

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY
USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT
POLICY

Voluntary Public

Date: 1/12/2016

GAIN Report Number:

Egypt

Post: Cairo

New Exporter Registration Requirement

Report Categories:

Policy and Program Announcements

Approved By:

Ron Verdonk

Prepared By:

Bret Tate

Report Highlights:

The Government of Egypt issued a decree requiring foreign manufacturers of specific retail products to register for export with the Egyptian General Organization for Export and Import Control prior to shipment. The decree is scheduled for implementation on February 29, 2016. If implemented in its current form, the decree will impact some US exporters.

General Information: Registration Requirement for Foreign Factories Exporting to Egypt

The Egyptian Minister of Industry and Trade issued a decree (992/2015), which was published in the official gazette on December 31, 2015, requiring foreign manufacturers of specific products to register for export with the Egyptian General Organization for Export and Import Control (GOEIC). Products will be allowed entry into the Egyptian market only if they are produced in factories on the GOEIC list of eligible manufacturers. The decree also gives the Minister of Trade the right to exempt factories from some or all the registration requirements. The decree is set to go into effect two months after its official publication (February 29, 2016).

The manufacturer's legal representative, the owner of the trademark, or an authorized representative may submit the request for registration. Products produced in unregistered facilities will not be granted customs clearance. Conditions for registration and required documents are as follows:

- Application for registration
- Copy of the manufacturing license
- Certificate of legal status of the factory and the products produced there
- Trademark of the product and the trademarks that are produced under license by their owner
- A certificate stating that the factory implements quality control systems, meets environmental standards, and is committed to International Labor Organization (ILO) standards, or other international treaties regulating labor. This certificate should be issued by an agency approved by the International Laboratory Accreditation Cooperation (ILAC), the Egyptian government, or a foreign entity approved by the Egyptian Ministry of Trade.
- A list of factories producing under a trademark, if the request is submitted by the owner of the trademark.
- Manufacturers are required to provide approval of inspection by an Egyptian technical team to verify that environmental and safety standards are met.

Egyptian authorities assert that the measure will ensure the quality of imported products, protect the health of Egyptian consumers, and protect the local industry from unfair competition. Of the 23 products requiring registration, eight are retail food products. These products include:

1. Dairy and dairy products for retail
2. Dried and preserved fruit for retail
3. Oils and fats for retail
4. Chocolate and food preparations containing cacao for retail
5. Sugar confectioneries
6. Pastries and foods prepared from cereals and bakery products
7. Fruit juices for retail
8. Natural and sparkling water

While the US has trade in all of these categories, many of these products are imported as ingredients and not for the retail market. Exports of dried fruit, chocolate products and dairy, which sell to both retail and non-retail sectors, will likely be most impacted by the measure.

It should be noted that the proposed measure is generating questions regarding the rule’s legality under Egypt’s WTO obligations. Moreover, this is viewed in certain quarters as yet another attempt by the Egyptian Government to try to slow demand for foreign exchange – U.S. Dollars – to pay for imports. Additionally, post anticipates opposition on the part of Egyptian importers, which could impact implementation.

US-Egypt Trade (1000 USD)	2010	2011	2012	2013	2014	Jan - Oct 14	Jan - Oct 15
Dairy Products	111,218	91,797	73,837	151,592	110,615	106,271	42,062
Processed Fruit	1,334	985	1,473	1,294	2,199	2,067	2,282
Chocolate & Cocoa Products	464	395	891	345	759	610	817
Sugars & Sweeteners	1,676	1,004	501	614	525	465	152
Non-Alcoholic Bev.	142	40	205	140	124	104	71
Fruit & Vegetable Juices	23	93	90	31	55	37	46
Total	<i>114,857</i>	<i>94,313</i>	<i>76,998</i>	<i>154,017</i>	<i>114,277</i>	<i>109,554</i>	<i>45,430</i>
<small>US Census Bureau: BICO-HS6</small>							