



**IPD Partner country Egypt** 

# The Land of the Nile

long-term trade relations boosting the (rural) economy



Trade partners Egypt and the EU

- The EU is Egypt's largest import partner and also its main export partner
- Increase in trade volume from 11.8 billion EUR (2004) to 27.4 billion EUR (2019)
- Agreement since 2014 in line with the generalised system of preferences: O per cent rate of duty for agricultural products

Egypt offers a great diversity of fresh fruit & vegetables and natural ingredients for the European market. The climate in Egypt and the River Nile as an important source of water are of great advantage for agrarian production. The geographic proximity of this North African country to Europe and the smoothly operating logistics ease the process of importing Egyptian products. At the same time, the Egyptian government is pursuing a sustainable agricultural development strategy and has already implemented initial structural reforms within the country.

Implemented by



#### **IPD** sectors

- Fresh fruit & vegetables as well as fresh herbs (mangetouts, spring onions, sweet potatoes, strawberries, grapes, dates, citrus fruit, etc.)
- Natural ingredients for foods
   (dried herbs, spices, seeds, processed fruit & vegetables, fatty oils, individual quick frozen [IQF] products, etc.)
- Natural ingredients for cosmetics and pharmaceutical products
   (e.g. plant extracts, essential oils such as geranium or jasmine oil, etc.)







### IPD Engagement for egypt

Import Promotion Desk (IPD) has been actively involved in Egypt since as far back as 2012, opening up access to the European market for agricultural producers and supporting them on the so-called "last mile".

Almost 60 per cent of Egypt's entire population live in rural areas. For them, farming represents the most important source of subsistence and food security. Consequently, this is an economic sector that presents huge potential for alleviating poverty in Egypt – both in terms of creating jobs and of boosting incomes. The objective pursued by IPD is therefore to ensure that small and medium-sized enterprises from Egypt become an integral part of the procurement portfolio of European import companies. This strategy has the potential to increase exports from Egypt as well as advancing innovation and improved added value.

## **Challenges: Quality and Certification**

The IPD programme in Egypt is focussed on the product groups fresh fruit & vegetables and natural ingredients for foods, cosmetics and pharmaceutical products. Strict quality requirements apply for these products on the European market. For Egyptian producers, this poses a challenge in which they are supported by IPD. IPD exercises great diligence in selecting the companies for its programme. The aim is to boost confidence in the quality of products "Made in Egypt" and to build the foundation for a long-term business relationship. Thus, for example, GLOBALG.A.P. certification is a precondition for exporting fresh fruit & vegetables to Europe. All producers selected by IPD comply fully with GLOBALG.A.P. standards and/or are being prepared for certification.

A further challenge for Egyptian producers is the growing demand in Europe for agricultural produce in organic quality. Conventional farming is currently characteristic for Egypt's agricultural sector. IPD shows the exporters the potential there is for organic products and gives them advice on the existing opportunities and on the certification process.

Apart from this important certification, what the majority of exporters lack most of all is contacts to European distributors. To this end, IPD supports the companies in improving their communication with importers and mediates valuable business contacts for them to potential customers, e.g. in the context of trade fairs.





**Tarek Abdel Moniem** CEO Joud

»Cooperating with IPD has helped us move forward – in the development of our processes, in our rigorous orientation towards quality and in our marketing. The highlight was the Fruit Logistica 2020 and the subsequent business deals. An unqualified success for us.«



# Europe: strong demand for fresh fruit & vegetables and natural ingredients from Egypt

- Demand for processed agricultural produce is growing: The proportionate share in overall agricultural exports currently stands at ca. 60 per cent.
- European importers are on the lookout for additional procurement sources in order to meet strong demand.
- Popular fruit & vegetables: table grapes, oranges and strawberries as well as sweet potatoes, mangetouts and onions
- · Popular natural ingredients: processed fruit and vegetables, herbs and spices

#### Promoting exporters: preparing for the European market

This IPD partner country is already an important producer of agricultural produce and a relevant trade partner for European importers; however, the choice of products is so large and the difference in quality is so great that preselection on the part of IPD constitutes important added value for the importers. This preselection process minimises the sourcing risk for importers, while at the same time the IPD mediation builds trust and facilitates the initiation of negotiations. The IPD experts work together in close cooperation with the local Egyptian companies in order to prepare them for the special needs of the European market, in particular the quality requirements. There is often a lack of market information and of knowledge of quality standards, EU regulations and certification. Ultimately, gaining direct access to the EU market without the need for intermediaries enables the exporters to exploit their full potential for added value.

#### **IPD Activities**

- · Regular fact-finding missions to Egypt to select and evaluate small and medium-sized enterprises
- Provision of market information and product fact sheets on various products
- B2B matchmaking activities at European trade fairs, e.g. Fruit Logistica since 2016, Fruit Attraction since 2018, Biofach since 2015, SIAL since 2016, Food ingredients Europe since 2014
- Organisation of virtual B2B events with the aim of networking with suitable importers in Europe
- Workshops and coaching for exporters in trade fair presentation, sales coaching, study and/or orientation trips and guided visits, follow-up on business contacts
- Training in subjects with export relevance (e.g. digital marketing, corporate social responsibility [CSR], export marketing planning, etc.)





#### IPD commitment in figures

 Number of IPD companies in Egypt: (24 in the programme, 5 concluded)

29

Number of business deals:

106

 Export turnover to Europe in mio €:

38.7

Number of jobs crated to date:

142

# Cooperation with Local Partners: sustainable structures for the promotion of exports

IPD cooperates closely with national organisations and agricultural member associations in its partner countries, the so-called business support organisations (BSOs), in order to set up sustainable structures for the promotion of exports. In Egypt, IPD works together with the Agricultural Export Council (AEC) and the Food Export Council (FEC), supporting them in the enhancement of their export promotion offers. Both institutions are in close contact with Egyptian companies and are actively involved in the organisation of trade fairs. In addition, IPD has identified the Foreign Trade Training Centre (FTTC) as a partner with whom it plans to develop seminar programmes on relevant export topics for small and medium-sized enterprises. The "Trainers' Training" programme will impart essential knowledge in a manner that is both long-lasting and wide-ranging.



**Tameem Eldawy (MBA)**Marketing Manager
Food Export Council

»Our aim is to boost the export potential of all Egyptian producers. Together with IPD, we have already achieved a great deal by means of training sessions, presence at trade fairs and the continued development of export promotion.«

### Import Promotion Desk (IPD)







