**REPORTING PROFORMA FOR COMMERCIAL WINGS**

**MONTHLY REPORT- December 2023**

(Trade in Goods and Qualitative)

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

1. **TRADE IN GOODS**

Data is available till September 2023 on CAPMAS

a) Total trade in goods during September 2023

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Egypt Export****(US$ million)** | **Egypt Import****(US$ million)** | **Status****(P) Provisional/****(F) Final** |
| Egypt’s trade with IndiaSource: CAPMAS, EgyptData for the Month : September 2023 | 54,876 Millions | 246,927 Millions | Final |
| Egypt's total global tradeSource: CAPMAS, EgyptData for the Month : September 2023 | 2,943 Bn | 6,081 Bn | Final |

b) Preferential trade in goods during **September 2023**

|  |  |  |  |
| --- | --- | --- | --- |
| Sl. No. | Preferential / Free TradeAgreement 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 TradeAgreement 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 September 2023

 Source: CAPMAS,

|  |  |  |  |
| --- | --- | --- | --- |
| HS Code | Commodity | Value (US$) | Share in total import (%) |
| 2710 | 95 octane gasoline output from the process of refining crude oil or crude oils obtained from bituminous minerals materials | 71,550,000 | 29.0 |
| 2023 | Cuts of bov, boneless, frozen | 34,039,070 | 13.8 |
| 7202 | Ferro-silico-manganese | 5,784,515 | 2.3 |
| 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) | 5,468,251 | 2.2 |
| 6802 | Other granite, simply cut or sawn, with a flat or planar surface | 3,859,643 | 1.6 |
| 5205 | Cotton yarn (other than sewing thread), not put up for retail sale, single yarn, of combed fibers, Measuring less than 714.29 decitex but not less than 232.56 decitex (exceeding 14 metric number but not exceeding 43 metric number) | 3,717,871 | 1.5 |
| 8703 | other ride cars, Mjhzahibmahrkat internal combustion piston Mtnobheetm spark-ignition of a cylinder capacity exceeding | 3,221,749 | 1.3 |
| 1006 | Semi-milled or wholly milled rice, whether or not polished or glazed | 3,196,531 | 1.3 |
| 7202 | Ferro-manganese, containing by weight more than 2% of carbon | 3,049,870 | 1.2 |
| 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. | 2,976,712 | 1.2 |

d) Top 10 items of export to India during September 2023

 Source: CAPMAS,

|  |  |  |  |
| --- | --- | --- | --- |
| HS Code | Commodity | Value (US$) | Share in total export (%) |
| 2709 | Petroleum, crude | 35,000,000 | 63.8 |
| 5201 | Other cotton, not carded or combed, ginned | 5,559,279 | 10.1 |
| 3102 | Urea, whether or not in aqueous solution | 3,307,818 | 6.0 |
| 2510 | Natural calcium phosphates, unground | 2,819,000 | 5.1 |
| 2836 | Calcium carbonate other than those mentioned above | 2,237,909 | 4.1 |
| 3809 | Other finishing agents, dye carriers to accelerate the dyeing or fixing of dyestuffs and other products and preparations (for example, dressings and mordants), with a basis of amylaceous substances, of a kind used in the textile or like industries, not elsewhere specified or included. | 378,442 | 0.7 |
| 2835 | Other phosphates of calcium | 352,034 | 0.6 |
| 2803 | Carbon (carbon blacks and other forms of carbon not elsewhere specified or included). | 314,569 | 0.6 |
| 6807 | Articles of asphalt or of similar material (for example, petroleum bitumen or coal tar pitch), in rolls | 277,122 | 0.5 |
| 7032 | Other non-sowing garlic - Fresh or chilled | 266,328 | 0.5 |

g) Potential products of Imports from India

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| --- | --- | --- |
| **Sl. No.** | **Commodity (4 digit HS tariff line)** | **Rationale****(Max. 200 words)** |
| (i) | Textile ( 5911) | 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.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%.Egypt imported USD 5,695 Million worth of Textiles Where India exported around US$ 318 thousands worth of textiles & clothing products to Egypt with 5.6 % share during (April23 – September 23). |
| (ii) | Pharmaceuticals( 3006 ) | 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. Egypt imported USD 16 Million worth of Pharmaceuticals Where India exported US$ 733 thousands to Egypt with 4.6% share during (April23 – September 23) |
| (iii) | Automobile and auto components(8708 ) | 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.Some of the reasons for reduced car sales are:1. Very high inflation hitting Egyptian purchasing power, the automotive sector is yet to struggle amid a plethora of national and international obstacles.
2. 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.

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 assembly of two and three wheelers for Egyptian markets.Egypt imported USD 214 Million worth of Automobile and auto componentsWhere India exported US$ 10.3 million to Egypt witth 4.8% share during (April23 – September 23)  |
| (iv) | Agro products(I) Wheat ( 1001 )(II) Rice ( 1006)(III) Millets (IV) Tea( 0902)(V) Others | During (April23 – September 23), Egypt imported wheat worth more than US$ 1.9 Bn with 68.3% imports from Russia and 15.2 % imports from Ukraine. India had no share during April23- September23, 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 wheatEgypt imports around one million tons of rice each year including from Thailand, China, India, Russia, US and Argentina. 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 – September 23) Egypt Imported rice worth 98.4 Million USD, India was the biggest supplier of rice to Egypt with (81.2 %) followed by China (16.1%).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.Egypt is largest market of tea in MENA region with USD 156.5 Million imports (April23 – September23). Kenya is major supplier with 92.8% 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 – September 23), India exported $ 3.4 million of tea with 2.2 % of tea imports. CTC Dust and Fanning variety are popular in Egypt.India has the potential to export new items as “ dried, shelled peas” , Maize , Bran, Sharps and other residues of wheat, Cotton (neither carded not combed) |
| (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.[Tech Mahindra](https://www.techmahindra.com/en-in/techmahindra-overview/) 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 1000 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 excellent 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$ 17.55 Millions to Egypt during 2021-2022 (DOC).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 :** **December** **2023**

1. **Market Access Alerts**:

1. Alerts on customs tariff changes:-

**No Change in customs tariff during December 2023**

Egyptian Customs Authority

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| --- | --- | --- | --- | --- | --- | --- | --- |
| **Sl. No.** | **Notification no. and date** | **HS Code** | **Description** | **Original customs tariff** | **Present customs tariff** | **Effective from** | **Remarks if any** |
| **1** | **NIL** |  |  |  |  |  |  |
|  |

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

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| --- | --- | --- | --- | --- | --- |
| **Sl. No.** | **Notification no./ date** | **Measure** | **HS Codes** | **Effective from** | **Remarks if any** |
|  | **NIL** |  |  |  |  |
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c. Alerts on standards, technical regulations and conformity assessment procedures:

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| --- | --- | --- | --- | --- | --- |
| **Sl. No.** | **Notification no./date** | **Standard/technical regulation/ conformity assessment procedure** | **HS Codes** | **Effective from** | **Remarks if any** |
| **1** | **NIL** |  |  |  |  |
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d. Alerts on trade defense measures taken by respective country:

 (Safeguards including special safeguard, antidumping, CVD or anti- subsidy)

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| --- | --- | --- | --- | --- | --- |
| **Sl. No.** | **Notification no., date or other references** | **Type (Initiation, final, prov., sunset, consultations, new shipper review)** | **Details of products/ sectors affected (including HS codes)** | **Effective from** | **Remarks if any** |
|  |  |  |  |  |  |
|  |

2. **Feedback**

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

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| --- | --- | --- | --- | --- |
| **Sl. No.** | **Name of business house** | **Activity sector** | **Trade barrier issues if any (incl. HS codes)** | **General Feedback (Max. 200 words)** |
|  |  |  |  |  |

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

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| --- | --- | --- | --- | --- | --- | --- |
| **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)** |
|  | **NIL** |  |  |  |  |  |

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 | December 2023 |  |  | 235 | Consular Wing issued 235 Business Visa during December 2023 |

3. **Trade and Investment:**

a. Significant trends in trade and investment

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| --- | --- | --- | --- |
| **Sl. No.** | **Category** | **Details of significant trends (Max.** **200 words)** | **Analysis (Max. 200 words)** |
| 1. | **Trade in Goods**Source: CAPMAS, Egypt | Data is available till September 2023 on CAPMASValue of Indian Import in September 2022: 58.4 (US$ million)Value of Indian Import of September 2023: 54.9 (US$ million)Value of Indian Export in September 2022: 378.4 (US$ million) Value of Indian Export in September 2023: 247 (US$ million)Total trade comparison :September 2022: 436.8 (US$ million)September 2023: 302 (US$ million)  | Total trade between India and Egypt during September 2023 **decresased** to US $ 302 million compared to same period of 2022.Indian exports to Egypt decreased to US $ 247 million and the Indian imports decreased with US $ 54.9 million compared to same period of 2022.  |
| 2. | **Trade in Services**Source: CAPMAS, Egypt | The Embassy during December 2023 received 0 enquiries on services.Trade figures of some of the service sectors are given below:**Pharma Items ( HS Code:30)**India export in September 2022: 5.6 (US$ Million)India export in September 20233 (US$ Million) **Electrical machinery and equipment and parts including****Information technology software. (HS Code: 85)**India export in September 2022: 20 (US$ million)India export in September 20239.5 (US$ Millions) **Books newspapers , pictures including educational services (HS Code : 49)**India export in September 2022: 109.782 (US$ thousands)India export in September 2023120.625 (US$ thousands)  | During September 2023, the Indian export of pharma services and items to Egypt Decreased recording US $3 (US Million) compared to September 2022.Indian export of IT and Electric Services and staff decreased recording US $ 9.5 million compared to September 2022.Indian export of Educational Services increased recording US $ 120.625 thousands compared to September 2022 |
| 3. | **Investment** | Top Indian companies in Egypt are :1. TCI Sanmar
2. Flex P Films
3. Alex Carbon Black Co.
4. Dabur Co.
5. EIPIT
6. Galaxy Chemicals
7. Embee International
8. EKC Egypt
9. Platinum Stabilizers Egypt
10. ABDOS FMCG
 | Indian investments in Egypt have increased steadily over the years, with major companies expanding their capacities. The Indian investment in Egypt includes more than 50 Indian companies which operates in Egypt; mainly in the fields of textiles, chemicals, auto parts, etc. with a combined investment of around US$ 3.3 billion. |

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

General Authority for Investment and Free Zones, GAFI, declared availability of 1149 **o**pportunities 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.

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| --- | --- | --- | --- |
| **Sl. No.** | **Sector Name** | **Particulars of the asset/ company** | **Contact details** |
| **1** | land for investment | **land for investment**Governorate: SuezLocation: Ain Sukhna free zoneLand Allocation Method: UsufructSector: Construction & Building MaterialsUtilities: Not AvailableOpportunity Type: Land OnlyJurisdiction:General General Authority For Suez Canal Economic ZoneLand Area: 3,000 M2Zones: Ain Sukhna Free Zone | Ms. Manar Waly Investment Promotion Officer (Asia Dept.)Investment Promotion Sector3 Salah Salem Road, Fairgrounds,Nasr City-Cairo – P.O Box:11562-EgyptTel: +2 02 240 55452 Ext:6861Fax: +2 02 240 55425E-mail: m.waly@gafinet.org.eg |
| 2 | Services | Governorate: SuezLocation: Ras Abu Al Darg - Ein Sokhna/Zafarana Road - Al Galala CitySector: ServicesUtilities: AvailableOpportunity Type: opportunity with landJurisdiction: Al Galala CityLand Area: 3,000 M2Project: Al Galala City And Tourist CompoundProgress: 90%Competitive Advantages:​Al Galala City & 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 & Africa, First Skydiving Drop Zone, Al Galala University The First Private Medicine University At Egypt & The Most Famous Area For Mining Including Industrial Zone And More. | Ms. Manar Waly Investment Promotion Officer (Asia Dept.)Investment Promotion Sector3 Salah Salem Road, Fairgrounds,Nasr City-Cairo – P.O Box:11562-EgyptTel: +2 02 240 55452 Ext:6861Fax: +2 02 240 55425E-mail: m.waly@gafinet.org.eg |
| 3 | Operating And Managing Distinguished Technical Schools | 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
* Jurisdiction: Ministry of Education and Technical Education
* Opportunity with Land and utilities
 | Ms. Manar Waly Investment Promotion Officer (Asia Dept.)Investment Promotion Sector3 Salah Salem Road, Fairgrounds, Nasr City-Cairo – P.O Box:11562-EgyptTel: +2 02 240 55452 Ext:6861Fax: +2 02 240 55425E-mail: m.waly@gafinet.org.eg |

Information on tender Notices for projects and procurement of interest to Indian project exporters/ suppliers (USD 15 million & above)

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

**Any other issues of importance** (Max 500 words)

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| **On 12th December 2023:**Minister of Supply & Internal Trade H.E. Mr. Ali Moselhi inaugurated India Pavilion at Food Africa Cairo with more than 40 Indian companies displayed various products including #Basmati Rice, Spices, Tea & Processed Food. |