Relations in the Ministry of Agriculture and Land Reclamation is Egypt’s SPS enquiry point and national notifying body. A steering sub-committee under the auspices of Ministry of Trade and Industry is the body that coordinates national SPS policies, and assesses their impact. Other related bodies dealing with SPS include National Food Safety Authority, the Central Administration for Plant Quarantine (CAPQ); the General Organization for Veterinary Services (GOVS); the Agricultural Pesticides Residue Committee; the Central Laboratory of Residue Analysis of Pesticides and Heavy Metals in Food (QCAP Lab); the Egyptian Organization for Standardization (EOS); the GOEIC; and the Ministry of Health.

The main legislation with respect to SPS measures includes Law No. 48/1941 on Protection against Fraud and Deception and its amendments; Law No. 10/1966 on Control of Food and its Handling and its Amendments; Presidential Decree No. 187/1984 on Establishment of the General Organization for Veterinary Services; Decree No. 47/1967 on Veterinary Quarantine Regulations; Law No. 118/1975 Regulating Imports and Exports; Presidential Decree No. 106/2000 on facilitating measures on inspecting and controlling exported and imported goods; and Prime Minister Decree No. 1186/2003 on inspection and control of exports and imports.

The agencies involve conduct various controls and inspection procedures: the National Authority for Food Safety is responsible for food products; the Atomic Energy Agency examines radiation levels, the Central Administration for Plant Quarantine (CAPQ), for plants and plant products; the Ministry of Agriculture and Land Reclamation for plants before harvesting; the Food Control Department (Ministry of Health), GOEIC and the General Organization for Veterinary Services for live animals, animal health and any products of animal origin. The duration of inspections depends on the product.

The National Food Safety Authority continues to develop standards and procedures regulating food safety in Egypt. On June 2, 2021, the National Food Safety Authority Board of Directors approved mandatory technical regulations on the permissible residue levels of pesticides for food of plant and animal origin. On July 7, 2021, the decision was published in the national official gazette and entered into force the day after publication. The decision covers domestic, imported, and exported food products, however it does not cover pesticide registration procedures. The ministerial committee of agriculture pesticides affiliated with the Ministry of Agriculture is still the sole authority responsible for the registration. Their committee is also responsible for classifying high hazard pesticides by conducting risk assessments to identify the impact on human health (pesticide applicator) and environment.

#### **4.3 IMPORT RESTRICTIONS AND MANAGEMENT OF QUOTAS**

All restrictions on imports are in accordance with the Import and Export Law No. 118/1975, and Executive Regulations of the Import and Export Law, Ministerial Decree No. 770/2005. Import prohibitions apply to chicken offal and limbs, fowl liver, goods bearing marks considered sensitive to religious beliefs, various hazardous chemicals and pesticides. In addition, the two-stroke motor bicycle engines, toys in the form of pistols or rifles, bracelets listed as organizing body energy, and some incandescent bulbs and laser pens are subject to import prohibitions. Hazardous material, used telecommunication material, Egyptian folk-art, most used automobile parts, natural products, all fall under the restricted category.

Certain imports are subject to administrative formalities: agricultural commodities, such as wheat, corn and soya bean must be approved from GOEIC before importing (unless imported from governmental bodies).

#### **4.4 PREFERENTIAL TREATMENT TO PARTNER COUNTRIES REGARDING NON-TARIFF BARRIERS**

Under the Global System of Trade Preference (GSTP), Egypt grants tariff preferences to all other GSTP signatories on a range of specified products since its entry. Egypt also offers improved market access to least developed countries (LDCs). This scheme includes tariff reductions on applied rates of 10% to 20% for around 100 products. In addition, duty-free access is granted to around 50 raw materials (mainly minerals).

Egypt grants tariff preferences to the EU, EFTA, Turkey with which it has Free Trade Agreements, as well as the members of PAFTA, Agadir Agreement and COMESA. Under these FTAs some 75% to 100% tariff lines have preferential access.

#### **4.5 PAYING VAT ON IMPORTS**

Egypt issued the VAT law no. 67 of 2016, whereby all local and imported goods are subject to VAT except those goods that are specifically exempted. The standard rate of VAT is 14%, while the goods and services listed in the second schedule attached to the Value Added Tax Law No 67 of 2016 are liable to schedule tax (at specific rates) in addition to the standard rate of 14 percent. The VAT will be levied on all goods and services imported from abroad, at each stage of their supply chain.

The machinery and equipment used in the production of a commodity or rendering of a service are subject to VAT at 5 percent, except for buses and passengers cars. Goods and services imported into the free zone projects for carrying out licensed business inside the free zone (except cars) are subject to 0 percent VAT.

Certain commodities and services listed in the First Schedule attached to the Value Added Tax Law No 67 are liable to schedule tax ranging from 0.5-10 percent and other specific rates.

All exported commodities and services are subject to 0 percent VAT.

In addition to VAT on imports, a schedule tax is a one-time charge applied on luxury goods. This includes, soft drinks, beers, alcohol, wine, perfumes, cosmetics, televisions more than 32",

refrigerator larger than 16 feet, air conditioners, golf cars, cars and mobile phones. Schedule tax ranges from 8% to 30%.

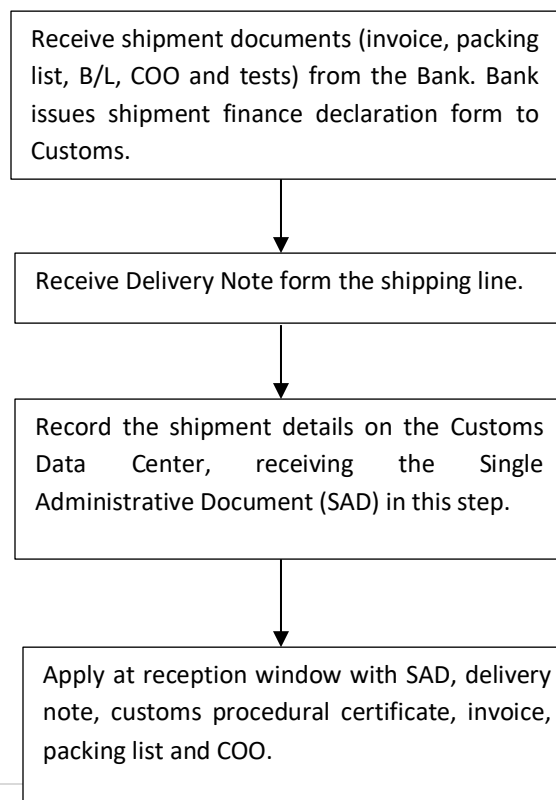
## 5. IMPORT PROCEDURES AND TARIFFS

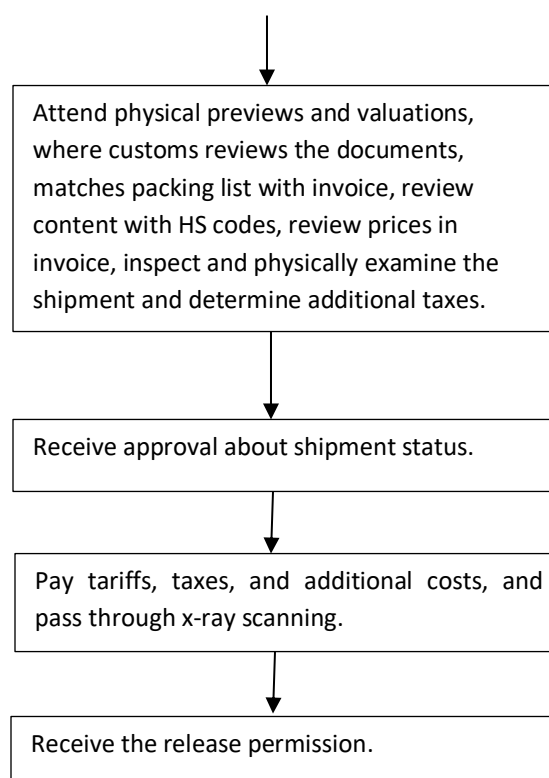
The Egyptian Department of Customs Authority is responsible for clearing merchandise into Egypt. Imported goods may not legally enter the country until shipment arrives within the port of entry and Customs authorizes delivery of the merchandise. Import declarations and other documentations must be filed by the Importer or their custom agent.

The standard form for import declaration is the SAD (K19 Import Declaration). The entry is registered with customs, and given a serial number. The customs accounting committee calculates the duty to be paid on the imported merchandise. At this point, Customs then generates a payment application and receipt, against which the importer is requested to pay duty and taxes. The application is then stamped with the government seal finalizing the customs clearance procedure.

Below shows a table depicting the process in more detail:

### Steps for customs clearance





## **NAFEZA**

In October 1, 2021, Egypt launched the Advanced Clearance Information system (ACI). Traders must register within the designated platforms (CargoX for exporters and ACI for importers). The ID number developed through the uploading of shipment's documents on the platform called ACID and is required on all shipment documents. However, control agencies such as plant quarantine, veterinary quarantine and food safety authority, agreed not to include the ACID on the phytosanitary/ sanitary and health certificates. The new system now exempts the requirement of attestation of the Egyptian embassy from the shippers' country to verify all shipping documents.

## **5.1 TAXES AND DUTIES ON IMPORTS**

Customs duty rates on imported goods range from 5% to 40%, with the exception of vehicles, non-essential and luxury consumer goods, and alcoholic beverages, which may be as high as 135%. If entities import equipment as capital assets to establish the company's project, it may be subject to a reduced customs duty of 2%.

Machines, equipment and similar capital assets (excluding private motor cars) imported on a temporary basis are subject to fees at 20% of the original customs duty for each year/fraction

of a year during which they remain in Egypt until they are exported. There are rules allowing reduced customs duties on component parts which are assembled in Egypt into a complete product. The tax regime in Egypt is summarized asunder:

Type of Tax	Details
Corporate income tax	Companies are liable for corporate tax at a rate of 22.5%, although there are different rates for the Suez Canal Authority, the Egyptian Petroleum Authority, Central Bank of Egypt, and oil and gas exploratory and production companies.
Withholding tax	<p><u>Local entities</u> The rates of WHT applicable to local payments for local services and supplies are as follows:</p> <ul style="list-style-type: none"> <li>• Contracting and supplying 0.5%</li> <li>• All types of services 2.0%</li> <li>• Commissions 5.0%</li> <li>• Professional Fees 5.0%</li> </ul> <p><u>Foreign entities</u> Any Egyptian entity which makes payments of interest, royalties or for services to non-residents (whether individual or corporate) must apply 20% WHT at the time of payment.</p>
Capital Gains Tax on shares	Capital gains realized from the sale of unlisted Egyptian shares by both resident and non-resident shareholders are subject to the regular tax rate for corporate shareholders (22.5%) and individual shareholders (progressive rate of up to 22.5%).
Personal Income Tax	EGP 0-6,500: 0% EGP 6,500-30,000: 10% EGP 30,000-45,000: 15% EGP 45,000-200,000: 20% More than EGP 200,000: 22.5%
Value Added Tax	VAT rate is 14%, applicable on all goods and services, except for machinery and equipment used for production purposes, which are subject to a 5%

	VAT.
Stamp Tax	The main situations in which stamp tax can arise are land registration/property transfers/transfer of deeds, banking transactions and payments by Governmental bodies
Real Estate Tax	The tax rate is 10% of the annual rental value of the taxable real estate.

## 5.2 VAT

VAT rate is 14%, applicable on all goods and services, except for machinery and equipment used for production purposes, which are subject to a 5% VAT (see details in section 4.5).

## 5.3 IMPORT DUTY

According to the World Integrated Trade Solution (WITS) database, the following is the average effectively applied tariffs on every product group:

Product Group	Average tariff in 2018 (%age)
All Products	9.57168496
Capital goods	2.63680664
Consumer goods	19.118486
Intermediate goods	5.2814539
Raw materials	2.91640089
Animal	2.26590614
Chemicals	7.84037379
Food Products	137.389778
Footwear	21.9274311
Fuels	1.5685654
Hides and Skins	20.7734354
Machinery and Electricity	3.58103958
Metals	5.44487586
Minerals	1.14023179
Miscellaneous	7.91649281
Plastic or Rubber	4.50251735
Stone and Glass	8.68641547
Textiles and Clothing	10.6117384
Transportation	7.12540257
Vegetable	3.58541204



Wood	5.4982593
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#### **5.4 DEFER OR DELAY IMPORT CHARGES**

Storage of container can vary from 10 USD to 40 USD per day, given the time duration. Besides this on average, demurrage charges are anywhere between 30 USD to 130 USD per day, depending on the shipping line.

#### **5.5 RELIEFS ON IMPORTS FOR EXPORT OR RE-EXPORT**

Goods can be temporarily stored in warehouses without paying custom duties for six months, which may be extended for another three months with the approval of the Director General of Customs. The goods may not be accepted at the warehouses without a warehouse license. Prohibited goods, explosives, inflammables and goods that may cause damage are not permitted.

#### **5.6 TEMPORARY ADMISSIONS**

Customs duties and other taxes are exempted temporarily for imports of primary materials and intermediate goods used for processing, and for imports of parts to repair or complete the manufacture of finished goods. Customs requires a deposit equivalent to the import duties and other taxes assessed. The deposit is returned when the goods are transferred to a free zone or exported.

Temporary duty exemptions are granted to commercial samples and temporary imports for display purposes at exhibitions or for sales promotion activities, with exception to goods on the list of prohibited goods.

#### **5.7 PROCESSING AND RE-EXPORTING**

According to Investment Law no. 72/2017, firms operating in free zones are exempt from customs duties, other taxes and import regulations on imported capital equipment, raw materials, and intermediate goods, to be used in the zones. Goods destined for the free zones may be sold domestically if customs duties are paid and applicable regulations are implemented.

Imports from the Ministry of Defense, and companies affiliated with Ministry of Military Production and the National Security Authority are also exempted. As are imports for the Presidency, gifts and donations to the Government, passenger cars of less than 1,800 CC with special medical equipment and articles with customs privileges for diplomats.

### **5.8 RECLAIMING TAXES ON REJECTED IMPORTS**

Egypt subscribes to the WTO's Trade Facilitation Agreement, or TFA, along with its article 10.8 pertaining to rejected goods.

### **5.9 LABELLING AND PACKAGING REQUIREMENTS**

Egypt imposes some labeling requirements: finished goods imported for retail sale must specify the product's country of origin, producer's name and must contain the product's description in Arabic in a clearly visible place on the packaging. Special regulations exist for certain items such as foodstuff must be labeled in Arabic and at least one other language with name of the producer, country of origin, description of the commodity, name and address of the importer, production date, expiry date for consumption, preservation and storing conditions for easily perishable goods, mode of preparation for goods to be prepared before consumption, net and gross weight, and additives and preservatives included.

Appliances, machinery, equipment all must be accompanied by the following: a manual in Arabic containing illustrative drawings of the parts, assembly and operating instructions, maintenance, details of the electric circuitry for electronically operated appliances and security precautions. Imported fabrics must have the name of the importer woven into the cloth in Arabic, English or French, while for imported readymade garments name of importer, type of fabric and country of origin may be woven, affixed with sticker or printed.

### **HALAL REQUIREMENTS**

In December 1, 2021, Egypt published a WTO technical barrier to trade (TBT) notification to notify the expansion of products requiring halal certificates. The products notified included milk and dairy products, along with meat, poultry, and their products. There is no clear guidance or any decision regarding the labelling of the current or newly added products. The Egyptian Halal Standard Committee completed a first draft of the Halal standard on February 16, 2022. This committee is headed by the Ministry of Trade's Organization for Standardization (EOS) and includes members of other ministries as well as private sector representatives. After

deliberations over the course of five weekly meetings, this draft omits Milk and Dairy Products from the list of products requiring Halal certification.

### **5.10 TECHNICAL STANDARDS**

The national authority in all matters of standardization, quality control and metrology is the Egyptian Organization for Standardization and Quality, or the EOS. While under the Ministry of Trade and Industry, the EOS is affiliated with different ministries for the purposes of compliance. The National Food Safety Authority is a separate body that sets the standards for foodstuff. The EOS is responsible for preparing and issuing Egyptian standards, licensing award for quality marks, providing technical consultancy, conducting laboratory tests, calibrating equipment for industrial companies and in handing out Egyptian halal mark.

Egypt has accepted the WTO Code of Good Practice for the Preparation, Adoption and Application of Standards. It has mutual recognition agreements with most Agadir countries, China, France, Jordan, Kuwait, Lebanon, Libya, Morocco, Nigeria, Saudi Arabia, Sudan, Tunisia and Uganda in the fields of standardization.

Egypt's standards do not distinguish between foreign and domestic good. Most technical standards concern chemicals, food products, engineering goods and textiles. In the absence of a mandatory Egyptian standard, importers may choose a relevant standard from among seven international standard systems. This must be notified to GOEIC prior to importing. As Egypt and Pakistan do not possess a mutual recognition agreement, imported products are subject to inspection and testing in Egypt, even if covered by a certificate.

Egypt reviews its standards periodically, once every five years. It has over 8,500 standards for the sectors of engineering, chemicals, food, measurement, textile and documentation.

In terms of technical regulations, various bodies draft and implement their ministries technical standards. A technical regulation is issued by a Ministry when it requires that a product complies with a production method or contains particular elements such a residue or additives. There are over 860 technical regulation (since 2017) covering engineering, chemicals, food, textiles and measurement products.

Besides this, the General Organization for Export and Import Control (GOEIC) are responsible to inspect imported and exported commodities. It inspects foodstuff, handbags, furniture, electronics, spare parts, consumer products, live animals, iron tubes, pipes, ceramic sanitary ware, stoves, heaters, washing machines, electrical equipment, motor vehicle parts, pencils, textiles and others. An inspection fee is charges, and if mandatory standards ate issued by

Egyptian authorities, GOEIC must inspect accordingly. GOEIC does not accept testing by any other body, except in pre-shipment. Customs cannot release any shipment without the inspection and clearance granted from GOEIC.

### **5.11 SPECIAL REQUIREMENTS FOR IMPORT OF FOOD PRODUCTS AND PHARMACEUTICALS**

#### **Special Requirements for Import of Agricultural Products**

Before importing agricultural products into Egypt, a written request from the importer is sent to the Ministry of Agriculture. A response from the Ministry takes approximately two weeks, and if approval is granted, then an import can be transacted.

When imported goods arrive, the importer must inform the Ministry of Agriculture and assemble a committee of three agriculture experts to briefly inspect the goods before unloading. The committee will provide a Ministry of Agriculture Approval Letter for the said shipment, which will be part of entry documents submitted to Customs. After filling required documents, and when entry is registered with Customs, the Customs Accounting Committee calculates the duty to be paid; the committee consists of an Accounting agricultural inspector, an analyst, and a senior inspector (GOEIC) who must all give their approval. After paying duties and taxes, custom clearance may be finalized.

#### **Special Requirements for Import of Processed Food Products**

In addition to the steps mentioned above, a committee of three representatives from Ministry of Health, Ministry of Agriculture, and Customs are responsible for preliminary inspection. They “visually” inspect the shipment before taking samples for analysis in laboratories. If the committee rejects the shipment after “visual inspection” it is either re-exported or disposed.

#### **Special Requirements for Import of Pharmaceutical Products**

For pharmaceutical products, importers must apply to the register of approved importers for pharmaceutical products at the Egyptian Drug Authority. A separate application must then be made for approving the products to be imported, where a full detailed prequalification file for the specific manufacturer and product is required. This is done at the Egyptian Drug Authority (EDA), and may take months or even years. After this, an approval letter is issued by the EDA, following which shipment documents are received from the bank, delivery note from the shipping line, while the record of the shipment is made at the Customs Data Center. A physical preview and valuation must be attended, physical inspection taken place, and approval of the

shipment status is received. Release of the shipment is made following the payment of taxes and tariffs.

## 6. COMPETITOR ANALYSIS IN THE TOP TEN EXPORTER CATEGORIES FROM PAKISTAN TO EGYPT

Egypt has had exports of \$26.815 billion in 2020. The top exported products from Egypt to the World in the last three years were:

Product at 6-digit HS Code		Egypt's exports in US\$ (Thousands)		
HS Code	Product	2018	2019	2020
710812	Gold, incl. gold plated with platinum, unwrought, for non-monetary purposes	1,411,662	2,017,775	2,872,121
271012	Light oils and preparations	3,274,262	2,828,360	1,465,912
271019	Medium oils and preparations	926,939	1,764,723	1,434,665
270900	Petroleum oils and oils obtained from bituminous minerals	2,146,798	1,940,585	1,197,764
310210	Urea	1,142,416	1,085,297	891,347
852872	Reception apparatus for television,	553,146	826,469	714,242
080510	Fresh or dried oranges	666,699	656,594	648,630
271111	Natural gas, liquefied	501,444	1,263,178	438,268
390210	Polypropylene, in primary forms	306,842	346,787	306,158
'610990	T-shirts, singlets and other vests	216,642	280,658	240,852

Egypt's top export destinations, along with the value of exports, in 2020 are shown asunder:

Sr. No	Trading Partner	Exports in 2020 (US\$ Thousands)
1	United Arab Emirates	2,863,632
2	Saudi Arabia	1,703,787
3	Turkey	1,671,560
4	United States of America	1,472,362
5	Italy	1,395,995
6	India	1,224,298
7	Spain	764,056
8	United Kingdom	763,688
9	Canada	704,390
10	Greece	682,041
11	China	603,114
12	Germany	576,194

13	Libya, State of	572,846
14	Jordan	568,028
15	France	537,329
16	Algeria	490,079
17	Malta	489,053
18	Sudan	474,506
19	Netherlands	459,823
20	Morocco	446,143

Source: Trade Map (ITC)

Pakistan is ranked 32<sup>nd</sup> in Egypt's export destination, with US\$ 335.83 million exports made in FY 2020-21. A breakdown of the top products that Egypt exports to Pakistan are:

Product details			Egypt's exports to Pakistan (US\$)	
Sr. No	HS Code	Product	2020-21	2019-20
1	2711	Petroleum gases and other	190,452,976.95	195,070,233.19
2	5201	Cotton, not carded or combed	35,620,091.54	21,154,341.10
3	1701	Cane or beet sugar	24,148,082.35	0.00
4	1209	Seeds, fruit and spores	15,339,222.15	12,838,868.86
5	9619	Sanitary towels (pads) and tampon	14,149,524.71	15,526,897.12
6	2106	Food preparations not elsewhere	6,551,350.70	4,963,225.51
7	2510	Natural calcium phosphates	6,424,896.63	3,592,583.13
8	8908	Vessels and floating structures	4,608,427.00	2,537,131.88
9	3104	Mineral or chemical fertilizers	4,240,475.13	3,234,745.55
10	0904	Pepper of the genus Piper	4,173,774.61	185,139.01
11	3904	Polymers of vinyl chloride	2,622,406.74	1,637,597.68
12	9018	Instruments and appliances used in medical	2,504,811.35	877,091.07
13	4818	Toilet paper and similar paper	2,326,663.84	1,863,094.33
14	5205	Cotton yarn (other than sewing)	1,798,893.34	578,196.81
15	2004	Other vegetables prepared or preserved	1,525,878.38	701,221.06
16	4011	New pneumatic tyres, of rubber	1,482,136.78	624,719.24
17	2005	Other vegetables prepared or preserved	1,296,526.92	1,147,441.38
18	3002	Human blood; animal blood prepared	1,281,397.60	854,649.49
19	3506	Prepared glues and other	1,139,650.28	2,231,850.78
20	1806	Chocolate and other food preparations	1,112,159.67	1,021,733.81

Egypt's imports in 2020 were \$60.279 billion, a fall from \$78.657 billion the year before. The top imported products by Egypt from the rest of the World in the last three years are as below:

Product at 6-digit HS Code		Egypt's imports in US\$ (Thousands)		
HS Code	Product	2018	2019	2020
270900	Petroleum oils and oils obtained from bituminous minerals, crude	3,562,761	2,909,011	3,806,581
100119	Durum wheat	2,804,783	3,024,161	2,693,850
100590	Maize	1,880,587	1,925,666	1,878,980
999999	Commodities not elsewhere specified	1,484,643	1,734,240	1,701,192
300490	Medicaments	1,720,548	1,915,391	1,620,087
870323	Motor cars and other motor vehicles	1,633,012	1,676,771	1,611,232
271012	Light oils and preparations	6,150,588	5,388,911	1,476,802
020230	Frozen, boneless meat of bovine	1,148,863	1,491,463	1,233,266
851712	Telephones for cellular networks "mobile telephones"	1,031,141	1,579,635	899,176
870322	Motor cars and other motor vehicles	819,708	641,990	885,834

Egypt's top import suppliers, along with the value of imports, in 2020 are shown asunder:

Sr. No	Trading Partner	Imports in 2020 (US\$ Thousands)
1	China	9,051,941
2	United States of America	4,026,298
3	Saudi Arabia	3,817,864
4	Germany	3,486,020
5	Turkey	2,957,184
6	Italy	2,606,500
7	Russian Federation	2,522,141
8	India	2,284,178
9	Kuwait	1,988,839
10	Brazil	1,931,153
11	Ukraine	1,582,723
12	Spain	1,428,221
13	France	1,427,921
14	United Arab Emirates	1,359,614
15	United Kingdom	1,217,039
16	Indonesia	1,043,822

17	Korea, Republic of	1,033,310
18	Japan	1,017,390
19	Belgium	960,584
20	Netherlands	951,339

Pakistan is the 72<sup>nd</sup> importing destination for Egypt. A breakdown of the top products that Egypt imports from Pakistan are:

Product details			Egypt's imports from Pakistan	
Sr. No	HS Code	Product	2020-21	2019-20
1	'5209	Woven fabrics of cotton	43,034,753.19	42,374,027.55
2	'5211	Woven fabrics of cotton	7,268,276.91	3,163,303.57
3	'3004	Medicaments	3,483,760.09	5,559,261.15
4	'5310	Woven fabrics of jute or of other	3,441,526.63	2,517,220.33
5	'5212	Instruments and appliances used in medical	3,353,791.49	1,571,230.20
6	'4011	New pneumatic tyres, of rubber.	2,844,341.97	1,167,348.84
7	'5512	Woven fabrics of synthetic staple	2,244,788.88	1,153,304.53
8	'3904	Polymers of vinyl chloride	2,183,092.70	0.00
9	'5205	Cotton yarn	1,863,936.82	2,921,979.02
10	'5509	Yarn	1,410,350.15	284,679.13
11	'4203	Articles of apparel and clothing	1,257,760.44	1,075,417.43
12	'3903	Polymers of styrene, in primary form	1,238,913.75	2,869,411.50
13	'4013	Inner tubes, of rubber	957,568.57	404,789.90
14	'6302	Bed linen, table linen, toilet linen	871,173.48	0.00
15	'5208	Woven fabrics of cotton	737,716.51	1,665,618.38
16	'1006	Rice	652,056.52	453,723.69
17	'2529	Feldspar; leucite; nepheline	633,694.57	171,125.93
18	'6116	Gloves, mittens and mitts	597,645.43	338,631.75
19	'2301	Flours, meals and pellets	569,205.00	628,260.00
20	'6211	Track suits, ski suits and swimwear	565,859.69	509,056.57

Source: TDAS

## COMPETITOR ANALYSIS IN THE TOP 10 EXPORTED PRODUCTS FROM PAKISTAN TO EGYPT

### TOP TEN PRODUCTS ON THE PRODUCT-LINE (6-DIGIT HS CODE)

Sr. No	HS Code	Product	Value of Exports in 2020 (US\$ Thousands)
1	520942	Denim, containing >= 85% cotton by weight	30,289
2	521142	Denim, containing predominantly, but < 85% cotton by weight	5,010
3	901890	Instruments and appliances used in medical, surgical	2,883



4	300490	Medicaments consisting of mixed or unmixed products	2,454
5	531090	Woven fabrics of jute or of other textile bast fibres	2,415
6	390319	Polystyrene, in primary forms	2,083
7	401140	New pneumatic tyres, of rubber, of a kind used for motorcycles	1,714
8	551219	Woven fabrics containing $\geq$ 85% polyester staple fibres	1,696
9	520912	Woven fabrics of cotton, containing $\geq$ 85% cotton by weight and weighing $> 200 \text{ g/m}^2$	1,397
10	721049	Flat-rolled products of iron or non-alloy steel	1,299

Source: Trade Map

**Product # 1 Denim, containing  $\geq$  85% cotton by weight**

Top supplying markets in Egypt for HS code 520942 (denim) are as follows:

<u>Sr No.</u>	<u>Country</u>	<u>Value (US\$ thousands)</u>			
		<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
1	China	59,676	96,683	81,010	41,413
2	India	7,206	21,578	43,356	22,246
3	Turkey	23,854	45,335	35,613	20,239
4	Pakistan	25,078	31,564	31,700	13,003
5	Bangladesh	0	137	420	1,273
6	Spain	19	170	34	208
7	Jordan	0	0	161	204
8	United Arab Emirates	0	0	5	199
9	Turkmenistan	0	0	0	136
10	Lebanon	0	0	111	130

Source: Trade Map

**Product # 2 Denim, containing predominantly, but  $<$  85% cotton by weight**

Top supplying market in Egypt for HS code 521142 (Denim, containing predominantly, but  $<$  85% cotton by weight) are as follows:

<u>Sr No.</u>	<u>Country</u>	<u>Value (US\$ thousands)</u>			
		<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
1	China	31,149	24,923	26,476	6,666
2	Turkey	1,057	275	440	1,736
3	Pakistan	1,022	383	2,250	1,660
4	India	4,258	1,917	861	410
5	Israel	0	0	0	90

6	Taipei, Chinese	45	0	1,659	58
7	Korea, Republic of	258	0	0	0
8	Bahrain	0	0	0	0
9	Bangladesh	18	0	107	0
10	Germany	8	0	0	0

Source: Trade Map

**Product # 3 Instruments used in medical and surgical**

Top supplying market in Egypt for HS code 901890 (Instruments used in medical and surgical) are as follows:

<u>Sr No.</u>	<u>Country</u>	<u>Value (US\$ thousands)</u>			
		<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
1	Germany	73,014	58,525	30,024	31,068
2	United States of America	26,208	31,007	42,925	29,447
3	China	9,707	16,855	20,066	19,070
4	Mexico	3,818	12,304	12,976	8,026
5	Italy	3,509	4,425	7,222	6,541
6	Japan	4,074	3,484	5,453	5,380
7	Singapore	382	3,136	6,986	4,931
8	France	6,671	11,294	5,284	3,810
9	Korea, Republic of	2,866	3,957	4,120	3,768
10	Finland	966	1,256	986	2,359
18	Pakistan	414	815	971	1,344

Source: Trade Map

**Product # 4 Medicaments**

Top supplying market in Egypt for HS code 300490 (Medicaments) are as follows:

<u>Sr No.</u>	<u>Country</u>	<u>Value (US\$ thousands)</u>			
		<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
1	Switzerland	416,936	467,579	526,573	377,402
2	Germany	471,259	263,416	334,585	297,093
3	France	203,211	186,710	206,132	189,125
4	United States of America	87,039	132,086	151,658	102,078
5	Italy	92,000	90,091	97,557	74,738
6	Sweden	21,487	47,638	76,386	71,231
7	Spain	28,897	56,992	56,917	59,121
8	Denmark	31,055	38,142	43,333	58,509
9	United Kingdom	45,041	60,200	65,355	53,945

10	Belgium	35,585	37,022	40,292	36,266
37	Pakistan	172	0	0	154

Source: Trade Map

**Product # 5 Woven fabrics of jute**

Top supplying market in Egypt for HS code 531090 (Woven fabrics of jute) are as follows:

<b>Sr No.</b>	<b>Country</b>	<b>Value (US\$ thousands)</b>			
		<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
1	China	0	0	0	3
2	Bangladesh	153	141	0	0
3	Pakistan	0	0	58	0
4	India	137	0	0	0

Source: Trade Map

**Product # 6 Polystyrene, in primary forms**

Top supplying market in Egypt for HS code 390319 (Polystyrene, in primary forms) are as follows:

<b>Sr No.</b>	<b>Country</b>	<b>Value (US\$ thousands)</b>			
		<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
1	Taipei, Chinese	10,720	17,090	15,930	12,056
2	Korea, Republic of	10,127	7,614	5,729	10,371
3	Belgium	7,682	16,912	23,469	9,147
4	Saudi Arabia	9,644	10,521	9,549	3,781
5	Singapore	5,545	5,773	5,106	1,449
6	India	14,036	12,137	3,280	1,434
7	Pakistan	447	3,085	994	1,114
8	Germany	1,057	752	6,654	1,066
9	China	2,360	3,487	2,600	1,011
10	Turkey	838	604	1,187	701

Source: Trade Map

**Product # 7 New pneumatic tyres, of rubber, of a kind used for motorcycles**

Top supplying market in Egypt for HS code 401140 (New pneumatic tyres, of rubber, of a kind used for motorcycles) are as follows:

<u>Sr No.</u>	<u>Country</u>	<u>Value (US\$ thousands)</u>			
		<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
1	China	12,018	14,303	11,454	7,720
2	India	2,976	4,234	4,254	4,174
3	Thailand	618	1,275	2,020	2,395
4	Viet Nam	297	442	932	954
5	Indonesia	305	544	608	611
6	Sri Lanka	287	128	174	438
7	Pakistan	36	102	121	180
8	Taipei, Chinese	225	219	98	88
9	Turkey	217	169	119	71
10	Germany	42	83	150	57

Source: Trade Map

**Product # 8 Woven fabrics containing >= 85% polyester staple fibres**

Top supplying market in Egypt for HS code 551219 (Woven fabrics containing >= 85% polyester staple fibres) are as follows:

<u>Sr No.</u>	<u>Country</u>	<u>Value (US\$ thousands)</u>			
		<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
1	China	246,247	277,797	287,200	174,083
2	Turkey	17,034	37,256	24,434	6,390
3	Israel	7,446	10,541	9,750	5,485
4	Taipei, Chinese	3,588	11,405	9,414	2,432
5	Pakistan	7,371	15,764	31,673	2,314
6	India	9,025	11,681	6,950	1,219
7	Indonesia	902	731	1,127	687
8	France	125	1,123	1,077	648
9	Korea, Republic of	11,684	4,685	3,028	378
10	Thailand	631	731	1,616	327

Source: Trade Map

**Product # 9 Woven fabrics of cotton, containing >= 85% cotton by weight and weighing > 200 g/m<sup>2</sup>**

Top supplying market in Egypt for HS code 520912 (Woven fabrics of cotton, containing >= 85% cotton by weight and weighing > 200 g/m<sup>2</sup>) are as follows:

<b>Sr No.</b>	<b>Country</b>	<b>Value (US\$ thousands)</b>			
		<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
1	China	135	162	179	224
2	India	0	0	4	142
3	Korea, Republic of	0	0	0	0
4	Area Nes	0	0	1	0
5	Bahrain	0	0	0	0
6	Sri Lanka	0	28	0	0
7	Comoros	0	0	1	0
8	Croatia	0	34	0	0
9	Denmark	0	0	0	0
10	Greece	0	1	14	0
18	Pakistan	62	0	0	0

Source: Trade Map

**Product # 10 Flat-rolled products of iron or non-alloy steel**

Top supplying market in Egypt for HS code 721049 (Flat-rolled products of iron or non-alloy steel) are as follows:

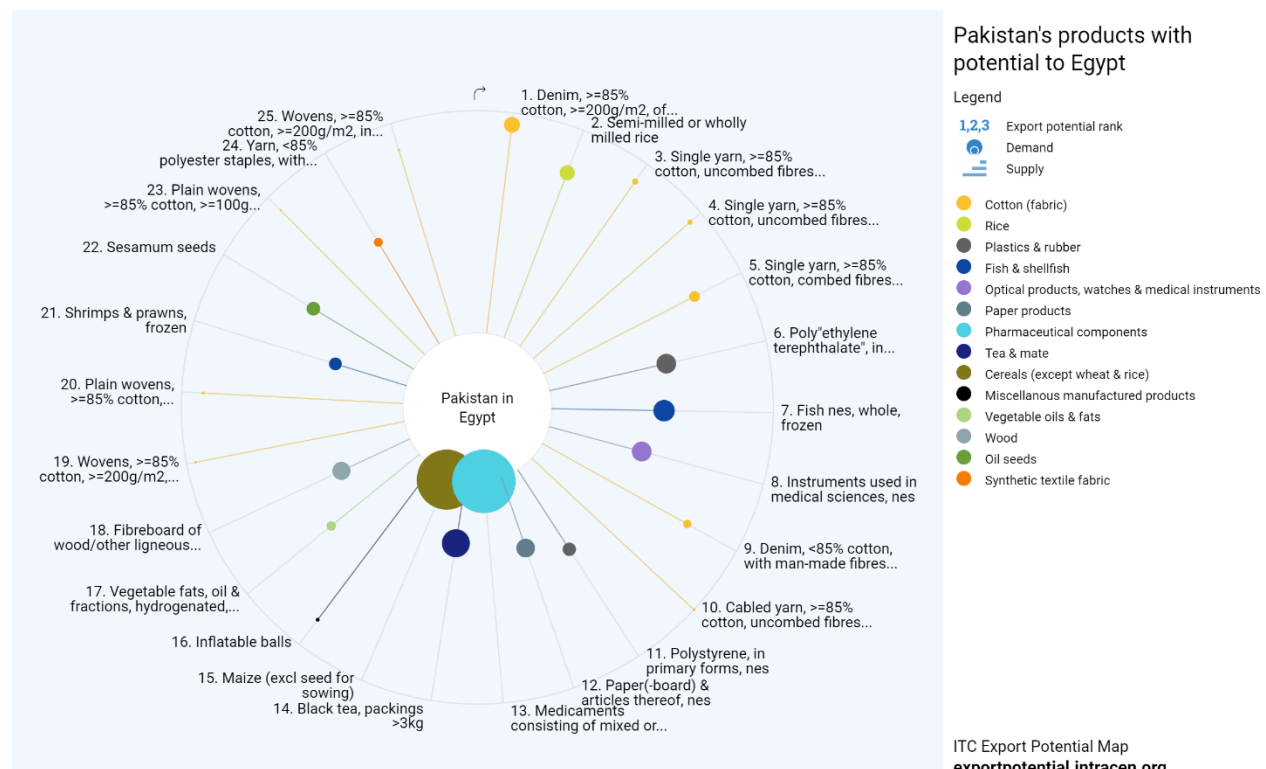
<b>Sr No.</b>	<b>Country</b>	<b>Value (US\$ thousands)</b>			
		<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
1	China	101,045	101,516	91,954	60,493
2	Turkey	11,513	35,126	46,375	48,428
3	Korea, Republic of	58,541	65,129	55,862	33,105
4	Italy	18,006	12,994	16,867	18,350
5	Germany	8,822	12,584	9,905	15,319
6	Netherlands	10,573	14,742	12,553	12,673
7	United Arab Emirates	13,252	17,389	21,993	11,886
8	Belgium	18,156	17,148	17,216	11,587
9	Spain	5,539	7,015	6,371	7,698
10	India	558	303	1,867	6,135
19	Pakistan	0	0	368	717

Source: Trade Map

## 7. SUGGESTED STRATEGIES TO ENTER THE MARKET & OTHER RECOMMENDATIONS

The following are some general strategies towards which the commercial relationship between both countries should take direction:

- Egypt has a sizeable population of 105 million, of which 5 million can be considered Grade A Consumers. These are quality-conscious consumers who are willing to pay high prices to buy quality foreign brands. Mostly, they prefer European and US brands, given its general association with quality. Quality is the tagline potential exporters must focus on.
- Egypt is also a trade hub, connecting continents to the rest of Africa. It considers itself a leader within the continent. Investment into establishing trade links with Egypt is a long-term investment into the region, while Egypt's many regional trade agreements grant it favorable tariff access in the region.
- Sectors of potential for entry into diversified products into the Egyptian market are demonstrated below:



- It is the observance of the Trade and Investment Section is that surgical, agrofoods, sports goods, and textiles have opportunities in the Egyptian market. Besides this, there are avenues to collaborate in Information Technology, fashion and tourism.

- There is a dire need to market Pakistan in the minds of Egyptians. The general perception is a negative one, and collaboration amongst government bodies has room for vast improvement. Focus should be on soft diplomacy skills through positive promotion, cultural events at the Mission in Cairo, and social media to portray a progressive image of the country.
- More government-to-government level exchange is needed – and repeat visits and delegations will ensure a strengthening of ties. This is important in expediting the vast amount of work that needs to be covered in collaborating ministries of Trade, Agriculture, Supplies, GOIEC, Customs and many other regulatory trade bodies back home.
- The personal side of business deals plays a big role, as Egyptians will not do a deal if they do not like you. It is easier to work through an Egyptian agent or counterpart, as processes will go more smoothly. Arabic is the core language in business, government and society. Majority of the business community speaks English well, but it would be advised to have an Arabic translator for understanding nuances.
- There is a need for exchange of business visitors especially in terms of trade fairs on both sides. More information needs to be disseminated amongst governmental bodies on this account.
- The Egyptian Organization for Standardization (EOS) is that national standard setting body in Egypt. It has over 138 committees for drafting local standards, and a lack mutual recognition agreement with Pakistan means it must meet every local standard. Work should be undertaken to establish a mechanism towards mutual standards recognition agreements.
- National Food Safety Authority is the regulatory authority that sets standards for all food products in the Egyptian market, and imports, since 2020. Linkages with their office must begin with the appropriate counterpart back in Pakistan. Following the establishment of a like-minded Federal Food authority, it is hoped that some mutual standards recognition may take pace to ease the regulatory pressure on food imports. Especially as later this year it is expected that Egyptian Halal requirement on will extend to all food products, besides just meat.