

Brief Embassy Report on Bilateral Relations – ITJ Division, DGCI&S, Kolkata.

India - Egypt Bilateral Relations

A. Introduction

1. Indian Trade Journal (ITJ) division of the Director General of Commercial Intelligence and Statistics (DGCIS) brings out weekly publication on Embassy Profile Report providing information on recent policy changes and happenings in other countries that may be of interest to the Indian trading community. This is the Embassy Profile Report for 26.03.2025 depicting the Embassy of Egypt.

2. India and Egypt, two of the world's oldest civilizations, have enjoyed a history of close contact from ancient times. Ashoka's edicts refer to his relations with Egypt under Ptolemy-II. In modern times, Mahatma Gandhi and Saad Zaghloul shared common goals on the independence of their countries, a relationship that was to blossom into an exceptionally close friendship between President Nasser and Prime Minister Nehru, leading to a Friendship Treaty between the two countries in 1955.

3. India and Egypt share close political understanding based on long history of contacts and cooperation in bilateral, regional and global issues. The joint announcement of establishment of diplomatic relations at Ambassadorial level was made on 18 August 1947. Both countries have cooperated closely in multilateral fora and were the founding members of Non-Aligned Movement. The year 2022 is of particular significance since it marks the 75th anniversary of diplomatic relation between India and Egypt.

4. President Sisi paid his 2nd State Visit to India in January 2023; he was invited as the Chief Guest of India's 74th Republic Day celebrations. He was accompanied by Minister of Communication and Information Technology Amr Talat, Foreign Minister Sameh Shoukry, Minister of Planning Dr. Hala el-Said, Minister of Electricity and RE Dr. Mohamed Shaker. President Sisi held a delegation level talk with Prime Minister Modi on 25 June 2023. A Joint Statement highlighting elevation of bilateral relations to Strategic Partnership was also issued on this occasion. During the visit, 5 MoUs were also signed in the domains of cyber security, IT, culture, youth matters and broadcasting. A commemorative stamp was also issued to mark 75th anniversary of establishment of diplomatic relations between India and Egypt. He also met President Smt. Droupadi Murmu.

5. PM Modi, accompanied by a high-level delegation, paid his first-ever State Visit to Egypt from 24-25 June 2023. On 24 June 2023 PM Modi was warmly welcomed by Egyptian PM Madbouly at the airport, where he received a ceremonial welcome and Guard of Honour. Thereafter, PM held a discussion with senior Ministers in Egypt's Cabinet who constitute part of the "India Unit" (headed by PM Madbouly). Then, PM had a community interaction with the Indian diaspora and friends of India. On 25 June 2023, PM paid tributes to Indian soldiers at the Heliopolis War Graves Cemetery who sacrificed their lives during WW-I. Thereafter, PM was warmly received by President Sisi at the Ittihadiya Palace. The two leaders held restricted talks and subsequently signed the Strategic Partnership Agreement. 3 MoUs (in the fields of agriculture, Competition law and antiquities) were also exchanged. PM was also conferred with

Egypt's highest civilian award the "Order of the Nile." In the afternoon, PM was seen off by PM Madbouly at Cairo airport.

6. Chief of Air Staff, Air Chief Marshal VR Chaudhari visited Egypt from 28th November to 2nd December 2021. In July 2022, Air Marshal Mohamed Abbas Helmy led a delegation to India and held meetings with our Chief of Air Staff, Chief of Army Staff and Chief of Naval Staff. CAG of India, Sh. Girish Chandra Murmu participated in the 14th Knowledge Sharing Committee (KSC) Steering Committee Meeting held in Cairo, Egypt on 12-14 September, 2022. Raksha Mantri Shri Rajnath Singh visited Egypt from 18-21 September 2022 and held meetings with President Sisi as well as the Minister of Defense General Mohammad Zaki and MOU on Defence Cooperation was signed. EAM Dr. S Jaishankar visited Egypt from 14-16 October 2022; he called on President Sisi and held delegation-level talks with FM Shoukry and discussed growing cooperation in various fields. Minister for Environment, Forest & Climate Change Shri Bhupendra Yadav also visited Egypt, for CoP-27 from 6-20 November 2022. Egypt's Minister of Communication and Information Technology Amr Talat visited India from 8-12 January 2023 and held meetings with Indian Ministers, business community etc. to strengthen technological cooperation between India and Egypt and attract Indian investments. Egypt is invited as a Guest country during our G20 Presidency, so from their side, Finance Minister attended G20 Finance Ministers' and Central Bank Governors' Meeting in Bengaluru in February 2023, Foreign Minister attended G20 Foreign Ministers' meeting in New Delhi in March 2023, Planning and Economic Development Minister will attend G20 Development Ministers' meeting in Varanasi in June 2023. Grand Mufti of Egypt Dr. Shawki Allam Allam visited India under ICCR's Distinguished Visitors Program from 1-5 May 2023; he praised India "for providing equal rights to all faiths.

B. Commercial Relations (Trade and Foreign Investment) – Recent facts & figures

7. Egypt has traditionally been one of India's most important trading partners in the African continent. The India-Egypt Bilateral Trade Agreement has been in operation since March 1978 and is based on the Most Favoured Nation clause and the bilateral trade has increased more than five times in last ten years. Despite Pandemic, the volume of trade declined only marginally to US \$ 4.5 billion in 2019-20 and to US \$ 4.15 billion in 2020-21. An account of Bilateral commodities trade in goods from 2019-20 to 2023-24 is as under:

Export-Import statistics as per India's Ministry of Commerce data bank from 2019-20 to 2023-24 are as follows :

Export-Import statistics from 2019-20 to 2023-24

(US Dollar Billion)

S.No		2019-20	2020-21	2021-22	2022-23	2023-24
1.	Export	2.50	2.26	3.74	4.11	3.52
2.	Import	2.03	1.89	3.52	1.95	1.16
3.	Total Trade	4.53	4.15	7.26	6.06	4.68

(Source: Doc, Ministry of Commerce & Industry)

8. Bilateral trade expanded rapidly in 2021-22, amounting to 7.26 billion registering a 75% increase compared to FY 2020-21. India's exports to Egypt during this period amounted to US\$ 3.74 billion, registering a 65% increase over the same period in FY 2020-21. Egypt's exports to India reached US\$ 3.52 billion registering an 86% increase over the previous year. According to the Egyptian Central Agency for Public Mobilization and Statistics (CAPMAS), India was the 6th largest trading partner, 5th largest import source and 11th largest export destination for Egypt in 2021-22. In FY 2021-22, the top Indian imports from Egypt were Mineral Oil/Petroleum, Fertilizers, Inorganic Chemicals and Cotton and main items of export to Egypt from India were Buffalo Meat, Iron & Steel, Engineering Products, Light Vehicles and Cotton Yarn. During FY 2022-23, according to DGCIS, the bilateral trade has reached nearly USD 6.06 billion, with USD 4.11 Billion exports from India and USD 1.95 billion imports from Egypt to India.

9. Wheat export from India: Russia-Ukraine conflict has threatened Egypt with a shortage for wheat, 80% of which is imported from Russia and Ukraine. On 14 April 2022, Egyptian Cabinet announced inclusion of India in the list of accredited countries which can supply wheat to Egypt, thus ending a long pending Non-Tariff Barrier. Though the ban on wheat exports in India posed a difficulty in concluding the shipment, an initial shipment of 61,500 metric tons of wheat was cleared by India for Egypt on 17th May 2022.

10. Bilateral mechanisms are in place to facilitate trade and economic relations between India and Egypt. The Mission also assists in organizing various fora for commercial collaboration. Since 2020, due to the pandemic, most of the events and meetings have been held virtually. A few notable ones held more recently include BSM on Agricultural and Processed Food and their exports in association with APEDA in June 2021; 3P Africa International Expo organized by PHDCCI in July 2021, in which Ambassador spoke on India-Africa business promotion; BSM on Indian Coffee in October 2021; BSM on Gems & Jewelry on 8th February 2022 etc. During 2021, Ambassador has also held video-conferences with major Indian infrastructure companies like L&T and Shapoorji Pallonji to encourage them to look at the infra projects in Egypt. As a result, many of them have started bidding for projects here. Ambassador also held video-conferences with NASSCOM and Indian IT companies to urge them to explore the Egyptian market.

11. Around 50 Indian companies have invested in various sectors in Egypt with a combined investment exceeding US\$ 3.25 billion. Major Indian investments in Egypt include TCI Sanmar (with the largest investment of US\$ 1.5 billion), Alexandria Carbon Black, Kirloskar, Dabur India, FLEX P. FILMS, SCIB Paints, Godrej, Mahindra and Monginis. Indian companies are present in a range of sectors like apparel, agriculture, chemicals, energy, automobiles, retail and others. Overall, these companies provide direct and indirect employment to approximately 35,000 Egyptians. Indian companies like L&T and Sterling & Wilson have also executed projects in Egypt, in energy and telecom sectors. Most of these Indian companies like TCI Sanmar also have additional investments in the pipeline. In early December 2022, Indian IT Company, Tech Mahindra has also established its First Global Delivery Center in Egypt. 3 Indian companies – Re New Power, ACME and Ocor Energy – have also signed MoUs worth USD 18 billion in the domain of green hydrogen in the latter half on 2022.

12. Egyptian investments in India are to the tune of US\$ 37 million which include El Sewedy Group (smart electrometers); KAPCI Coatings (car paints), Modern Waterproofing Group / Bitumode (waterproofing membranes and protection boards for construction industry) and 700 Apps (I.T Services).

C. Other Major Areas of Cooperation :

- Several Agreements/ Memorandum of Understanding (MOU) have been signed between India and Egypt for cooperation in the fields of defense, economic and commercial links, technical cooperation and culture.

- Technical cooperation and assistance have been a major part of our bilateral relationship. Since 2000, over 1600 Egyptian officials have benefited from ITEC and other programs like ICCR and IAFS scholarships. We have also organized a special course for Egyptian diplomats and a special course for LAS diplomats in 2019 at FSI. In addition, Egyptian and LAS diplomats also participate in Professional Course for Foreign Diplomats, which we organize at FSI.

- In the field of scientific cooperation, ICAR and the Agricultural Research Center of Egypt are working in the field of agricultural research. 'Science & Technology' cooperation is implemented through biennial Executive Programmes and Scientific Cooperation Programme between CSIR(India) and NRC(Egypt).

- Space cooperation is an emerging vertical of cooperation between India and Egypt. Joint Working Group meetings and discussions between ISRO and NARSS (National Authority for Remote Sensing and Space Sciences) have been held, since an MoU was signed in 2008. With Egypt having established EgSA (Egyptian Space Agency) in 2019, both sides have agreed on drafting a new MoU to include EgSA and cover other developments in the sector and is in process.

- Egypt signed the ISA framework agreement as a founding member in March 2018 and ratified it in January 2019. Egypt has also supported ISA being granted Observer Status in UNGA in mid-October 2021.

- Egypt and India enjoy cordial defence relations. There was close cooperation between the Air Forces, with joint development of a fighter aircraft in 1960s. IAF pilots also trained Egyptian pilots from 1960s until 1984. Since 2015, there have been several high-level exchange of visits by defense delegations including the visit of the Minister of Defense of Egypt, General Sedki Sobhi, in 2017 and the visit of Minister of Defense of Indian, Smt. Nirmala Sitharaman, in 2018. During 2020, there was a lull due to the Covid-19 Pandemic. However, since June 2021, more than 15 defence delegations have visited Egypt, including Chief of the Air Staff, Air Chief Marshal VR Chaudhari, from 28th November to 2nd December 2021. He attended the Egypt Air Power Symposium and delivered a keynote address on 'Strategic Air Intelligence in confronting new and non-organized threats. Subsequently, he visited the Egyptian Defence Exposition (EDEX). Reciprocally, Air Marshal Mohamed Abbas Helmy, Commander-in-Chief of Egyptian Air Force visited India from 04-07 July 2022. In addition to having discussions with CAS, he also called on COAS, CNS and Defence Secretary to further mutual cooperation. The EAF Chief also visited HAL at Bengaluru, Software Development Institute and Aircraft Systems and Testing Establishment (ASTE). After a gap of several years, Ministerial visits resumed in latter half of 2022, with Raksha Mantri Shri Rajnath Singh visiting Cairo from 18-21 Sep 2022. RM called on President Abdel Fattah Al-Sisi and his counterpart General Mohamed Zaki. Substantive discussions on various aspects of Defense cooperation and ways to further enhance mutual exchanges were held during the meetings. An MoU on Defense Cooperation was signed on 19 Nov 2022 by both the Defense Ministers. Recently, India Army Chief visited Egypt on 15-16 May 2023 and held meeting with counterpart.

- Most of the current defense cooperation is determined by Joint Defense Committee (JDC) activities. JDC meetings have been held alternately in either country, followed by exchange activities. In addition, the following activities also contribute to defense cooperation.
- DSSC and NDC courses are offered on a regular basis, in which Egyptian officers are given training in India and Indian defense officers train in Egypt. Delegations from NDC, War Colleges and CDM also undertake study tours on a regular basis to Egypt.
- The Maulana Azad Centre for Indian Culture (MACIC) has been promoting cultural cooperation between the two countries, through regular activities such as Hindi, Urdu and Yoga classes; seminars; film shows; exhibitions and participation in local cultural activities. In its outreach activities, MACIC also organizes India Day(s) in Egyptian Governorates and universities on a regular basis.
- Egypt regularly provides transit facilities to IAF and IN aircraft ferrying to/ from Russia, Europe and the USA. During Covid pandemic and recent rescue operations carried out by India in earthquake-hit Turkey and Syria, Egyptian authorities provided exceptional support and facilitated transit of Indian Air Force aircraft even at short notice.
- Indian Navy Ships undertake port calls at Egyptian ports. INS TABAR (a Talwar class guided missile frigate) made a port call in Alexandria port in late-June 2021 and again in September 2021 during its return journey to India. Ships of First Training Squadron of Indian Navy (IN Ships Tir, Sujata and CGS Sarathi) called on the Red Sea Naval port of Safaga, Egypt in May 2022 as part of their five nation Overseas Deployment. Further, INS Tarangini called on at Alexandria Naval base in May 2022 and INS Kochi visited Port Safaga in late-Jun 2022 with Flag Officer Commanding Western Fleet onboard. In July 2022, INS Tarkash made a port call at Alexandria. INS Tarangini executed a port call at Port Said in the month of Oct 2022 during its return journey to India. INS SUMITRA made a port call at Safaga on 31 Dec 2022- 3 Jan 2023. INS SUMEDHA made a port call at Port Said on 16 March 2023
- Yoga has gained immense popularity in Egypt. IDY was celebrated with much vigor in 2022; yoga events were held in Alexandria (on 12th June 2022), and for the first time, in SharmAl-Sheikh (on 14th June2022), Hurghada (on 18th June 2022) and Luxor (on 19th June 2022) as run-up to the IDY celebrations held on21stJune2022inAl-Azhar Park inCairo. The main event in Cairo was inaugurated by the Minister for Sports Ashraf Sobhi. In the run up to 75th Indian Independence Day on 15thAugust 2021, MACIC organized various events as a part of AKAM celebration.
- At present, the Indian community in Egypt numbers at around 4000, most of whom are concentrated in Cairo. There are also a small number of families in Alexandria, Port Said and Ismailia. A majority of the Indians are either employed with Indian companies or are professionals with various multinationals. The Mission provides assistance to the Indian Community Association in Egypt (ICAE) and works closely with members of the community. About 976 Indian students are studying in Egypt, mainly in Al Azhar University with around 450 students, Ain Shams Medical University with around 250 students and Cairo University with around 276 students.

Source: www.mea.gov.in