

Unveiling Egypt's Export Potential A Market Analysis



Egypt, with its strategic location, burgeoning population, and diverse economic landscape, presents a compelling opportunity for exports. As we delve into the economic indicators and trade dynamics of this vibrant nation, we uncover avenues for potential growth and market entry strategies.

Economic Overview:

In 2021, Egypt's GDP composition showcased the dominance of services, followed by manufacturing, other industrial activities, and agriculture. While private consumption fueled a significant portion of GDP, the country grappled with high inflation rates and substantial government debt. Despite economic challenges, Egypt remains an attractive destination for exporters, bolstered by its large population and strategic position in the MENA region.

Key Economic Indicators:

Country Name: The Arab Republic of Egypt

Population: 109.3 million

GDP Annual Growth: 3.2%

GDP Per Capita: \$4,505

Inflation Rate: 29%

Interest Rate (AVG): 9.78%

Government Debt to GDP ratio (AVG): 86.7%

Exchange Rate: 1 USD = 30.90 Egyptian Pound

Trade and Transportation:

Egypt's trade routes via sea and air offer convenient access to global markets. Ports like Ain Sokhna and Damietta serve as vital gateways for maritime trade & tentatively arrival time between 12 to 20 days, with efficient transit times to and from major hubs like Karachi.

Additionally, air connections between Jinnah Airport in Karachi and Egyptian destinations facilitate swift transportation, enabling seamless trade flows between the two nations.

Focus on Agriculture:

With a rich agricultural heritage and substantial arable land along the Nile, Egypt presents opportunities for exports in the agricultural sector. Tractor usage, indicated by a significant population of 136,144 units, underscores the demand for agricultural machinery and equipment.

Source: Central Department of Economic Affairs Sector, MLAR, Egypt

Tariff Structure:

Egypt maintains a favorable tariff structure for the import of tractor parts and accessories, with average tariffs ranging from 3.7% to 4.1%. This presents a conducive environment for exporters seeking to penetrate the market with related products.

Market Analysis:

Examining Egypt's import trends, we observe a substantial demand for vehicles and related accessories, with top importing countries including Germany, China, USA, Korea, UK, Czech Republic, Japan, India, and Turkey. Delving deeper into specific product categories, we identify H.S. Code 8708, encompassing parts and accessories for tractors and motor vehicles, as a promising avenue for export expansion.

Strategic Imperatives:

For exporters eyeing the Egyptian market, a targeted approach focusing on identified product categories is paramount. Conducting thorough market research, understanding local preferences, and forging strategic partnerships are essential steps towards establishing a foothold in this dynamic market.

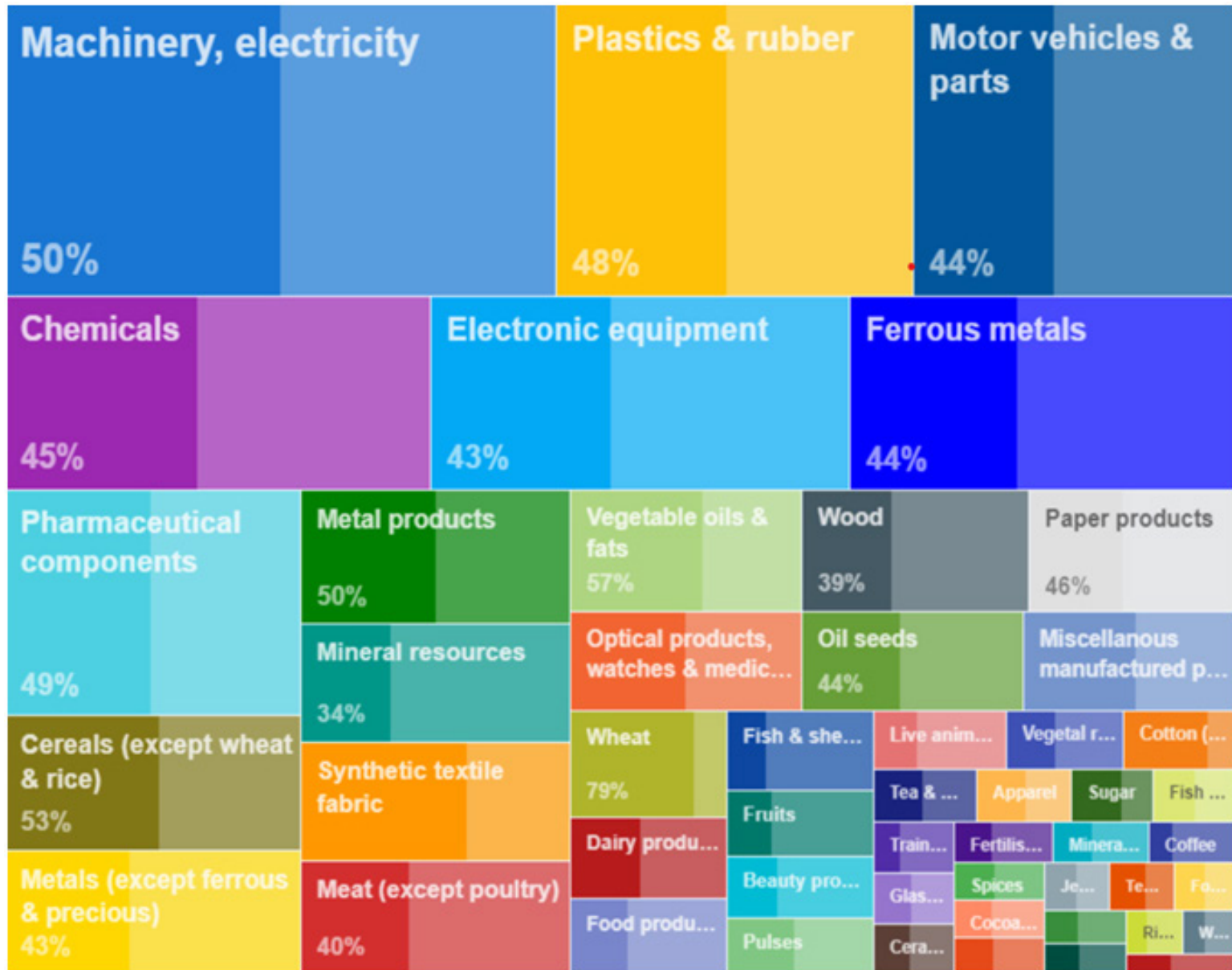
In conclusion, Egypt's export potential is ripe for exploration, offering a gateway to the MENA region and beyond. With a proactive strategy and a nuanced understanding of market dynamics, exporters can capitalize on the myriad opportunities that this vibrant economy presents.

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Exclusive written for Automark Magazine

Export Products with potential to EGYPT

Legend: Export Potential Realized potential



DATE	EXHIBITION NAME	CITY AND EXHIBITION CENTER
17-19 NOV-2024	Autotech Egypt 2024	Cairo, Egypt International Exhibition Center (EIEC)

List of products at 4 digit level imported by Egypt in 2022
Detailed products in the following category: 87 Vehicles other than railway
or tramway rolling stock, and parts

Code	Product label	Select your indicators	
		Value imported in 2022 (USD thousand)	Average tariff (estimated) applied by Egypt (%)
TOTAL	All products	79712146	13.5
'8703	Motor cars and other motor vehicles principally designed for the transport of ...	1610398	49.9
'8708	Parts and accessories for tractors, motor vehicles for the transport of ten or more persons, ...	517829	4.1
'8704	Motor vehicles for the transport of goods, incl. chassis with engine and cab	308387	12.5
'8701	Tractors (other than tractors of heading 8709)	148267	3.7
'8705	Special purpose motor vehicles (other than those principally designed for the transport of ...)	112674	14.9
'8716	Trailers and semi-trailers; other vehicles, not mechanically propelled (excl. railway and tramway ...)	53505	10.2
'8711	Motorcycles, incl. mopeds, and cycles fitted with an auxiliary motor, with or without side-cars; ...	52760	22
'8714	Parts and accessories for motorcycles and bicycles and for carriages for disabled persons, ...	38347	9.9
'8706	Chassis fitted with engines, for tractors, motor vehicles for the transport of ten or more ...	28645	3.7
'8702	Motor vehicles for the transport of >= 10 persons, incl. driver	16969	26
'8707	Bodies, incl. cabs, for tractors, motor vehicles for the transport of ten or more persons, ...	10076	3.7
'8713	Carriages for disabled persons, whether or not motorised or otherwise mechanically propelled ...	5175	0
'8712	Bicycles and other cycles, incl. delivery tricycles, not motorised	1592	14.9
'8715	Baby carriages and parts thereof, n.e.s.	1416	14.9
'8709	Works trucks, self-propelled, not fitted with lifting or handling equipment, of the type used ...	426	2.2
'8710	Tanks and other armoured fighting vehicles, motorised, whether or not fitted with weapons, ...	23	0

List of products imported by Egypt detailed products in the following Six Digit H. S. Code category: 8708 Parts for tractors and motor vehicles for the transport....

Unit : US Dollar Thousand

Code	Product label	Imported value in 2016	Imported value in 2017	Imported value in 2018	Imported value in 2019	Imported value in 2020
870829	Parts and accessories of bodies for tractors, motor vehicles for the transport of ten or more ...	418,544	239,194	314,496	246,968	188,798
870899	Parts and accessories, for tractors, motor vehicles for the transport of ten or more persons, ...	357,788	212,011	249,529	216,932	176,930
870850	Drive-axes with differential, whether or not provided with other transmission components, ...	129,601	79,490	113,051	97,485	98,512
870830	Brakes and servo-brakes and their parts, for tractors, motor vehicles for the transport of ...	35,067	34,275	43,898	46,012	34,607
870880	Suspension systems and parts thereof, incl. shock-absorbers, for tractors, motor vehicles for ...	30,862	23,139	38,664	39,411	30,637
870870	Road wheels and parts and accessories thereof, for tractors, motor vehicles for the transport ...	34,504	23,001	33,695	32,217	26,523
870893	Clutches and parts thereof, for tractors, motor vehicles for the transport of ten or more persons, ...	23,981	18,538	22,266	21,935	17,418
870840	Gear boxes and parts thereof, for tractors, motor vehicles for the transport of ten or more ...	36,307	28,768	36,477	20,841	11,400
870894	Steering wheels, steering columns and steering boxes, and parts thereof, for tractors, motor ...	9,311	9,759	11,988	12,336	10,954
870891	Radiators and parts thereof, for tractors, motor vehicles for the transport of ten or more ...	9,436	7,467	9,944	9,583	7,477
870810	Bumpers and parts thereof for tractors, motor vehicles for the transport of ten or more persons, ...	20,506	19,433	23,020	14,735	7,064
870892	Silencers "mufflers" and exhaust pipes, and parts thereof, for tractors, motor vehicles for ...	9,849	7,797	8,433	3,492	3,760