



Egypt removes strict labelling requirements on imports of textile products

Following joint efforts by the European Commission and EU industry, Egypt has amended its labelling requirements for textile products. This is an important step forward for EU companies, as these requirements were preventing fair access to the Egyptian market for EU producers.

Until now, the Egyptian legislation provided that all imported textile products (ready-made clothes, linen, furnishing, carpets, moquette and rugs) should have a permanent stitched label containing several pieces of information in Arabic (country of origin, type of fabric used, name of importer).

This requirement resulted in increased costs and delivery delays for EU exporters due to the specific business model of this highly globalised sector. The ready-made garment industry relies on suppliers located all over the world and the final destination of each single garment is often not known at production stage. Therefore, it is impossible for the producing company to stitch on a label with the name of the importer in the final destination country. Due to Egypt's specific labeling requirements, this operation had to be performed at a much later stage in the logistics chain, implying costly manual unpacking, stitching and re-packing of the goods, just before exportation to the final destination.

Member States and industry alerted the Commission services in October 2009, pointing out that this requirement was a disproportionate restriction to trade on textile products from the EU to Egypt, without any apparent benefits to Egyptian consumers. With the active support of EU industry bodies in Cairo and in Brussels, the Commission services took immediate action.

A letter from the EU Delegation in Cairo was sent to the Egyptian authorities to convey the concerns of our exporters and request less trade distorting labelling requirements. Several meetings took place between the EU Delegation and the Ministry of Trade and Industry and the issue was also discussed during the Egypt-EU Subcommittee on Industry, Trade and Investment in Cairo on 27 January 2010.

The combined action by the European Commission, Member States and industry helped convince the Egyptian Ministry of Trade and Industry to review these labelling requirements. At the end of April 2010, the Ministry of Trade and Industry amended the regulation by allowing the required data, whether in English, Arabic, or French to be fixed either on the garment or on an adhesive label.

The Commission welcomes this positive development and commends the swift reaction of the Egyptian authorities. The situation is now being monitored to make sure that the new arrangement is implemented properly.

Exports of EU apparel, clothing accessories, carpets, linen and other finished textile articles to Egypt totalled €67 million in 2008 and €60 million in 2009.

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