



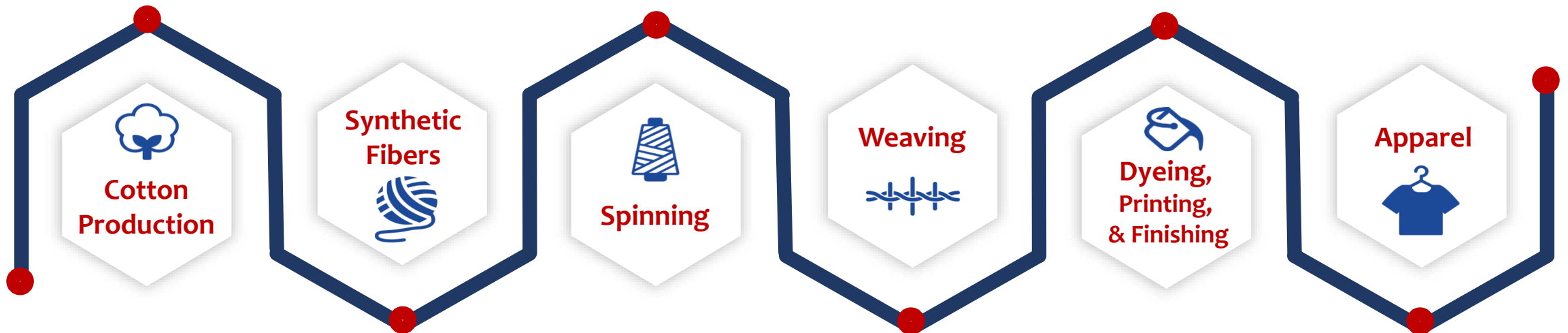
Sourcing Opportunities in Egypt

Achieved by AECE 2024



Egyptian Textile Industry has a complete vertically integrated functioning model

Egypt aims to be a hub for the Textile industries in Africa and the Middle East region, due to its **competitive advantages** of having a vertically integrated textile supply chain that offers a complete production process from cotton cultivation to spinning, weaving, Dyeing, finishing and garment making.



Egypt among the top 3 winning countries in denim achieved 8% increase as a result of competitive prices and focus on sustainable products, according to Fashionating world article.



Socially responsible, Ethical & compliant sourcing factories (Wrap, ISO, Better work, GOTS, BCI, and OEKO-TEX)



Vertically integrated functioning model that offers a complete production process from cotton cultivation to spinning, fabrics and garments.



Egypt has been witnessing the expansion of successful fashion brands in its market like (Bishara, Dice, Cottonil, Naga Homme, ----)



Shorter lead times:

- 12 days shipping to US.
- From 6 to 12 days to Europe.



Competitive labor and power cost:

- Power cost 3.5US Cents/kw.
- Minimum wages 72\$/month.

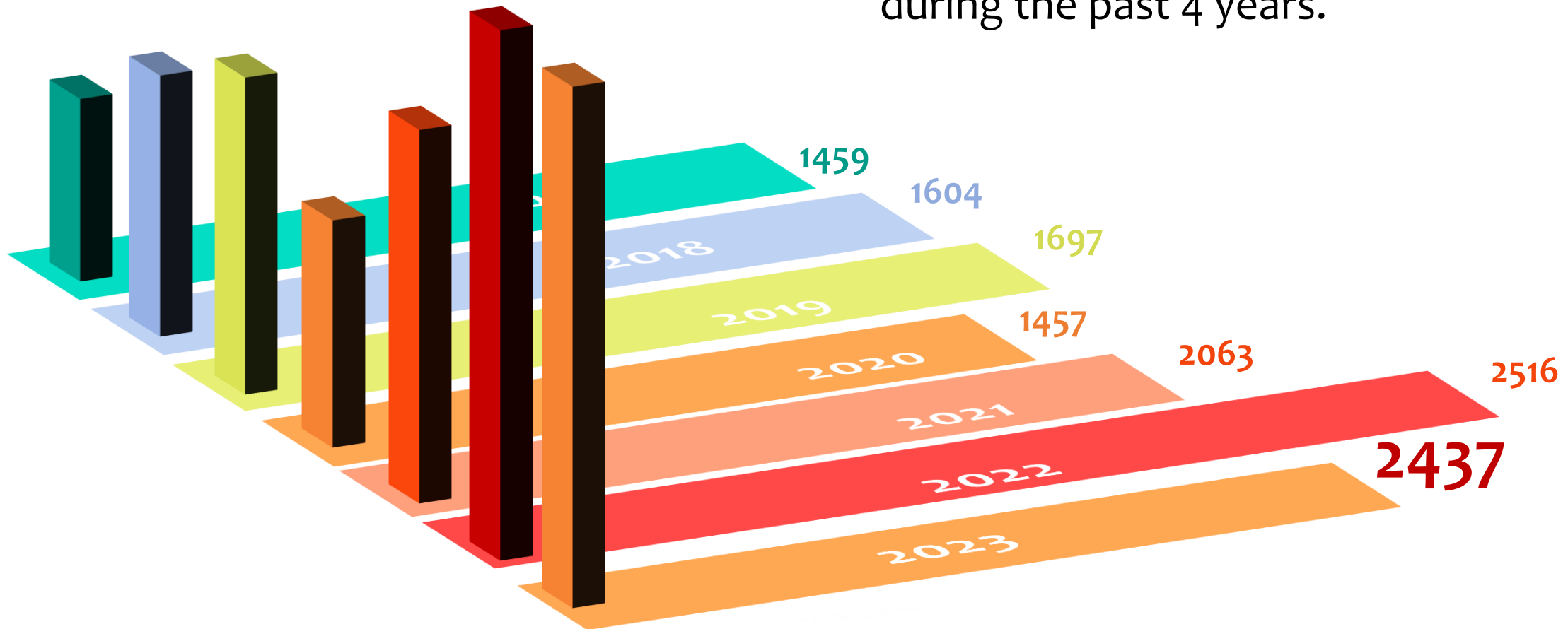


Duty-free access to several markets under different trade agreements (QIZ, EUTA, Mercosur, GAFTA, COMESA, ----)

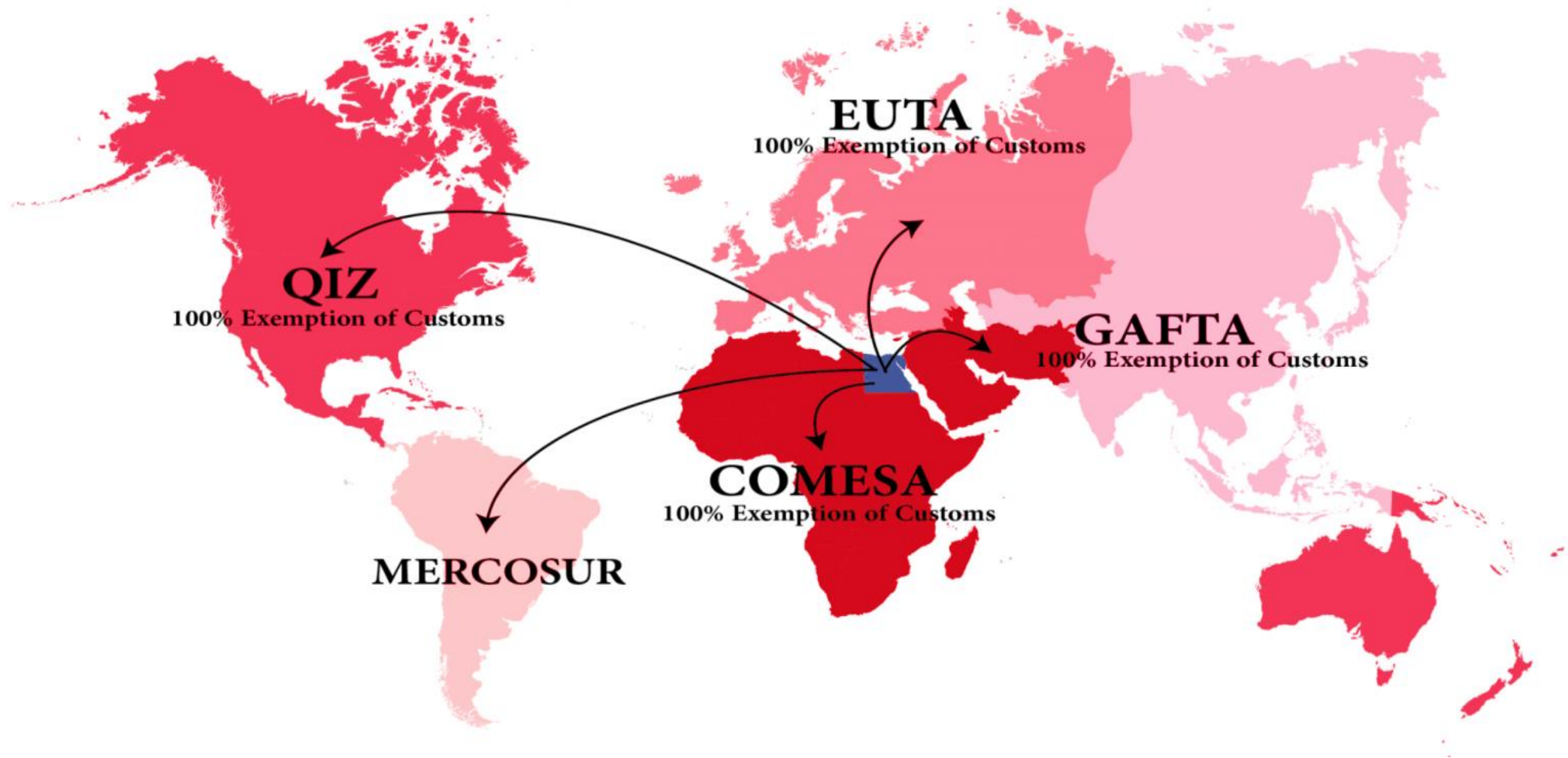
Growing Industry

Egyptian Apparel exports recorded \$2.4 billion in 2023 and witnessed a remarkable rise of **67%** during the past 4 years.

M/USD



Egypt Trade Agreements



QIZ Protocol: Key Facts



Duty Free



No Expiration



No Fabric Restriction



10.5% Israeli Components



1030 M\$ Egyptian apparel
exports to US in 2023



+700 Certified QIZ Factories



14 Zones Designated



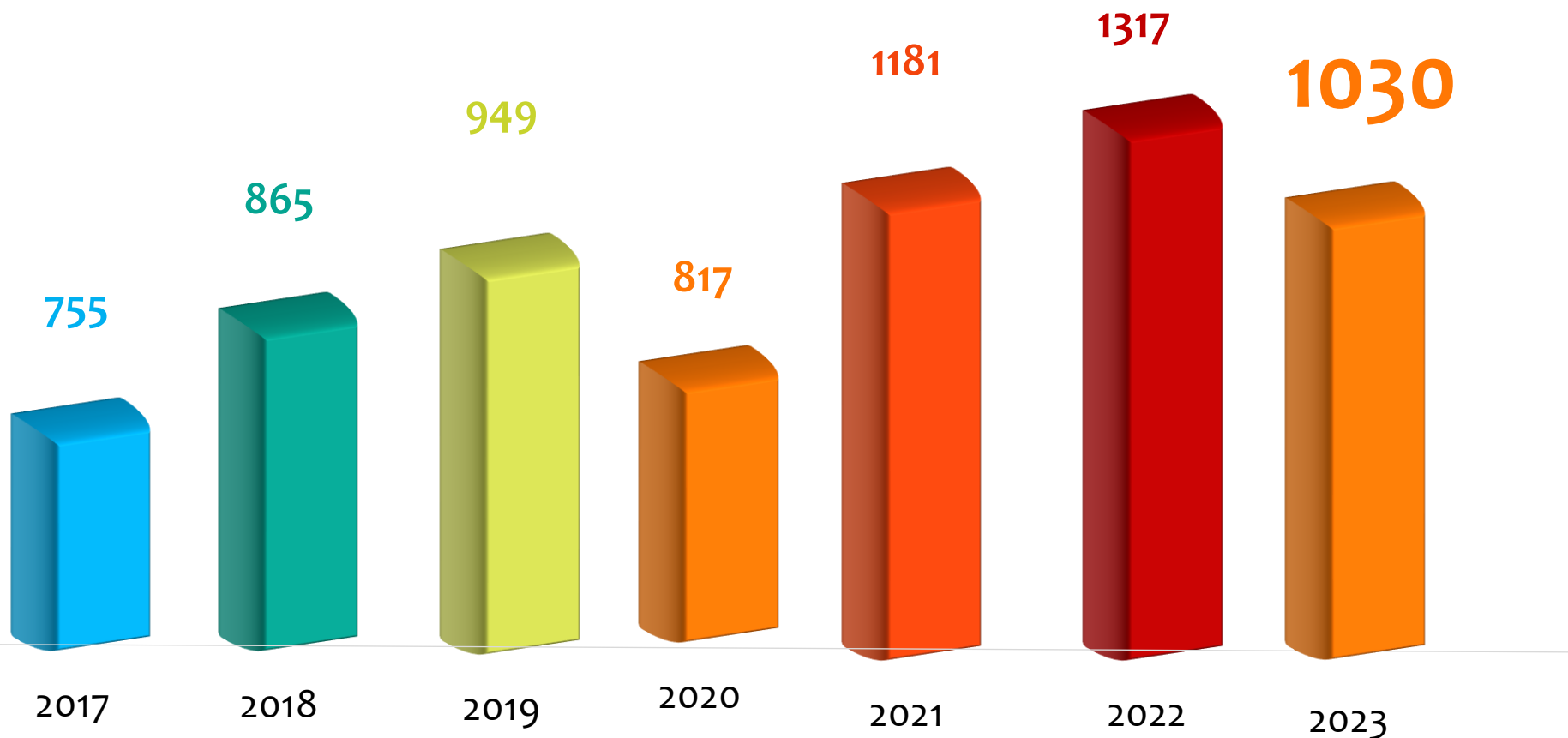
New Zones being added



Egyptian Apparel Exports To United States

Egyptian Apparel exports recorded \$1030 million in 2023 to USA and witnessed a remarkable rise of **26%** during the past 4 years.

In M/USD



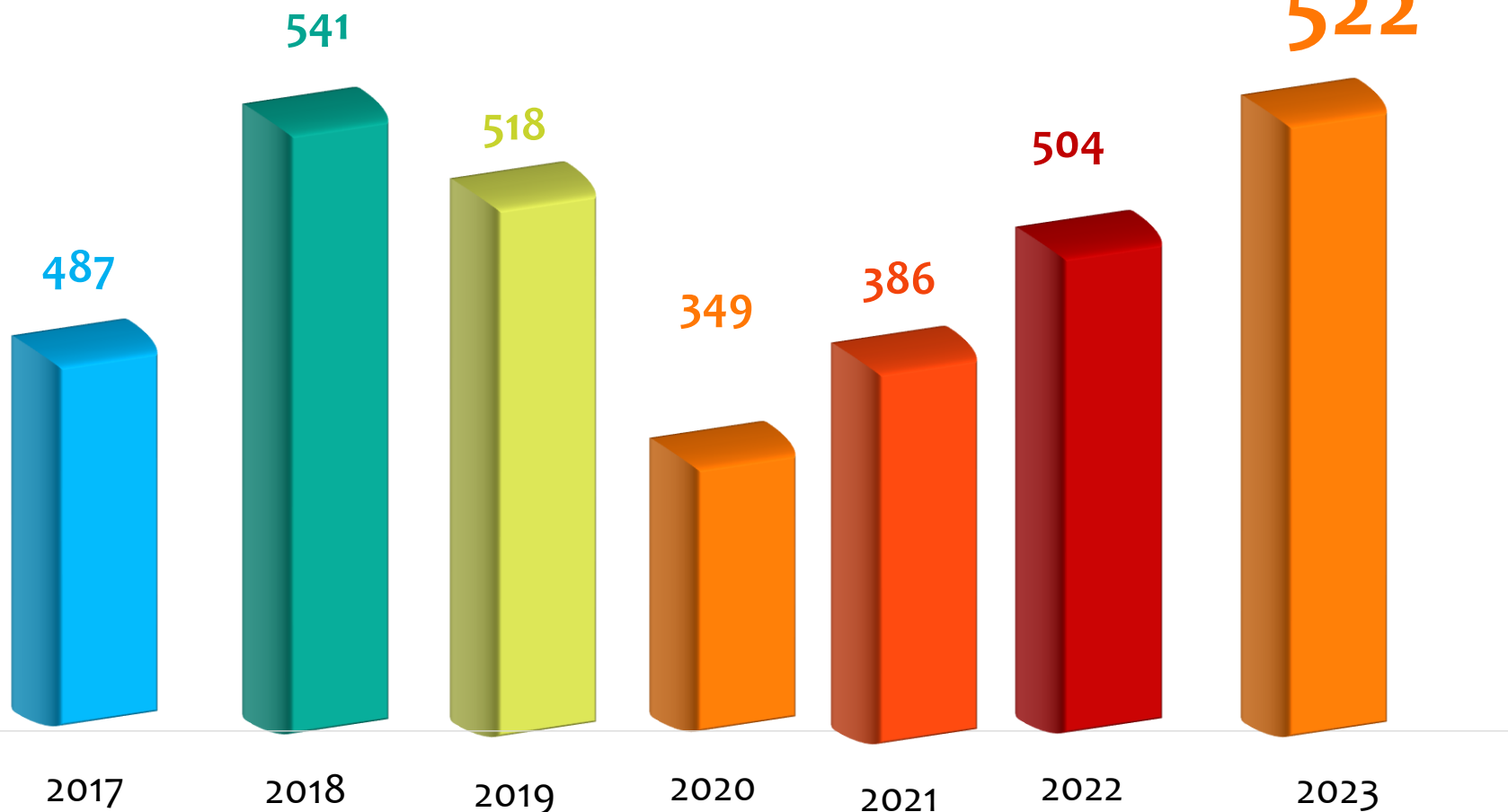
Egyptian Apparel Exports To Europe

Egyptian Apparel exports recorded \$522 million in 2023 to EU and witnessed a remarkable rise of during the past 4 years.

49%

522

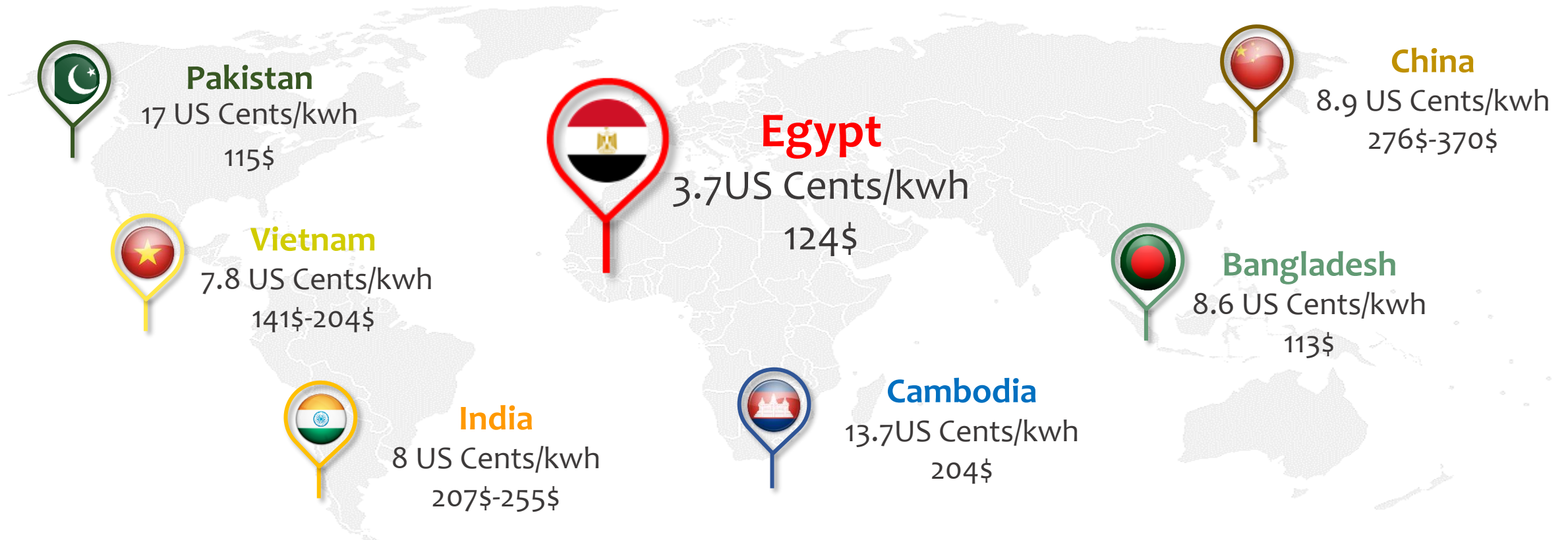
In M/USD



Competitive Production Cost: Competitive Wages and Electricity cost

Factor cost in Major Apparel Exporting Countries

- Egypt has the lowest production cost
- Labor Force Over 29 Million and 60% under 30
- Competitive Monthly Wage rate at (124\$)
- Electricity (3.7 US cent /kwh)

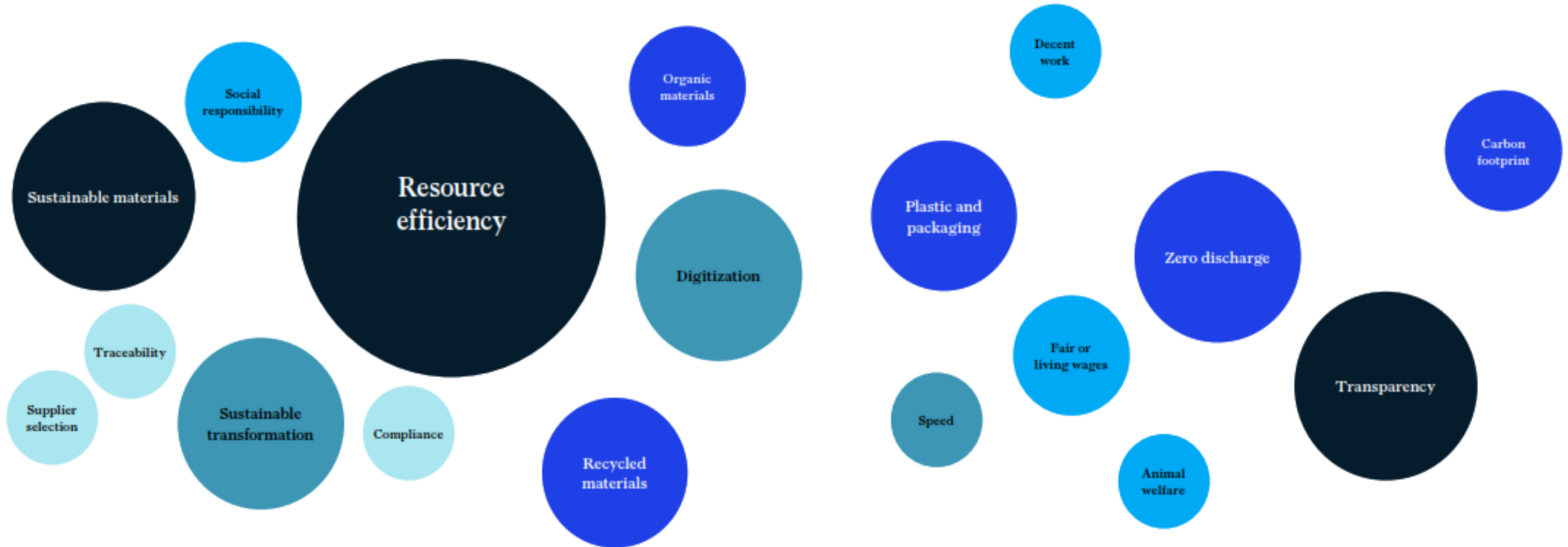


Compliance & Accreditation

Egyptian Apparel Factories are complied with Global Quality, Health, Safety and Environmental Standards.



Apparel Manufacturers are committed to sustainability through the entire manufacturing process, including working towards 100% sustainably sourced cotton and recycled materials



Apparel Factories are leading the way in sustainability

The Egyptian Cotton Project

enhance the sustainability & value addition of the cotton value chain.

The Better Cotton Initiative (BCI)

promoting a more sustainable way of growing cotton.



Recycling pilot Project for Denim scraps

recycling denim textile waste and scraps into yarns for the production of new garment products.

The Switch Med initiative

achieving a circular economy by changing the way goods and services are produced and consumed.

GTEX- MENATEX Project

building institutional capacities for TSIs at the national level to ensure sustainability and increasing the international competitiveness of selected enterprises, enabling them to export improved products to diversified markets.

USA & EU Buyers



Egyptian Brands



CONCRETE
EST. 1989



COTTONIL®
القطن بينكلم مصري



Embrator®



DICE
UNDERWEAR



SHIRTS

NAGA HOMME



D
DALYDRESS



MOBACO
COTTONS



El Sayaad
الفيضان



SCARABAEUS
SACER

Restructuring plan for the public sector enterprises includes :

- ➔ Merging 30 spinning and weaving companies into 9 companies, along with merging cotton trading and ginning companies into one company .
- ➔ The development of the first gin in Fayoum Governorate to replace the 25 old gins with new gins.
- ➔ Inauguration of the largest spinning and weaving factory in the world in Al-Mahalla Al-Kubra which accommodate more than 182 thousand spinning mills, with an average production capacity of 30 tons of yarn / day.
- ➔ 550 Mn. US\$ are being spent on up to date machinery from spinning, weaving, dyeing and finishing to confection.
- ➔ Utilizing 100% Egyptian Cotton Giza 95,86,94,92 and 96 for all yarn counts ranging from 10 Ne compact to 180 Ne compact.
- ➔ Establishment of **“Egyptian Cotton hub company”** responsible for the marketing of different products of the Holding Company for Cotton, Spinning, Weaving and Clothing under one brand.

Before



After



Establishment of New Rubiky Industrial City for Spinning, Weaving

- **The new industrial complex in Badr City** includes **six factories**, including one for thin yarn, another for thick yarn, three for preparing raw materials for weaving, and another for dyeing and printing.
- Built on an area of **430 acres with total production capacity** with **1557 Tons** of yarns ,fabrics and dyeing which include **4500 tons of fine yarn per day**, a **thick spinning factory**, and a knitting factory. This factory provides 1350 new direct jobs.





Thank You

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