

Meeting with Kotra
Wednesday the 11th of February 2026

EBA has held a Meeting with Mrs. Shorouk El Sebai, Marketing & Research Manager -KOTRA Cairo Office, Commercial Office, Embassy of the Republic of Korea, Mrs. Sookmi Moon, Deputy Director, Commercial office, Embassy of the Republic of Korea and the meeting was attended by Dr. Mohamed Youssef , Executive Director of EBA

Main Points of discussions

- The meeting was held to explore potential areas of cooperation between Korean companies and the Egyptian market. Representatives from KOTRA explained that their headquarters requested a comprehensive report identifying promising sectors for Korean investment in Egypt, reflecting both government and private sector perspectives. The report will be publicly released to increase awareness among Korean companies about the opportunities available in Egypt and to position Egypt as a strategic manufacturing and investment hub.
- During the discussions, it was emphasized that while major Korean conglomerates such as Samsung and LG are already familiar with Egypt, many small and medium-sized Korean enterprises lack sufficient knowledge of the market. Egypt was highlighted as a growing regional manufacturing hub with expanding infrastructure, strong connectivity to international markets, and a rapidly increasing domestic consumer base. Following the recent visit of the Korean President to Egypt, interest from Korean companies has notably increased.
- Several promising sectors for Korean investment were identified. The energy sector, particularly renewable energy such as solar and wind power, was described as a key area of opportunity. There is significant potential for local manufacturing of renewable energy components, including solar panel parts, instead of relying on imports. Korean technological expertise in renewable energy was viewed as a competitive advantage. The automotive industry was also highlighted, especially in light of the Egyptian government's strategy to localize vehicle manufacturing. Opportunities exist in electric vehicles, automotive spare parts such as batteries and tires, and bus manufacturing for tourism and luxury transport. Although domestic sales volumes are moderate, Egypt's network of free trade agreements allows companies to use Egypt as an export base to third markets.

- The textile and ready-made garments sector were identified as another strong opportunity, particularly due to export potential under the QIZ agreement with the United States. Electronics and household appliances were also discussed, supported by Egypt's steady population growth of approximately 1.5 to 2 million people annually, which drives domestic demand. In addition, Egypt's Vision 2030 includes the development of 40 smart cities, with approximately 15 already underway. The upcoming second phase of the New Administrative Capital presents further opportunities for smart Korean city technologies and infrastructure solutions.
- Logistics and maritime services were also highlighted, particularly given the strategic importance of East Port Said, which ranks among leading global container ports. Opportunities exist in shipbuilding, ship repair, and marine services. The IT and digital transformation sector is progressing, with ongoing modernization of tax and customs systems, creating further opportunities for advanced digital solutions. Recycling and waste management were identified as emerging sectors with strong environmental and sustainability potential. Food processing and agriculture were also discussed, particularly the need for value-added processing, advanced irrigation systems, and agricultural technologies. Pharmaceuticals and petrochemicals were similarly identified as promising sectors for investment.
- Egypt's extensive network of free trade agreements was emphasized as a major competitive advantage, providing access to over three billion consumers. These agreements include the EU Association Agreement, QIZ with the United States, COMESA, the African Continental Free Trade Area (AfCFTA), MERCOSUR, GAFTA, and a free trade agreement with Turkey. The QIZ agreement, which requires a 10.5% Israeli component, provides duty-free access to the U.S. market and is not limited to textiles but can also apply to leather goods, footwear, and industrial products. Egypt was considered highly competitive compared to regional alternatives.
- The importance of gradual localization and supply chain development was discussed. The Egyptian government aims to increase local content in manufacturing, while allowing investors to begin operations through partial importation of components, provided minimum local content requirements are met. Participants noted that Korea has strong potential to develop integrated supply chains in Egypt, particularly if investments are accompanied by training academies and technology centers.

- The competitive investment environment was also reviewed. In recent years, China has been active in textiles and electric vehicles, Turkey in household appliances, and Gulf countries in construction and infrastructure. Chinese imports, particularly in the automotive sector, have grown significantly; however, concerns were raised regarding long-term durability, maintenance, and spare parts availability. While Egypt remains price-sensitive, long-term sustainability and quality may influence consumer preferences.
- A comparison with Morocco was discussed, noting that Morocco's market is heavily influenced by European brands, particularly French companies, whereas Egypt maintains a more diversified and open market. Egypt's larger population and long-term growth potential were viewed as significant advantages.
- Participants reviewed the incentives available under Egypt's Investment Law of 2017, including tax reductions, customs benefits, land incentives, and support for priority sectors. It was emphasized that foreign investors should fully understand the legal framework, tax regulations, labor laws, and ministerial decrees governing investment activities. Business organizations provide support services, including legal guidance and connections to professional service providers.
- Skills development and vocational training were identified as essential components of successful investment. Emphasis was placed on technical education, STEM training, and on-site workforce development programs. The KOICA-supported EV technician training initiative in Egypt was cited as a positive example of effective cooperation.
- The private sector expressed support for maintaining open market policies and cautioned against excessive import restrictions, which could negatively affect export competitiveness and increase production costs for industries dependent on imported inputs.
- The potential Comprehensive Economic Partnership Agreement (CEPA) between Korea and Egypt was briefly discussed, with expectations that such an agreement would cover goods, services, and investment, thereby strengthening long-term economic cooperation between the two countries.
- The meeting concluded with strong mutual interest in expanding Korean investment in Egypt. Egypt offers a strategic geographic location, extensive trade agreements, a growing domestic market, expanding infrastructure, renewable energy potential, and opportunities in smart city development. Korean companies were encouraged to conduct thorough legal due diligence, align investments with Egypt's priority sectors, adopt phased localization strategies, and integrate

training and technology transfer into their investment plans. Both sides expressed commitment to continued dialogue and future cooperation.