

COMMUNICATION FROM EGYPT

The following communication, dated 16 October 2007, is being circulated at the request of the Delegation of the Arab Republic of Egypt.

INITIATIVES UNDERTAKEN BY THE GENERAL ORGANIZATION FOR EXPORTS AND IMPORTS CONTROL (GOEIC) RELATED TO TRADE FACILITATION

A National Experience of the Arab Republic of Egypt

This submission sets out the role played by the General Organization for Export and Import Control's (GOEIC) in reforming and restructuring the ongoing trade related procedures and measures, in order to facilitate trade flows. It highlights the amendments and reforms that the GOEIC has launched to modernize trade related systems and procedures, and the progress achieved so far.

I. WHAT IS THE GOEIC

- The General Organization for Export and Import Control is a service provider, with the principle goal of controlling and organizing trade, and at the same time facilitating trade through eliminating trade impediments, in a way that will encourage traders and increase trade flows.
- GOEIC is dedicated to, *inter alia*, the protection of the Egyptian citizens and the strengthening of transparency and flexibility, in terms of import and export quality control, that would comply with internationally agreed standards.
- GOEIC works closely with the different sectors of the Ministry of Foreign Trade as a cooperative entity, whose primary and main objective is to facilitate the movement of trade, encourage Egyptian industries, develop exports of all types and boost its competitive edge in all international markets.
- GOEIC's activities include:
 - The inspection of imported and exported commodities in accordance with the relevant laws and regulations (e.g., laws regulating ionized radiations and their risk prevention, food control, toxic materials, protection of antiquities ...), in addition to the optional inspection of commodities upon the request of applicants.
 - The issuance of certificates of origin for commodities of Egyptian origin, and the keeping of Commercial Registries (Exporters and Importers Registries, Commercial Mediators Registries, Scientific and Consultative Bureau Registries).

- Cooperating with the Egyptian Organization for Standardization and Quality (EOS) in amending the specifications of imported foodstuffs and industrial goods.
- Printing material on the services rendered, changes in procedures.

II. INITIATIVES UNDERTAKEN IN RECENT YEARS BY GOEIC TO FACILITATE TRADE

1. Restructuring and Human Resources Development at GOEIC

- An Integrated Training Center was established in GOEIC's "Dekheila Port" and "Cairo International Airport" branches, and is equipped with modern technology equipment. All employees have undertaken the relevant technical and other types of training, including some that benefited from overseas training.

2. Information Technology Projects

- All procedures at GOEIC branches in the different ports have been automated, and linked with GOEIC's headquarters for faster follow-up and decision-making. Moreover, several GOEIC branches have been linked electronically with Customs branches in the same location, and work is ongoing to establish links between the remaining branches.
- These actions have led to faster and more accurate processing that has reduced the average time of release of consignments from 5 - 7 days to 30 minutes - 3 days.
- GOEIC has an official website (www.goeic.gov.eg) that is updated continuously. The website contains trade related information and advice, laws, regulations, and databases relevant to GOEIC's work. The website has been recently translated into English.

3. Establishment of a Database of Egypt's Foreign Trade

- GOEIC established a Database of foreign trade-related data, developed and modernized information systems and programs to serve a larger group of GOEIC customers. This resulted in providing rapid, complete, and accurate data on the movement of Egypt's foreign trade, issuing detailed statistical reports that benefit traders, and supported sound and rapid decision-making at the appropriate times.

4. Establishment of a Trade Services Center

- A Trade Services Center (TSC) has been established at the GOEIC Cairo International Airport branch with USAID's assistance, to provide advisory services and information in the field of exports and imports, and serve the needs of GOEIC's customers in domestic and international markets.
- A Call Centre has been established to reply to complaints and inquiries from GOEIC's customers.

5. Establishment, Development and Accreditation of the laboratories:

- GOEIC has established and developed many of the laboratories in the field of food and industrial testing, and many have been accredited internationally. GOEIC has also provided assistance to some neighbouring countries on inspection procedures and laboratory testing and accreditation. Development and accreditation of these laboratories have led to faster and more accurate testing results.

III. GOEIC'S PARTICIPATION IN IMPROVING LEGISLATIONS

1. Ministerial Decree No. 130 of 2005 and its Annexes

- The Decree identified 205 food-related specifications that domestic and imported products have to meet, whereby testing is only performed for the products' essential characteristics and label information. Other quality-related testing is foregone.
- For products not covered by the Decree and its annexes, the importer identifies the standard that he would like his product to be tested against (this would be one of the Egyptian or international standards according to Decree No. 180 of 1996).
- Exporters can export based on international, European, regional, Egyptian, or whatever standards that were agreed upon between the contracting parties.

2. Ministerial Decree No. 423 of 2005

- The Decree covers 182 Egyptian standards for industrial commodities that producers and importers of engineering, chemical, and textiles and apparel products have to abide by according to mandatory Egyptian standards. These goods are examined upon importation according to the mandatory Egyptian standards. The rest of the goods are examined against either Egyptian or international standards according to Decree No. 180 of 1996.
- Producers and importers of detergents, soap and paper products, and cosmetics, are required to abide by health and safety standards of European Directives and their amendments.
- It is worth noting that the number of mandatory Egyptian standards represents less than 1% of total Egyptian standards, while the rest are voluntary. Producers and importers can either choose to use voluntary standards or international standards. The Egyptian Organization for Standardization and Quality (EOS) is working to ensure the harmonization of all Egyptian standards with international standards.

3. Ministerial Decree No. 770 of 2005

- Regulations concerning imports and exports clearance do not apply to mail packages that contain intermediary goods, spare parts, and samples, provided that the package value does not exceed \$2000. These items are directly cleared from Customs after the payment of administrative charges.
- Inspection procedures have been unified under the GOEIC umbrella since 2000 (through Decree No. 106 of 2000). Inspection and control procedures are all undertaken in one phase, with the participation of all competent authorities according to their laws and regulations.
- GOEIC is the only agency to which Customs transmits documents related to import or export shipments and is the only agency that issues the final results of inspections. GOEIC offices include representatives from other authorities responsible for inspection and control procedures.
- A single representative sample is withdrawn from the imported shipment. A code is then given and the sample is distributed so that all necessary testing is conducted according to the type of good.
- For goods that are just physically inspected, GOEIC issues a conformity certificate as soon as the examination is successfully completed.
- No shipment is rejected unless a second sample is withdrawn. The importer then has the right to request a re-examination and has a week to provide justification from the date he was notified of the rejection. The importer or the exporter has the right to appeal the results to a complaints committee that then decides to accept or reject the final results or re-examine the sample.

- GOEIC takes into consideration inspection certificates issued by governmental agencies or laboratories that are accredited by the International Accreditation Council. In this case, physical inspection is sufficient for industrial goods.
- Physical inspection and conformity of shipment documentation (with actual shipment) is sufficient for shipments of imported industrial goods from producers registered with GOEIC and that comply with the following rules:
 - A registration application is submitted by the product's commercial agent, its representative, or its importer specifying trademarks, types, and production locations in other countries.
 - The producer must have a quality control management system.
 - The production takes place according to one of the EOS approved standards.

IV. CONCLUSION

The world has recently witnessed rapid developments and successive changes in the international dynamics related to foreign trade, leading to core adjustments in the field of international trade policies. Moreover, new economic entities and blocks have emerged compelling the Arab Republic of Egypt to work hard to keep pace with such developments through continuously reviewing its trade policies. The highlights of this new policy are streamlining formalities, eliminating bureaucracy, vitalizing markets, encouraging and developing local industries, promoting Egyptian exports and boosting their competitive edge. This policy has been reflected in the role played by the General Organization for Export and Import Control's (GOEIC) in reforming and restructuring the ongoing trade related procedures and measures.
