

Currently, the Ministry of Finance is seriously considering **increasing the tariff rates on some imported commodities.**

According to the newspapers, 50 commodities are eligible to see their customs tax increase.

However, according to our insights, there are **1000+ national tariff lines which may witness an increase in their tariff rates.**

The High Committee for Tariff (“HCT”), headed by the Minister of Finance, is currently studying the proposal presented by the Ministry of Trade and Industry to **increase the tariff rates of certain ready-made imported commodities in order to protect the national industry of the equivalent products, and increase the customs revenue.** The proposed list does not include any raw and intermediate materials, and investment commodities. It is highly expected that a large number of the proposed list are ready-made products, falling under Section XI of the Harmonized System of Nomenclature “Textiles and Textiles Articles” (which includes 13 chapters). Others are a variety of final consumer goods.

It is also quite certain that no customs tax will be imposed on any exempted goods in the national tariff code. In addition, no goods will be banned from importation in order not to violate Egypt’s obligations to the WTO agreements.

The HCT is currently studying the impact of the potential increase in the customs tax rate on investments, trade and customs revenue. The final proposal will be showcased to the Prime Minister for approval, before being presented to the President to be issued by a law.

N Gage Consulting is closely monitoring the situation and will keep you updated.