



Opportunities in the Automotive Industry in Egypt

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Engineering Export Council of Egypt

Overview of Automotive Industry

What Egypt has to Offer

Formation, Vision & Mission

Formation

Ministerial decree in 2005. Fifteen member BOD from the private sector.
Advise the government, policy advocacy.

Vision

Act as the credible voice of the Egyptian Engineering community, by becoming a reliable partner for supporting the growth of the sector through increasing exports, while achieving self sustainability with respect to membership and finances.

Mission

To enhance the competitiveness of Egyptian Engineering Products by providing export related services to enhance marketing capabilities, human skills and eliminate export related obstacles.

Top Export Destinations

Country	2007 Exports in Million EGP
UK and N. Ireland	1,278
Saudi Arabia	1,013
Libya	926
Syria	823
UAE	695
Jordan	457
Qatar	397
Algeria	384
Sudan	357
France	350
Lebanon	335
Turkey	324
Kuwait	272
Italy	269

755 million EGP
in Wiring
Harnesses

80 million EGP
in buses

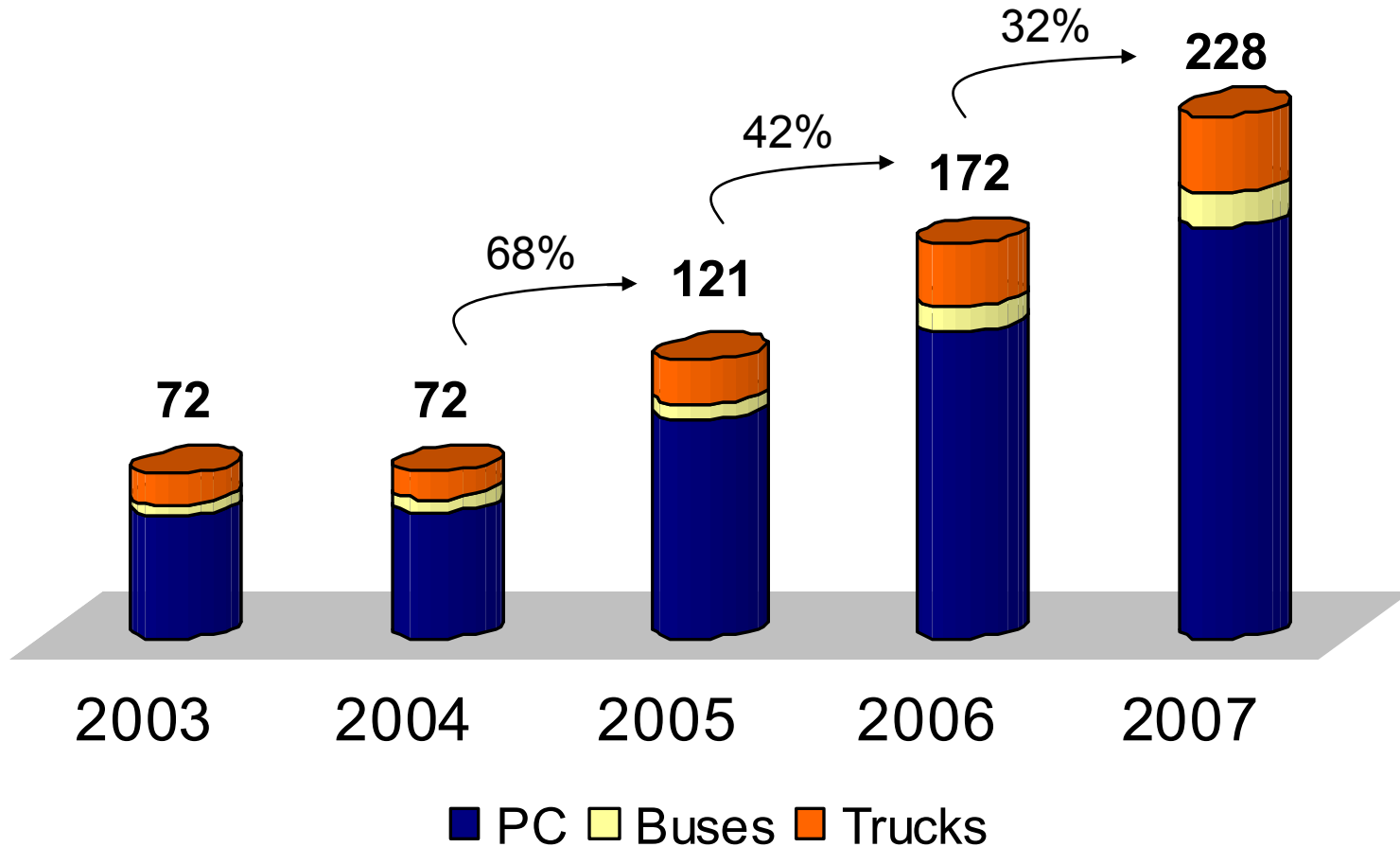
Europe represents 26% of our exports

Arab Countries represent 70% of our exports

Overview of Automotive Industry

Rapid Growth Vehicle Registrations

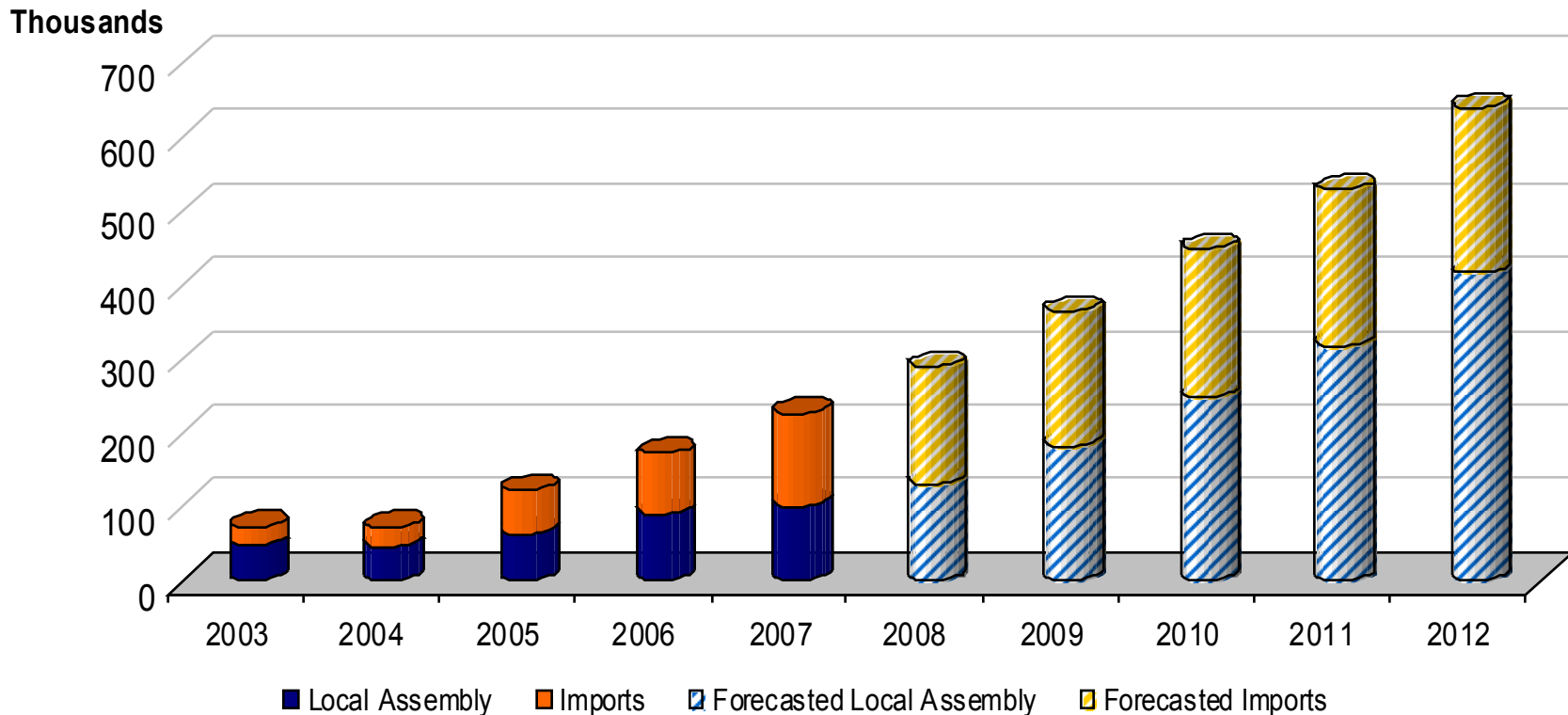
In thousands of Vehicles



Source: AMIC Reports

New Vehicle Registrations

Actual & Forecast



By the year 2012: Assembly for the local market will exceed **400,000** vehicles of which more than **15,000** are large coaches and buses.

What Egypt has to Offer

What We Offer

- Rapidly Growing Local market, specially in the bus segment.
- Competitive Labour cost*. Monthly salaries in US\$:

Low skill/ manual work	\$ 125
Semi-skilled	\$ 175
Skilled	\$ 235
Junior Engineer	\$ 475
Senior Engineer	\$ 1080

* Based on a survey recently conducted by EAFA/IDA on 20 auto component manufacturing companies.

What We Offer

- Strong Government support: Training, Supplier Development (NSDP), Technology Centres which assist in technology transfer & development, Export Tax Rebate
- Regional Trade Agreements e.g. COMESA, AFTA, Agadeer
- Exemption from Turkish and European Union customs duties for Egyptian exports

What We Offer

Proximity to Europe:

10 days shipping to UK,
Scandinavia
5 days to Italy, Spain, France

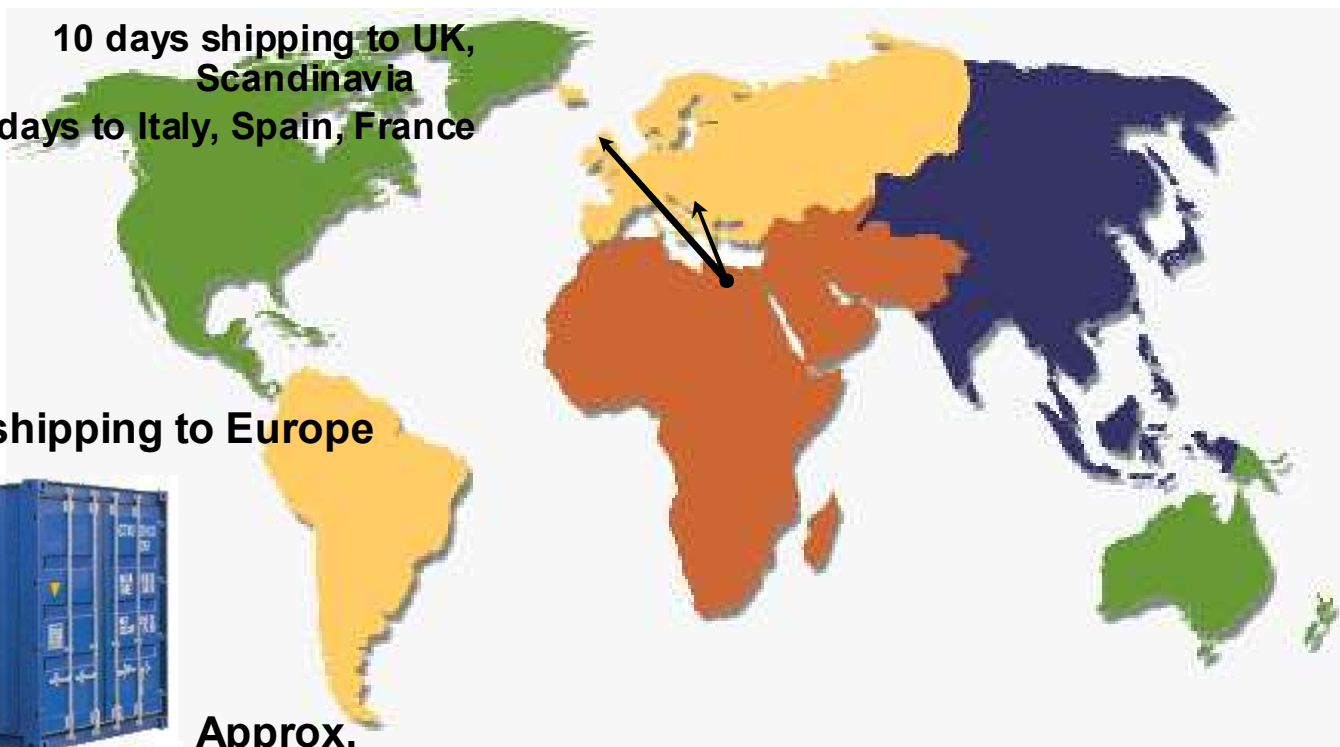
Low cost of shipping to Europe



Approx.

US\$ 450 for 20ft container

US\$ 800 for 40ft container



Export Incentive Program

Export Tax Rebate Program:

- Extending the current offering, beginning July 2008:
 - 10% for the first three years (08/09, 09/10 & 10/11)
 - 9% for year 4 (July 11 to June 12)
 - 8% for year 5 (July 12 to June 13)
 - 7% for year 6 (July 13 to June 14)



THANK YOU

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