



EGYPT & INDIA

TRADE & INVESTMENT

“A QUEST TOWARD SUCCESSFUL PARTNERSHIP”

A. Trade:

Egypt has been traditionally one of India's most important trading partners in the African continent. The India-Egypt Bilateral Trade Agreement has been in operation since March 1978 and is based on the Most Favoured Nation clause.

	2017	2018	Change Million USD	%
Exports	1216	1690	474	%40
Imports	2351	2778	427	%18
Trade Volume	3567	4468	901	%25

Source: Indian Ministry of Commerce and Industry

S.No	HSCode	Commodity	Jan-Dec 2017	Jan-Dec 2018	%Growth
1.	2709	PETROLEUM OILS AND OILS OBTAINED FROM BITUMINOUS MINERALS, CRUDE	700.88	919.24	31.15
2.	3102	MINERAL OR CHEMICAL FERTILISERS, NITROGENOUS		109.60	
3.	2510	NATRL CALCIUM PHOSPHATES,NATRL ALMNM CALCIUM PHOSPHATES AND PHOSPHATIC CHALK	120.99	81.14	-32.94
4.	5515	OTHER WOVEN FABRICS OF SYNTHETIC STAPLE FIBRES		80.62	
5.	5201	COTTON, NOT CARDED OR COMBED	45.64	74.49	63.21

S.No	HSCode	Commodity	Jan-Dec 2017	Jan-Dec 2018	%Growth
1.	2710	PETROLEUM OILSAND OILS OBTND FRM BITMNS MNRLTHER THAN CRUDE PRPN NES;CNTNG70% OR MOREBY WEIGHT OF THESE OILS	194.88	506.81	160.06
2.	5205	COTN YRN(OTHR THN SWNG THRD)CNTNG 85% OR MORE BY WT OF COTON NT PUT UP FR RETL SALE	159.36	168.08	5.47
3.	2818	ARTIFICIAL CORUNDUM, WHETHER OR NOT CHEMICALLY DEFINED; ALUMINIUM OXIDE; ALUMINIUM HYDROXIDE	62.57	132.30	111.44
4.	8703	MOTR CARS AND OTHR MOTR VHCLS FR TRNSPRT OF PERSONS(EXCL OF 8702)INCL RCNG CARS ETC	75.66	128.34	69.63
5.	8545	CRBN ELCTRDS,CRBN BRSHS,LAMP CRBNS ETC. OTHR ARTCLS OF GRAPHITE/OTHR CRBN,WTH/ WTHOUT MTL OF A KND USED FOR ELCTRCL	24.96	86.20	245.35



Source: Indian Ministry of Commerce and Industry

Diversification on Trade Basket:

- Increasing export of Agro-products from India to Egypt
- Fresh and dried dates, grapes, strawberry and green beans from Egypt to India.
- Egypt offers potential business opportunities in Pharma particularly in anti-cancer, bio-tech and

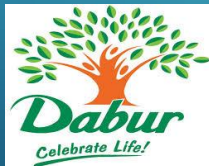


Main Bilateral Agreements:

- **Trade Agreement (1978)**
- **Agreement on the establishment of the Joint Commission (1983)**
- **MoU on Trade and Technical Cooperation (2008)**
- **MoU on Renewable Energy Cooperation (2011)**
- **MoU on the establishment of a Centre for Excellence in IT (2013)**
- **MoU on Cooperation in the field of MSMEs (2013)**
- **MoU on Cooperation in the field of Quality & Standards (January 2016)**
- **MoU on Cooperation in the field of Promoting Investments (March 2018)**

B. Indian Investments in Egypt:

More Than 52 Indian companies operating in Egypt with total investments around USD 3 Billion, while Egyptian investments in India around USD 150 million.



Indian companies are operating in mutually all the major sectors of the Egyptian Economy:



Textiles and garments



power



chemicals and petrochemicals



pharmaceuticals



IT



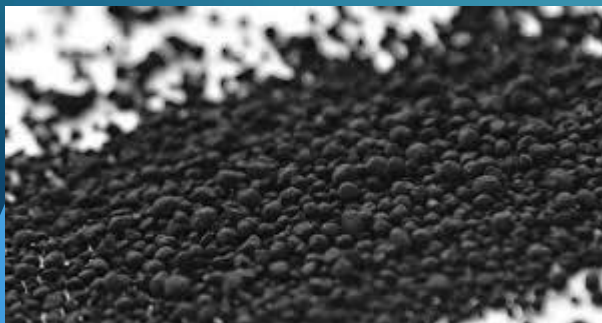
paints



consumer goods



packaging



Carbon black



PET resin



PVC

WHY EGYPT?




@ THE HEART OF WORLD TRADE


MAIN ECONOMIC INDICATORS

	2016	2017	2018 e	2019 f	2020 f	2021 f
Real GDP growth, at constant market prices	4.3	4.2	5.3	5.5	5.8	6.0
Private Consumption	4.7	4.2	1.0	1.6	2.5	2.5
Government Consumption	3.9	2.5	1.6	2.7	3.9	3.1
Gross Fixed Capital Investment	12.0	12.4	8.1	13.3	13.0	14.0
Exports, Goods and Services	-15.0	86.0	32.2	11.8	9.0	8.5
Imports, Goods and Services	-2.2	52.5	11.3	4.0	4.0	4.0
Real GDP growth, at constant factor prices	2.3	3.6	5.3	5.5	5.8	6.0
Agriculture	3.1	3.2	3.0	3.0	3.0	3.0
Industry	0.2	1.8	4.8	4.5	4.7	4.7
Services	3.6	4.8	6.0	6.6	7.0	7.3
Inflation (Consumer Price Index)	10.2	23.3	21.6	14.5	12.5	10.7

Highlights on Recent Legislative Reforms




- A new law on public finance replacing the current state budget law and the government accounting law



- A draft law that simplifies and standardizes tax procedures in both income tax and value added tax




- A new customs law



- An electronic bill law that takes into account the informal sector through an accurate and immediate recording of the VAT




- Tax treatment law on public treasury bills and bonds



- The opening of the first logistics centre "Single-Window System" for all customs procedures



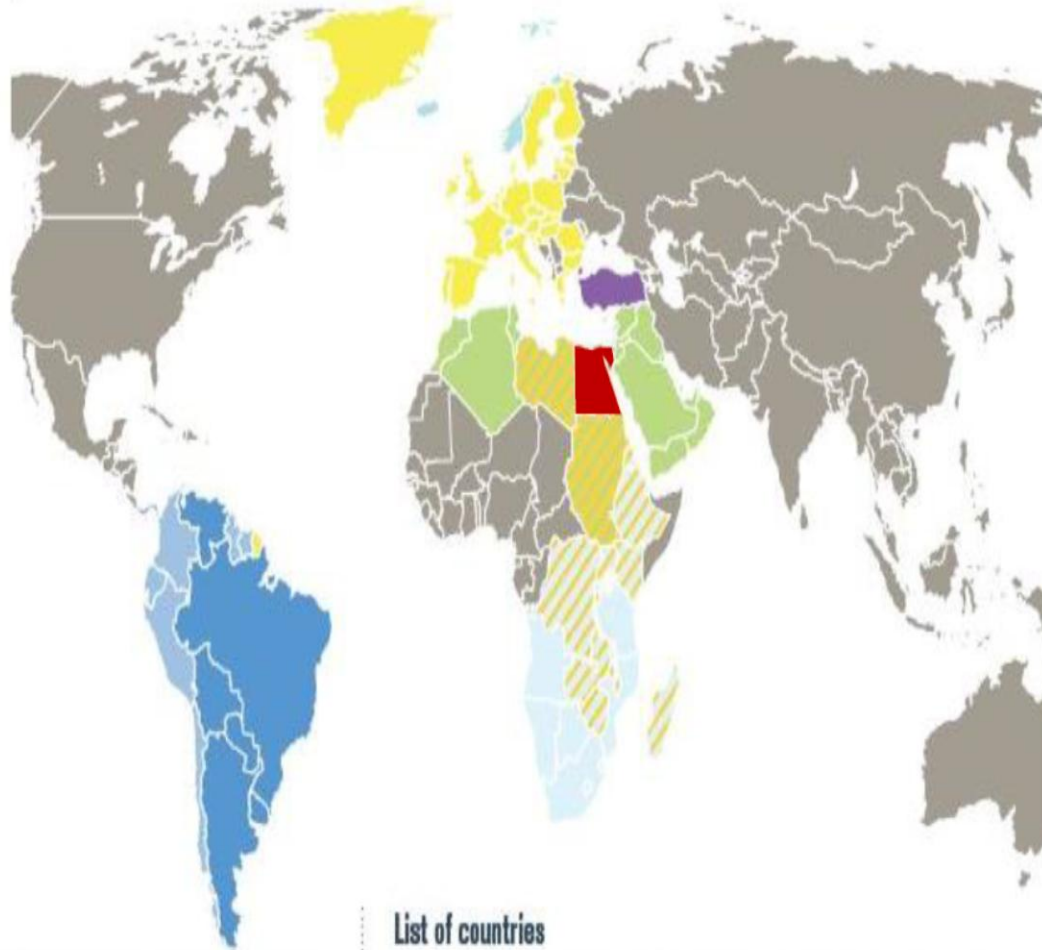
- Activating the General Contracting Law No. 182 of 2018 starting from the next fiscal year 2019/2020 to ensure the rationalization of spending efficiency



- Enhancing the tax and customs services through transformation into an electronic system by June 2020, in addition to monitoring and inspecting all ports to combat customs smuggling and developing logistic centers

Egypt's Free Trade Agreements ensure rapid delivery of goods to 2 billions consumers in Europe, Asia, the Middle East and Africa.

EGYPT HAS SIGNED SEVERAL TRADE AGREEMENTS THAT PROVIDE EGYPT BASED MANUFACTURERS WITH FAVORABLE EXPORT REGIMES TO OTHER COUNTRIES



Subregional trade and economic alliance, which consists of Argentina, Brazil, Paraguay, Uruguay. Associated members — Bolivia and Chile

* Chile, Columbia, Ecuador, Guyana, Peru, Suriname are the associated member states of MERCOSUR

List of countries

Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, UK, Norway, Iceland, Switzerland, Turkey, Morocco, Algeria, Libya, Tunisia, Sudan, Iraq, Saudi Arabia, Bahrain, Qatar, Yemen, Oman, UAE, Jordan, Eritrea, Kenya, Uganda, Rwanda, Burundi, Congo, Zambia, Malawi, Zimbabwe, Madagascar, Djibouti, Swaziland and countries of Latin America

KEY FACTS

70+

Number of countries that signed the trade agreements

40+ %

World GDP share (%) by the selected countries

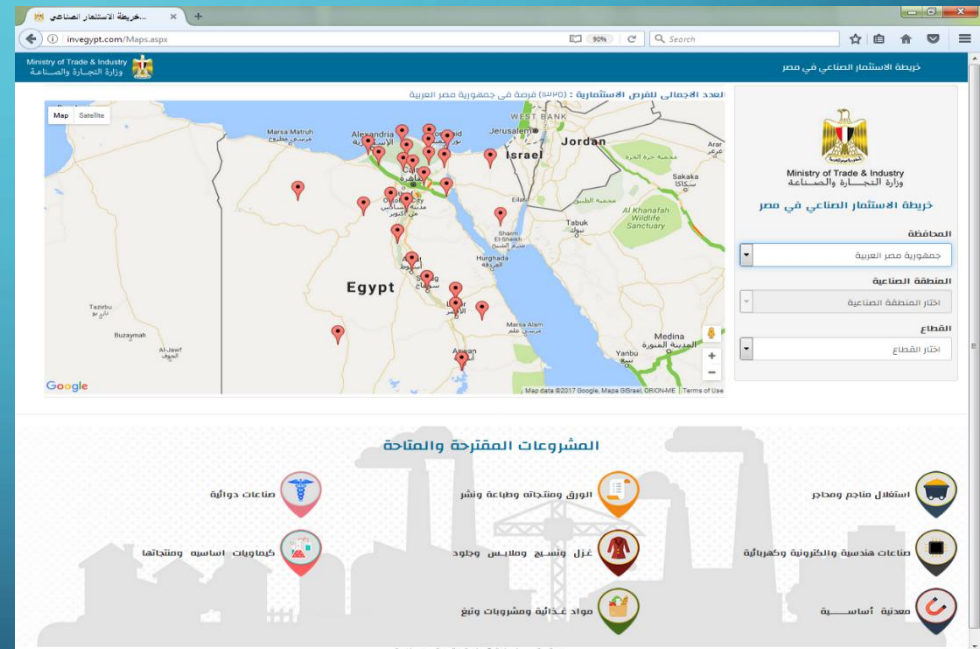
Legend:

- Egypt
- European Free Trade Association (EFTA)
- GAFTA
- Common Market for Eastern and Southern Africa (COMESA)
- EU-Egypt Free Trade Agreement (Association Agreement)
- MERCOSUR
- Bilateral Trade Agreements

Industrial Investment Map

www.invegypt.com/maps.aspx

Up- to -Date Industrial Investment Map based on thorough study of existing geographical enablers, and plans of economic, social, environmental and spatial development.



New Investment law No.72 , 2017

- In the last few years, Egypt has launched its vision for 2030 and started implementing large-scale economic and structural reforms in the context of an ambitious sustainable development program
- Law 72 is tailored to ensure effective and accelerated administrative procedures through Investors Service Centers which are legally and effectively empowered one-stop-shops.
- The new Investment law 72 , 2017 guarantees a number of protections for international investors to encourage development in Egypt

Main Features:

- Foreign investors will receive the same treatment under law as Egyptian.
- Investment projects will not be nationalized.
- No administrative authority can revoke or suspend investment project licenses without proper warning, due process, and time to correct any issues.
- Investors' projects may include up to 10% foreign employees, and up to 20% for investment companies.
- Investors have the right to transfer their profits abroad as well as the

Custom Tax:

Companies will receive a 2% overall customs tax exemption on the value of imported equipment and machinery. They will also be exempted from stamp tax and registration fees on articles of association, mortgages, loan agreements and land contract notarizations related to their investment



MAIN OPPORTUNITIES

1. ECONOMIC ZONES: **SUEZ CANAL ECONOMIC ZONE**



Location	Suez Canal
Proposed area	461 km ²
Authority	Suez Canal Economic Zone Authority
Infrastructure	In Progress
Method of land allocation	Usufruct Agreement

2. URBAN DEVELOPMENT: **EGYPT'S NEW CAPITAL**



Location	Cairo – Suez Road
Proposed area	700 km ²
Authority	Administrative Capital Company for Urban Development
Infrastructure	In Progress
Method of land allocation	Sealed envelopes auction

3. AGRICULTURE:

1.5 MILLION FEDDAN PROJECT

Locations	Aswan, New Valley, Qena, Menya, Matrouh, Ismailia, and Sinai areas
Proposed area	1.59 million Feddan
Authority	Egyptian Reef Development Company (with New Urban Communities Organization and General Authority for Reclamation Projects and Agriculture Development)
Infrastructure	In Progress
Method of land allocation	Sealed envelopes auction



4. MINNING: THE GOLDEN TRIANGLE



Golden Triangle

Location	Red Sea and Qena governorate (Qena, Safaga and Al Qusair)
Proposed area	9,200 km ²
Authority	Golden Triangle Economic Zone Authority
Infrastructure	In Progress
Method of land allocation	Sealed envelopes auction



Location	Suez (Red Sea area between Ain Sokhna and Zafarana)
Proposed area	17,500 Feddan
Infrastructure	In Progress

5. TOURISM:

EL GALALA CITY AND TOURIST COMPOUND



Location	Matrouh west of Alexandria.
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Proposed area	48,000 Feddan
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Authority	Matrouh Governorate
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Infrastructure	In Progress
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NEW ALAMEIN CITY

Location	Portsaid- Damietta Road
Proposed area	331 Feddan
Authority	Ministry of Industry and Trade
Infrastructure	In Progress
Method of land allocation	Usufruct Agreement

6. INDUSTRY

DAMEITTA FURNITURE CITY

Ambitious Targeted Sectors

Textiles

- Egypt is home to the only fully vertically integrated textiles industry in the Middle East.

ICT: DIGITAL Egypt

- One of the highest-growth potential IT markets in the Middle East.

RENEWABLE ENERGY

20% of total power generation by 2020

FINANCE

The nation's banks, brokerages, investment banks and private equity houses are among the most vibrant in the region

LOGISTICS

- 8% - 10% of the world's maritime shipping passing through the Suez Canal & it will be increased after the new Suez canal .

TOURISM

- 2020 plan to achieve \$ 26 billion by 20 million tourists .



Way Forward How To Get More Closer?!





**8 Billion USD (Target) For
Trade and the same for investments
between Egypt & India**

Egypt – India Business Council



- Regular Business missions.
- Participation in Specialized and General Fairs & Exhibitions.
- Regular and Frequent Council Meetings.
- Discussions of mutual economic & business cooperation priorities.
- Recommendations regarding ways to increase volume of Trade and facilitate flow of Investments between both countries.

Egypt



**To
become**



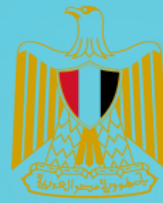
An economic and Industrial hub and attractive destination for Indian Industrial investments toward regional Markets (Africa – Europe- middle East and America)

Other fields of cooperation:

- **Customs cooperation**
- **Dispute settlements mechanism**
- **Cooperation in the MSMEs Field**
- **Capacity building**
- **Cooperation in the field of Industrial development**
- **Facilitating the movements of Business persons.**
- **Promote bilateral investment**

**Complete Investment file available for
download from the following link :**

<https://we.tl/t-Dl2K8RT6b1>



**Egyptian Commercial bureau
Embassy of the Arab Republic of Egypt
INDIA**

**Thanks for your
attention.**



Tel.: 011- 26873818/ 011- 26887126

Fax: 011-26885922

Mob: +91 -9971591793

e-mail : newdelhi@ecs.gov.eg