

COUNTRY PROFILE REPORT OF ITJ DIVISION, DGCI&S INDIA-EGYPT BILATERAL TRADE RELATIONS

INTRODUCTION & BRIEF ECONOMIC OVERVIEW

1. The Arab Republic of Egypt occupies the north-eastern corner of Africa, with an extension across the Gulf of Suez into the Sinai Peninsula, sometimes regarded as lying within Asia. Egypt is bounded to the north by the Mediterranean Sea, to the northeast by Israel, to the east by the Red Sea, to the south by Sudan, and to the west by Libya. Egypt is a member of the UN, WTO, the League of Arab States, OAPEC (Organization of Arab Petroleum Exporting Countries), the African Union, African Development Bank, COMESA, IOM, OIC and the International Organization of La Francophonie.

2. The economy of Egypt is the second-largest in Africa and ranks 39th worldwide as of 2024. It is a major emerging market economy, marked by its membership in organizations like the African Union, Arab League, BRICS, and its participation in the African Continental Free Trade Area (AfCFTA). The Egyptian economy has evolved significantly since the early 2000s, transitioning toward a market-oriented system through fiscal and monetary reforms, privatization efforts, and foreign investment incentives. These measures have contributed to macroeconomic stability and improved unemployment and poverty rates. The Executive Board of the International Monetary Fund (IMF) has completed the fourth review of Egypt's economic reform program supported by the EFF arrangement. This enables the authorities to immediately draw about USD 1.2 billion (SDR 922.87 million), bringing Egypt's total purchases under the EFF to about USD 3,207 million (SDR 2,420.22 million or 119 percent of quota). Egypt's 46-month EFF arrangement was approved on December 16, 2022. In addition, the IMF Executive Board approved the authorities' request for an arrangement under the Resilience and Sustainability Facility (RSF), with access of about USD 1.3 billion (SDR 1 billion). The Executive Board also concluded the 2025 Article IV consultation with Egypt.

A snapshot of Egypt's select economic indicators is as under.

Table 1

Egypt: Selected Macroeconomic Indicators¹			
	2022-23	2023-24	2024-25
Output			
Real GDP growth (%)	3.8	2.4	3.6
Employment			
Unemployment (%)	7.2	6.8	--
Prices			
Inflation (% , end of period)	35.7	27.5	16.6
Inflation (% , period average)	24.4	33.3	22.4
Budget sector²			
Revenue and grants (% GDP)	15.4	14.3	15.0
Expenditure (% GDP)	21.4	17.9	25.5
Overall balance (% GDP)	-6.0	-3.6	-10.6
Primary balance (% GDP)	1.6	6.2	4.4
Gross debt, general government (% GDP)	95.9	90.9	86.8

Money and credit			
Broad money (M2, % change)	24.7	28.8	15.9
Credit to the private sector (% change)	25.4	27.8	28.0
Treasury bill rate, 3 month (average, in percent)	--	9.7	9.6
Balance of payments			
Current account (% GDP)	-1.2	-5.4	-5.8
FDI, net (% GDP)	2.5	11.9	3.7
Reserves (months imports)	5.1	6.8	6.2
External debt (% GDP)	41.8	39.9	46.1
Exchange rate			
Real Effective Exchange Rate (% change; appreciation +)	-22.1	-16.3	--
Exchange rate (EGP/\$, end-period)			
Sources: Egyptian authorities; and IMF staff estimates and projections.			
1/ Fiscal year ends June 30.			
2/ Budget sector comprises central government, local governments, and some public corporations.			

FOREIGN TRADE

3. As per recent available inputs on WITS (World Integrated Trade Solution), the five major merchandise export partners of Egypt are Turkey, Spain, Italy, Saudi Arabia and United States. On the other hand five major import partners of Egypt are China, Saudi Arabia, United States Russian Federation and Germany. Major five exported goods of Egypt are (i) Petroleum oils and related preparation, (ii) Petroleum oils obtained from bituminous, (iii) Durum wheat, (iv) Maize (excl. seed) and (v) Soya beans. On the other hand major five imported goods of Egypt are (i) Petroleum oils and preparation (excl. crude) (ii) Petroleum oils and oils obtained from bituminous, (iii) Durum wheat (iv) Maize (excl. seed) and (v) Other medicaments.

4. Egypt's total exports globally in 2020 were of the order of USD 29,323 million. It had scaled up to USD 44,847 million in 2024. Exports from Egypt had steeply increased by 48.81% in the year 2021 just after the initial serious impact of Covid-19 pandemic followed by another 19.43% increase in 2022. During the period from 2019 to 2023, the annual average compound rate of growth of exports was 11.21%.

5. Egypt's total imports from the world in 2020 were of the order of USD 70,437 million and had touched USD 94,698 million mark in 2024. During the period from 2020 to 2024, the annual average compound rate of growth of imports was 7.68%.

6. Egypt faced an overall Balance of Trade deficit from 2020 to 2024. Egypt had a trade deficit of USD 49,851 million in 2024. During the period from 2020 to 2024, the annual average compound rate of growth of total volume of trade was 8.75%.

TABLE – 2

EGYPT'S TOTAL EXPORTS AND IMPORTS, VOLUME OF TRADE AND BALANCE OF TRADE BETWEEN 2020 TO 2024

(Figures in USD Million)

Year	Exports	Percentage Growth in Exports	Imports	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2020	29323		70437		99,760		-41114
2021	43637	48.81	89206	26.65	1,32,843	33.16	-45569
2022	52116	19.43	96189	7.83	1,48,305	11.64	-44073
2023	42052	-19.31	83159	-13.55	1,25,211	-15.57	-41107
2024	44847	6.65	94698	13.88	1,39,545	11.45	-49851

Annual Compound Growth Rate

11.21

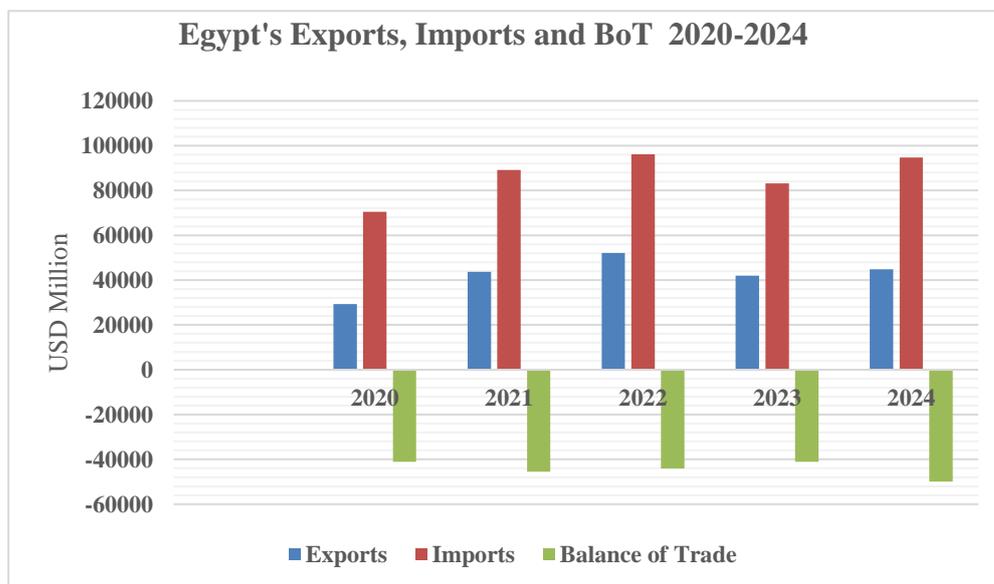
7.68

8.75

NOTE : Figures relate to calendar year (January to December)

SOURCE : UN COMTRADE PUBLICATION

Figure - 1



BILATERAL TRADE WITH INDIA

Merchandise Trade

7. Egypt is a significant trading partner for India in Africa, The India-Egypt Bilateral Trade Agreement has been in operation since March 1978 and is based on the MFN clause and the bilateral trade has increased more than five times in last ten years. Over 450 Indian companies are registered in Egypt, of which around 50 are active in various sectors with a combined investment exceeding USD 3.15 billion. Approximately half of them, are joint ventures or wholly owned Indian subsidiaries while the rest operate through their representative offices. Egypt ranked 34th as an export destination of India in FY 2023-24. India had exported to Egypt almost 0.81% of its total export value in FY2023-24. In the same financial year imports from Egypt was 0.18% of India's total import value. Almost 0.43% of India's total international trade value of goods was between India and Egypt as has been recorded in DGCI&S data base for FY 2023-24.

8. Indo-Egypt total volume of bilateral trade in FY 2019-20 was of the order of USD 4,535.62 million. It had scaled to USD 4,748.97 million in FY 2023-24. The annual compound growth rate of total volume comprising both exports and imports during the period from 2019-20 to 2023-24 had been of the order of 1.16%.

9. It is seen from the available figures that between 2019-20 and 2023-24, India has had a surplus Balance of Trade with Egypt. It has been observed that exports from India to Egypt increased by 65.33% in FY2021-22. The annual average compound rate of growth of Exports was 8.89% during the period under review. On the other hand, imports from Egypt to India increased steeply by 86.05% in FY 2021-22. During the period from 2019-20 to 2023-24, the annual average compound rate of growth of imports was -11.82%.

A snapshot of India's merchandise trade statistics with respect to Egypt is presented in Table 3 & Figure 2.

TABLE - 3

**INDIA'S MERCHANDISE EXPORTS & IMPORTS WITH RESPECT TO EGYPT
FY 2019-2020 to 2023-2024**

(Value in USD Million)

Year	Exports from India to Egypt	Percentage Growth in Exports	Imports from Egypt to India	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2019-20	2504.24		2031.38		4535.62		472.86
2020-21	2264.52	-9.57	1892.40	-6.84	4156.92	-8.35	372.12
2021-22	3743.93	65.33	3520.83	86.05	7264.76	74.76	223.10
2022-23	4109.93	9.78	1951.54	-44.57	6061.47	-16.56	2158.39
2023-24	3520.72	-14.34	1228.25	-37.06	4748.97	-21.65	2292.47

**Annual
Compound
Growth
Rate**

8.89

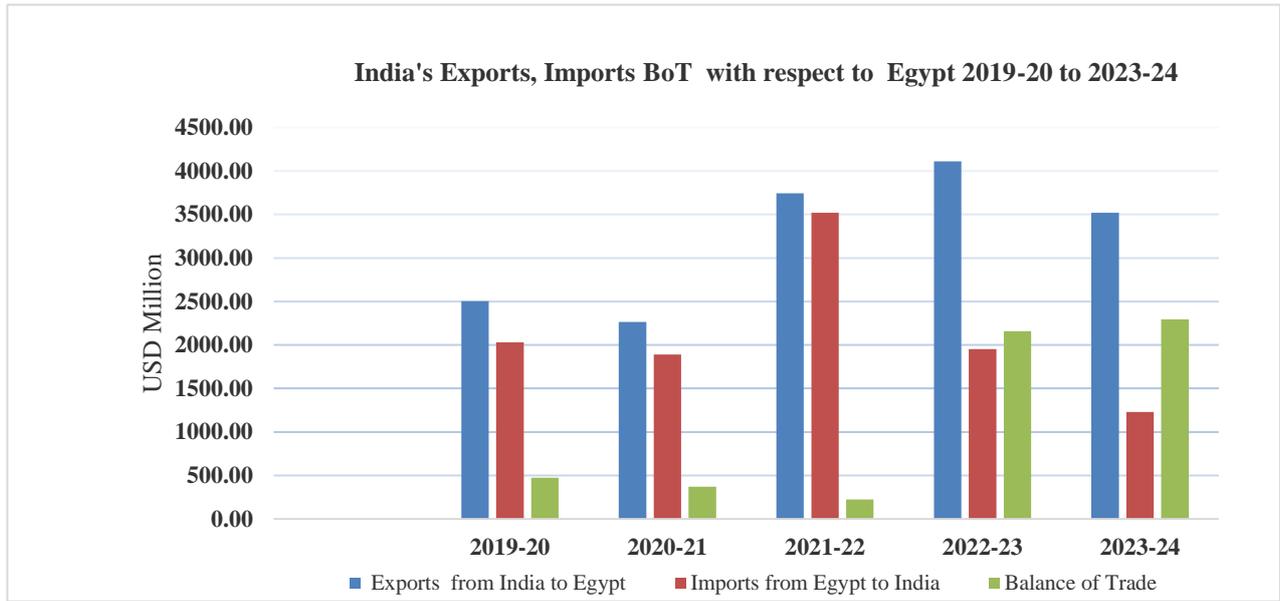
-11.82

1.16

NOTE : Figures relate to Financial Year (April to March)

SOURCE : DGCI&S, M/o C&I

Figure 2



10. Additionally, from **Tables 4 & 5** presented below the following are stated:

- a. (i) Petroleum Products. (ii) Buffalo Meat and (iii) Cotton Yarn occupied the top three slots in India's exports to Egypt in FY 2023-24. Petroleum Products occupied 27.09% share of India's total exports to Egypt in FY2023-24.
- b. (i) Petroleum Crude (ii) Fertilizers Crude and (iii) Cotton Raw Incl. Waste were the three major commodities in India's imports list from Egypt in the year 2023-24, India imported a significant amount of Petroleum Crude from Egypt with a share of 45.63% of total imports from Egypt recorded in 2023-24.

TABLE -4**INDIA'S MAJOR ITEMS OF MERCHANDISE EXPORTS TO EGYPT
2019-2020 TO 2023-2024 AND THEIR GROWTH RATES****(Value in USD Million)**

Sl. No.	Name of the Merchandise Commodities	Value of Exports					Annual Growth Rates			
		2019-20	2020-21	2021-22	2022-23	2023-24	20-21 over 2019-20	21-22 over 2020-21	22-23 over 2021-22	23-24 over 2022-23
1	Petroleum Products	338.56	109.66	32.76	1248.33	953.71	-67.61	-70.13	3710.53	- 23.60
	Share in total export	13.52	4.84	0.88	30.38	27.09				
2	Buffalo Meat	335.36	377.81	739.66	408.84	541.52	12.66	95.78	-44.73	32.45
	Share in total export	13.39	16.68	19.76	9.95	15.38				
3	Cotton Yarn	179.78	124.94	241.44	171.84	203.52	-30.50	93.24	-28.83	18.44
	Share in total export	7.18	5.52	6.45	4.18	5.78				
4	Iron And Steel	69.98	80.93	517.32	223.35	163.73	15.65	539.22	-56.83	- 26.69
	Share in total export	2.79	3.57	13.82	5.43	4.65				
5	Indl. Machinery for Dairy Etc.	46.35	57.50	79.84	106.90	119.13	24.06	38.85	33.89	11.44
	Share in total export	1.85	2.54	2.13	2.60	3.38				
6	Residual Chemical and Allied Prods.	97.69	93.72	116.32	1269.44	106.63	-4.06	24.11	991.33	- 91.60
	Share in total export	3.90	4.14	3.11	30.89	3.03				
7	Bulk Drugs, Drugs Intermediates	115.17	126.46	138.18	131.63	96.94	9.80	9.27	-4.74	- 26.35
	Share in total export	4.60	5.58	3.69	3.20	2.75				
8	Manmade Yarn, Fabrics, Made-up	133.58	114.90	230.41	100.72	96.59	-13.98	100.53	-56.29	-4.10
	Share in total export	5.33	5.07	6.15	2.45	2.74				
9	Plastic Raw Materials	55.62	45.71	103.00	96.27	74.61	-17.82	125.33	-6.53	- 22.50
	Share in total export	2.22	2.02	2.75	2.34	2.12				
10	Auto Components	79.10	84.75	96.18	35.68	70.02	7.14	13.49	-62.90	96.24
	Share in total export	3.16	3.74	2.57	0.87	1.99				
	Total export to EGYPT	2504.24	2264.52	3743.93	4109.62	3520.72	-9.57	65.33	9.77	- 14.33

NOTE : Figures relate to each Financial Year (April to March)**SOURCE : DGCI&S, M/o C&I**

TABLE -5**INDIA'S MAJOR ITEMS OF MERCHANDISE IMPORTS FROM EGYPT
2019-2020 TO 2023-2024 AND THEIR GROWTH RATES****(Value in USD Million)**

Sl. No.	Name of the Merchandise Commodities	Value of Imports					Annual Growth Rates			
		2019-20	2020-21	2021-22	2022-23	2023-24	20-21 over 2019-20	21-22 over 2020-21	22-23 over 2021-22	23-24 over 2022-23
1	Petroleum: Crude	1160.96	758.73	1768.11	716.30	560.41	-	133.04	-59.49	-
	Share in total imports	57.15	40.09	50.22	36.70	45.63				
2	Fertilizers Crude	78.46	109.41	138.82	184.92	169.62	39.45	26.88	33.21	-8.27
	Share in total imports	3.86	5.78	3.94	9.48	13.81				
3	Cotton Raw Incl. Waste	85.26	98.19	155.18	73.68	101.18	15.17	58.04	-52.52	37.32
	Share in total imports.	4.20	5.19	4.41	3.78	8.24				
4	Inorganic Chemicals	101.49	99.03	173.92	266.08	69.56	-2.42	75.62	52.99	-
	Share in total import	5.00	5.23	4.94	13.63	5.66				
5	Petroleum Products	207.97	281.19	318.11	280.26	56.78	35.21	13.13	-11.90	-
	Share in total import	10.24	14.86	9.04	14.36	4.62				
6	Fertilizers Manufactured	180.07	329.30	671.01	177.57	56.62	82.87	103.77	-73.54	-
	Share in total import	8.86	17.40	19.06	9.10	4.61				
7	Fresh Fruits	26.39	23.62	79.56	51.00	46.20	10.50	236.83	-35.90	-9.41
	Share in total import	1.30	1.25	2.26	2.61	3.76				
8	Residual Chemicals and Allied Prods.	9.89	6.47	5.64	11.54	21.75	-	-12.83	104.61	88.47
	Share in total import	0.49	0.34	0.16	0.59	1.77				
9	Bulk Minerals and Ores	2.81	3.65	5.27	11.25	14.95	29.89	44.38	113.47	32.89
	Share in total import	0.14	0.19	0.15	0.58	1.22				
10	Finished Leathers	10.89	5.21	13.08	18.97	14.05	-	151.06	45.03	-
	Share in total import	0.54	0.28	0.37	0.97	1.14				
	Total import from EGYPT	2031.38	1892.40	3520.83	1951.54	1228.25	-6.84	86.05	-44.57	-

NOTE : Figures relate to each Financial Year (April to March)**SOURCE : DGCI&S, M/o C&I****“NOTICE”**

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