

Egypt

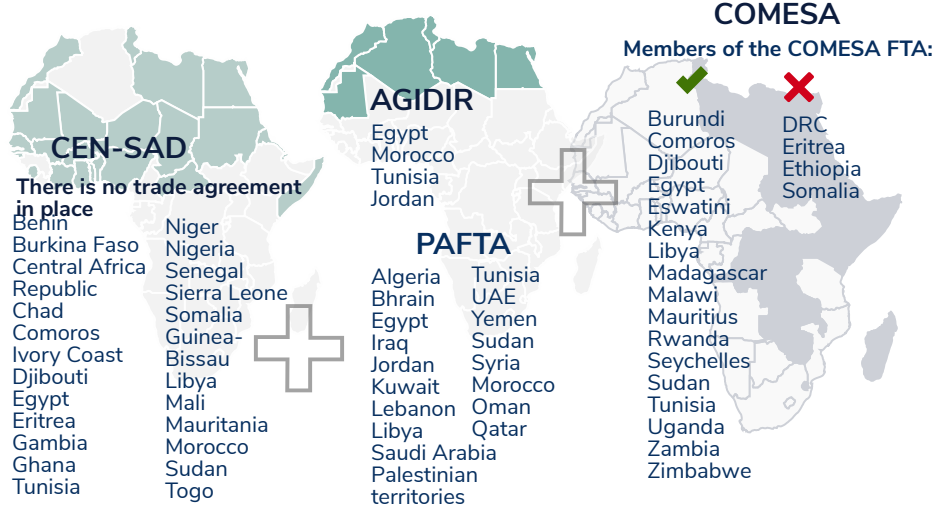
intra-Africa trade & tariff profile 2019



1. Introduction

Egypt is a member of the Common Market for Eastern and Southern Africa (COMESA), the Community of Sahel-Saharan States (CEN-SAD), Pan-Arab Free Trade Area (PAFTA) and the Arab-Mediterranean Free Trade Area (AGADIR).

- COMESA has 21 member states, 17 of which are part of the COMESA Free Trade Area – the DRC, Eritrea, Ethiopia and Somalia are all in the process of accession.
- CEN-SAD currently has 24 member states aspiring to establish an Economic Union which includes the free movement of goods, services and commodities. There is currently no free trade agreement in place.
- PAFTA is an FTA between 18 Arab countries (Algeria, Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Palestinian territories, Qatar, Saudi Arabia, Sudan, Syria, Tunisia, United Arab Emirates, and Yemen).
- AGADIR provides for trade liberalisation among Egypt, Morocco, Tunisia and Jordan.



2. Intra-Africa trade

For 2019, 16% of Egypt's world exports & 3% of world imports were to and from the rest of Africa. Intra-Africa exports amounted to US\$4.77 billion (0.02% decline compared to 2018 exports).

Intra-Africa imports amounted to US\$2 billion (5% decline compared to 2018 imports). The main export products are petroleum oils, odoriferous substances mixtures, monitors, wheat or meslin flour, and sanitary towels.

The main products imported into Egypt from other African countries included copper, crude petroleum oils, tea, petroleum gas & unmanufactured tobacco. Egypt mostly trades with Algeria, Libya, Tunisia, Morocco & Sudan.

Main destination markets

Libya, Tunisia, Morocco, Algeria & Sudan

Exports

Petroleum oils



17% of world exports of petroleum oils

Odoriferous substances mixtures



52% of world exports of odoriferous substances mixtures

Monitors



14% of world exports of monitors

Wheat or meslin flour



50% of world exports of wheat or meslin

Sanitary towels



49% world sanitary towels exports

Egypt's intra-Africa trade 2019

intra-Africa imports as % of world imports of designated products

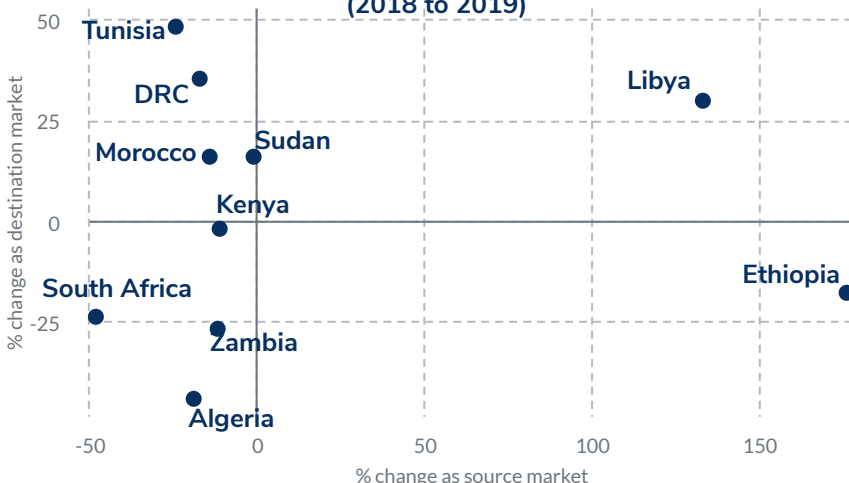
Copper (17.82%)	65%
Crude petroleum oils (15.84%)	5%
Tea (11.88%)	88%
Petroleum gas (9.9%)	19%
Unmanufactured tobacco (4.95%)	30%
Passenger vehicles (4.95%)	4%
Oil seeds (3.96%)	77%
Cotton (3.96%)	35%
Other (26.73%)	

Main source markets

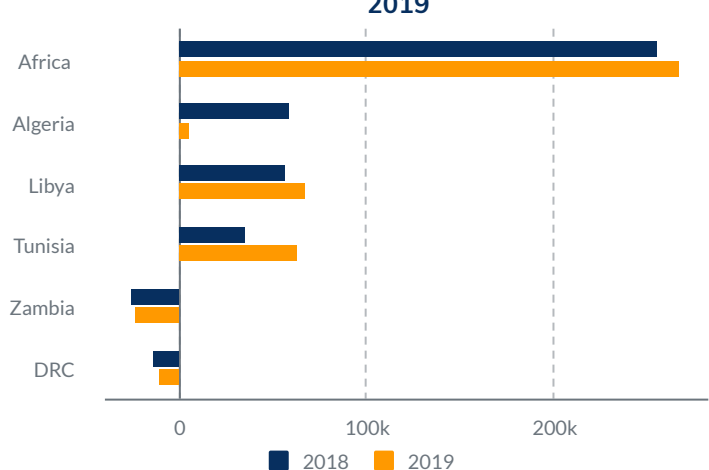


Imports

% change in exports to & imports from main African trade partners (2018 to 2019)



Trade balance with designated trade partners 2018 & 2019



3. Intra-Africa tariffs & non-tariff cost of trade
 Most of the product imported into Egypt from AGADIR, PAFTA and COMESA FTA member states enter the Egyptian market duty-free. Under COMESA, Egypt applies preferential tariffs for imports from Uganda, Eritrea and Ethiopia. Imports from all other African countries are levied Egypt's MFN applied tariffs.. Accordingly, imports from these three countries are levied Egypt's MFN applied tariffs.

In 2019, 14% of Egypt's intra-Africa exports (2% of world exports) were to African countries outside AGADIR, PAFTA and COMESA. Export products include light oils, odoriferous substances mixtures, television reception apparatus & electricity meters. 20% of Egypt's exports to African countries outside AGADIR, PAFTA and COMESA go to Nigeria, and 13% to South Africa.

In 2019, 10% of intra-Africa imports (0.3% of world imports) were sourced from African countries outside AGADIR, PAFTA and COMESA. The imports included cotton, bituminous coal, iron ores and concentrates, coke coal, copper & cocoa paste. 51% of Egypt's imports from African countries outside AGADIR, PAFTA and COMESA were sourced from South Africa, and 16% from Benin.

MFN duty categories & % of national tariff lines in each category

Duty-free 11%
 beef, frozen fish ; milk for infants; butter, dried broad beans, unroasted coffee, grains, maize and rice; seed and coconut oil; cement, iron ores & concentrates medicaments and fertilisers; raw cotton.

2% duty 23%
 seed potatoes and garlic for sowing; dried peas and chickpeas; spices, oil cake, chemical products, ferro-alloys and bars, rods and flat-rolled products of stainless steel and engines and its parts

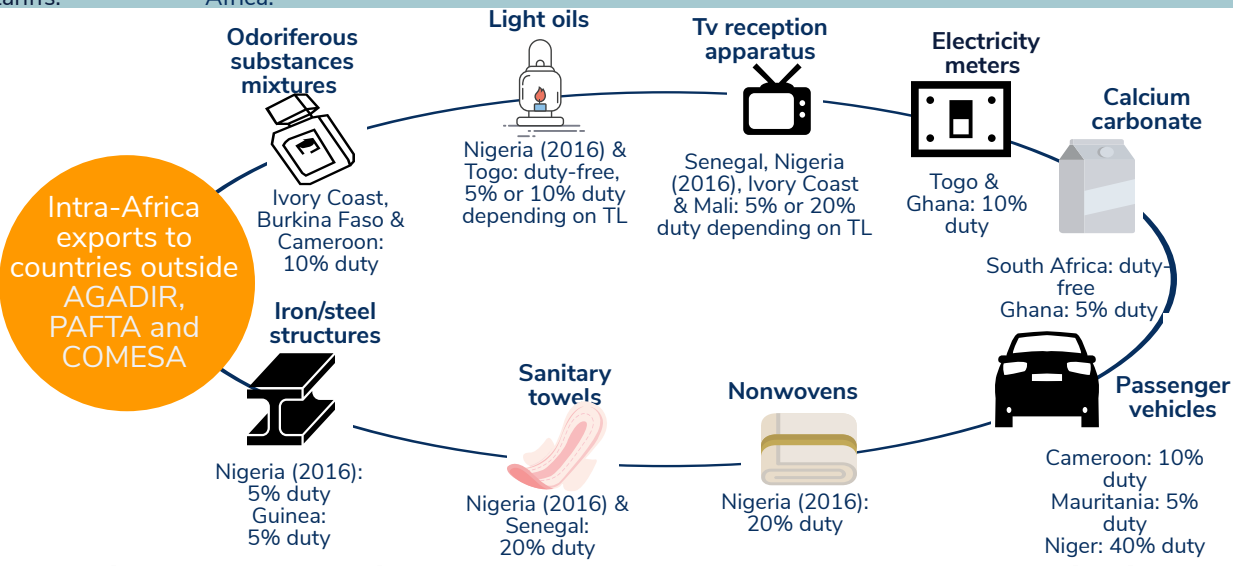
5% duty 26%
 sweetened or flavoured buttermilk; vegetables and starches; cotton, flax and woven fabrics of jute; motorcycle engines; assembled and unassembled diesel vehicles of a weight between 18 and 20 tons and chassis, bodies, radiators and drive-axles for motor vehicles.

10% duty 17%
 cheeses, dried vegetables, macadamia nuts, fruit, roasted coffee and malt; most woven fabrics; ambulances, mine cars and diesel goods vehicles weighing between 9 and 18 tons and brakes, clutches.

20% duty 5%
 lobsters, crabs, scallops and mussels; cashews, walnuts, chestnuts and pistachios; figs, kiwifruit and dried apples; sugar in solid form and sucrose; plastic tubes, pipes

>20% duties 17%
 poultry, quinces and dried apricots; pasta, couscous and bulgur wheat; waters; table, kitchen and household articles of copper and motorcycles, fruits, gum, chocolate, beer, wine, spirits

Specific tariffs 1%
 unmanufactured tobacco; tobacco cigarettes and cigars; water pipe, chewing, minced and compressed tobacco; reconstituted tobacco, and snuff and other manufactured tobacco

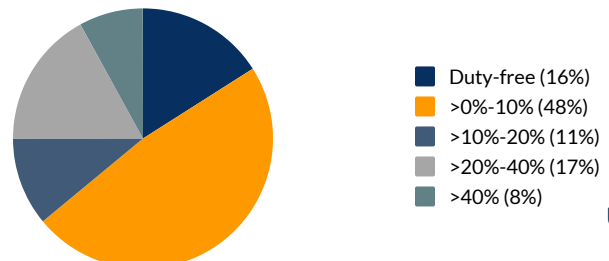


Egypt's imports from outside AGIDIR, COMESA & PAFTA and corresponding import duties

All of Egypt's world imports of iron ores & concentrates and 65% of imports of cocoa paste are sourced from outside AGIDIR, COMESA & PAFTA.

- South Africa (51%)**
 Iron ores & concentrates (duty-free)
 Bituminous coal (duty-free)
 Coke coal (5% duty)
- Benin (16%)**
 Cotton (duty-free)
 Fruit preparation machinery (2% duty)
 Pulp making machinery (2% duty)
- Tanzania (7%)**
 Copper (2.5% duty)
 Tea (2.5% duty)
 Unmanufactured tobacco (9.000 pounds/kg)

Categories of average duties & % of 2019 imports in each category



Of the **top 20 import products** imported into Egypt from outside COMESA, AGIDIR & COMESA, 8 are imported duty-free. These products include cotton, bituminous coal, iron ores & concentrates, cocoa paste, greasy shorn wool, sesamum seeds, coffee & frozen beef. The highest tariffs (21% duty) are applicable to imports of iron or steel articles. A 10% duty is applicable on imports of denatured ethyl alcohol. A 5% duty is applicable to imports of coke coal, tubes and pipes of refined copper & veneering sheets.

- Ghana (7%)**
 Cocoa paste (duty-free)
 Cocoa powder (2% duty)
 Veneering sheets (5% duty)
- Mozambique (3%)**
 Bituminous coal (duty-free)
 Paintings (30% duty)
 Sesamum seeds (duty-free)

The non-tariff cost of bilateral trade between Egypt & designated African trade partners

The ESCAP-World Bank trade cost database includes the cost of transportation and the time to complete import procedures and obtain necessary information as non-tariff costs affecting bilateral trade between trade partners. The data shows that the cost of agricultural trade between Egypt and all countries (except Russia, Benin and Zimbabwe) is more than the cost of manufacturing trade. Trade in manufactured products between Egypt and African countries like Zimbabwe, Uganda, Benin, Nigeria, Senegal, Tanzania, Cameroon, Kenya, Ivory Coast, Ghana, Morocco) is more costly than trade between Egypt and non-African countries like China, Russia, Brazil, Germany, France and the UK.

