

Based on information collected up to December 1998

1. TARIFF MEASURES

Structure of the tariff schedule

Egypt applies a four-digit tariff nomenclature according to the Harmonized Commodity Description and Coding System. The tariff schedule has one column of statutory rates of customs duties.

Tariff publications

International Customs Journal No. 36, 4th ed., January 1995, updated to May 1995.

Current information on customs-related matters is available from the Customs Authority, 4 El Tayaran St., Nasr City, Cairo.

11 Statutory Custom Duties

Under the Memorandum on Economic Policy of 12 September 1996 developed in conjunction with the IMF, Egypt has pledged to lower the maximum rate of customs duties to 40% and to reduce all tariffs exceeding 30% to a 30% rate until March 1998. However, luxury items including tobacco products, alcoholic beverages and motor vehicles are subject to rates as high as 135%.

In general, the lower rates of customs duties are applicable to industrial inputs and the higher rates to finished goods.

16 Temporary reduced duties

Assembly industries may benefit from customs duty reductions of up to 85% in proportion to local content requirements in the final product.

Completely-knocked-down parts imported by factories for assembly under the supervision of the Customs Administration are subject to the import duty on the complete goods less 10%. Reduced or suspended rates are also applicable to imports related to public health and tourism projects.

Preferential duties under trade agreements

19.1 Interregional agreements

Egypt is a participant in the Global System of Trade Preferences among Developing Countries (GSTP).

In 1981, twenty member states of the Arab League including Saudi Arabia, signed the Agreement Facilitating and Developing Trade Exchange among Arab States (AFDTE). The AFDTE, which was a step towards a free-trade

area, provides for full exemption from duty for imports of five categories of products:

- (1) agricultural and animal products in their primary form or after processing to make them suitable for consumption,
- (2) minerals and non-minerals either in their primary form or after processing,
- (3) semi-manufactured products included in a list agreed by the Economic Council of the Arab League,
- (4) goods produced by Arab joint ventures, and
- (5) selected manufactured goods, agreed by the Economic Council.

On 19 February 1997, the Economic Council of the Arab League decided to establish an Arab free-trade area over a period of ten years starting from 1 January 1998. During the ten year period, member countries will reduce their respective tariffs by one-tenth every year. As from 1 January 2007, the free-trade area will fully be operational.

19.3 Bilateral agreements

Bilateral trade agreements with Tunisia, Algeria and Saudi Arabia provide for customs duty exemption on the basis of jointly agreed lists.

A bilateral trade agreement with Jordan provides for a gradual tariff reduction for all goods except alcoholic beverages, tobacco and textiles originating in these countries, effective 1 January 1997 (reported in TIJARIS No. 46 of July 1996).

2. PARA-TARIFF MEASURES

Additional charges

22.9 Additional charges n.e.s.

An additional service charge is levied at the rate of 3% on all goods subject to customs duties exceeding 30%, effective 13 July 1997 (reported in BfAI Nachrichten für Aussenhandel of 25 September 1997).

Internal taxes and charges levied on imports

23.1 General sales taxes

A general sales tax is levied at three rates:

- (1) a normal rate of 10%,
- (2) a reduced rate of 5% for coffee, fertilizers, insecticides, soap and rough wood, and
- (3) an increased rate of 25% for luxury goods such as refrigerators, audio and video equipment, drying apparatus and motor vehicles with a cylinder capacity of 1,6 to 2 liters.

Certain goods including essential foodstuffs, paper products, books, magazines and newspapers enter duty free (reprinted in Handbuch der Einfuhr-Nebenabgaben No. 1/94).

3. PRICE CONTROL MEASURES

34.2 Antidumping duties

Definitive anti-dumping duties in force as at 28 June 1998 apply to stainless steel kitchen sinks from Greece and Spain, as well as steel reinforcing bars from Latvia, Romania and Ukraine.

6. QUANTITY CONTROL MEASURES

Licensing under the authority of

Ministry of Economy and Foreign Trade
8 Sharia Adly
Cairo

Non-automatic licensing

61.7 Prior authorization for sensitive product categories

Decree No. 194/1997 of 30 June 1997 provides for used goods. Medical equipment, airoplanes, ships, waste of synthetic materials, waste paper, newspapers, magazines, rags, waste of yarn, and articles of arts may be imported subject to an authorization from the concerned ministry or agency (reported in BfAI Nachrichten für Aussenhandel of 11 September 1997).

61.73 To protect plant health

Seeds of agricultural products require an import authorization from the Committee of Seeds of Agricultural Products in conformity with decree No. 38/1997 (reported in MOCI No. 1289 of 12 June 1997).

Prohibitions

63.2 Total prohibition

In the Uruguay Round tariff schedule, Egypt is committed to tariffy frozen poultry and to eliminate conditional prohibition on textiles as of 1 January 1998 and clothing as of 1 January 2002. Conditional prohibition covers now clothing items only (reported in TIJARIS No. 41 of April 1995, MOCI No. 1301 of 4 September 1997 and HA-Kurznachrichten of 15 January 1998).


63.71 To protect human health

An annex to decree No. 55 of 1 March 1996 contains a list of 80 chemical compounds concerning pesticides, fungicides and herbicides barred from importation. In addition, decree No. 874 of 31 July 1996 prohibits the importation of various insecticides based on the US-American classification of substances that might cause cancer (reported in BfAI Nachrichten für Aussenhandel of 21 March 1996).



63.8 Prohibition for political reasons (embargo)

As a member of the League of Arab States, Algeria applies the different degrees of the embargo decreed by this institution in 1954 with regard to products originating in Israel.




8. TECHNICAL MEASURES

81.1 Product characteristics requirements

Standards are formulated and enforced by the Egyptian Organization for Standardization and Quality Control (EOS). Imported goods are inspected in accordance with conditions laid down by the Minister of Economy and Foreign Trade, in agreement with the concerned authorities. The relevant Authority issues certificates of conformity for consignments which satisfy established conditions and specifications. Goods which conform to standards in the United States, Japan, United Kingdom, Germany and France will be accepted unless specific requirements apply in Egypt.

Egyptian Organization for Standardization and
Quality Control
2 Latin American Street
Garden City
Cairo




81.1 Product characteristics requirements

81.4 Packagings requirements

Decree 16/1993 addresses marking, labeling and packaging requirements (reported in MOCI No. 1114 of 31 January 1994). A wooden package should be accompanied by an official certificate stating that the package is free of wood pest and insects. The data appearing on the package should match the data appearing on the imported equipment, tools and machines. Each item should be accompanied with an Arabic-language catalog indicating maintenance procedures, safety measures and other information.

Product specific information should be written in clear Arabic letters in a non-erasable manner, i.e., the term "slaughtered according to Islamic rules" must be written on packages of animal products except fish.

Sanitary and phytosanitary regulations effect imports of various products. For example, decree No. 2613 of 15 March 1994 says that food products entering Egypt should have 50 percent of their shelf life remaining (reported in MOCI No. 1152 of 27 October 1994). A decree of August 1994 extended shelf life requirements to certain non-food imports such as syringes and catheters. Decrees No. 478 of 5 December 1995 and No. 411/1997 of 30 October 1997 provide for the precise chemical composition of food additives and other materials used in food processing (reported in BfAI Nachrichten für Aussenhandel of 1 February 1996 and 21 April 1998, respectively). Decree No. 38/1997 stipulates for sanitary and international certificate requirements applicable to seed imports (reported in MOCI No. 1289 of 12 June 1997). Furthermore, concern on dead insects constituting an eventual threat to local agriculture leads to mandatory fumigation of numerous grain shipments.



81.5 Testing, inspection and quarantine requirements

Many items removed from the list of prohibited goods were added to the list of commodities requiring inspection for quality control. Decree No. 99/1994 provides the current list of commodities subject to mandatory quality inspection applicable to food products, spare parts, construction products, electronic devices, appliances and many consumer goods.

