

Egypt: Import restrictions for sugar – update on EU actions

Civil Dialogue Group Arable Crops - Sugar, 18 November 2020

Decree 259/2020 (4 June 2020)

- Importation of **white sugar** shall be prohibited for a period of **three months**, with the exception of white sugar imported as a prerequisite for pharmaceutical industries subject to the approval of the body concerned at the Ministry of Health and Population.
- Importation of **crude sugar** shall not be allowed for a **three month** period except by virtue of an importation approval concerning the required quantity to be endorsed by the Minister of Trade and Industry and the Minister of Supply and Internal Trade.
- This Decree shall be **reconsidered periodically** according to the emerging issues, and shall be enforced as of its date of issue and be published in the Government Bulletin. The competent entities shall enforce this Decree.
- Issued on 03/06/2020

Decree 420/2020 (3 September 2020)

- Decree No. 259 of 2020 shall **remain effective for three months** provided that such decree shall be revised periodically according to developments.
- The present decree shall be enforced by the competent authorities, shall take effect as of the date of issuance, and shall be published in the official gazette.
- Issued on 03/09/2020

EU actions so far (1)

- **Letter sent on 29 June 2020:** EU proposed a video-conference meeting to resume the bilateral dialogue and to take stock of several mutual market access issues, including Decree 259/2020 on import requirements for sugar.
- **WTO Committee on agriculture on 28 July 2020:** EU asked Egypt to explain how it sees this measure respecting the **requirements of the GATT Article XI:2(c)**. So far, Egypt has offered no reply.
- **WTO Committee on Import Licensing on 9 October 2020:** EU asked Egypt to submit all relevant information justifying the import prohibitions applied to sugar under Decree 259/2020 and Decree 420/2020 extending the import restrictions. Egypt confirmed that the measure is temporary in nature and is regularly reviewed but did not offer any information as to when it will be terminated.

EU actions so far (2)

- **EU-Egypt informal meeting** on “Possible ways to improve and enhance the EU-Egypt trade relations” on 13 October 2020: EU requested justifications, as well as an assurance that the measure will be terminated soon. Egypt explained that it will regularly review the measure but did not provide any reassurance as to its termination.
- **Follow-up letter** to Egypt’s **Ministry of Trade and Industry**: The EU is repeating the questions raised during the informal bilateral meeting. Egypt has committed to providing written replies.
- The issue will be added to the upcoming meeting of the **WTO Council for Trade in Goods** on 25-26 November and to the **WTO Committee on Agriculture** on 30 November.
- Another **EU-Egypt meeting** is scheduled to take place on 2nd December 2020 (note verbale just sent by the EU).

EU position

- The EU has consistently emphasised that these measures are not in line with Article 17 of the EU-Egypt Association Agreement and will continue doing so.
- We are analysing whether Egypt complies with article XI.1 last paragraph of GATT 1994.

Thank you!