



PHD House, 4th Floor, Ramakrishna Dalmia Wing
4/2, Siri Institutional Area, August Kranti Marg, New Delhi – 110016,
Tel# 9599665859 E-mail: ceo@mait.com • Website: <http://www.mait.com>

Ref.No.MAIT/PY/2430

February 03, 2022

Shri BVR Subrahmanyam, IAS
Secretary
Ministry of Commerce & Industry

Subject: Non-Tariff barriers imposed on import of goods from India by Govt. of Egypt

Respected Sir,

I am writing to you on behalf of Manufacturers' Association for Information Technology (MAIT). Born in the year 1982, MAIT is the apex industry body representing India's ICT sector. MAIT is recognized by both the Government, as well as the industry, for its role in the growth and development of the IT Hardware industry. We feel privileged to inform you that MAIT, through our members, represents 90% of PC/Laptop/Servers/Thin Clients/Workstations Manufacturing Capacity of the country, 90% of the Datacom and networking companies of India and 80% of mobile manufacturing companies in India.

I am writing to bring to fore the discriminatory treatment of Indian exports of Telecom Products to Egypt by the Government of Egypt. Some of our members have highlighted that the "National Telecom Regulatory Authority" of Egypt has mandated that all Telecom Product imports from India will mandatorily have to again undergo a 'strict type testing' procedure irrespective of the fact that the product is already certified by international testing agencies such as CE, UL or IEC.

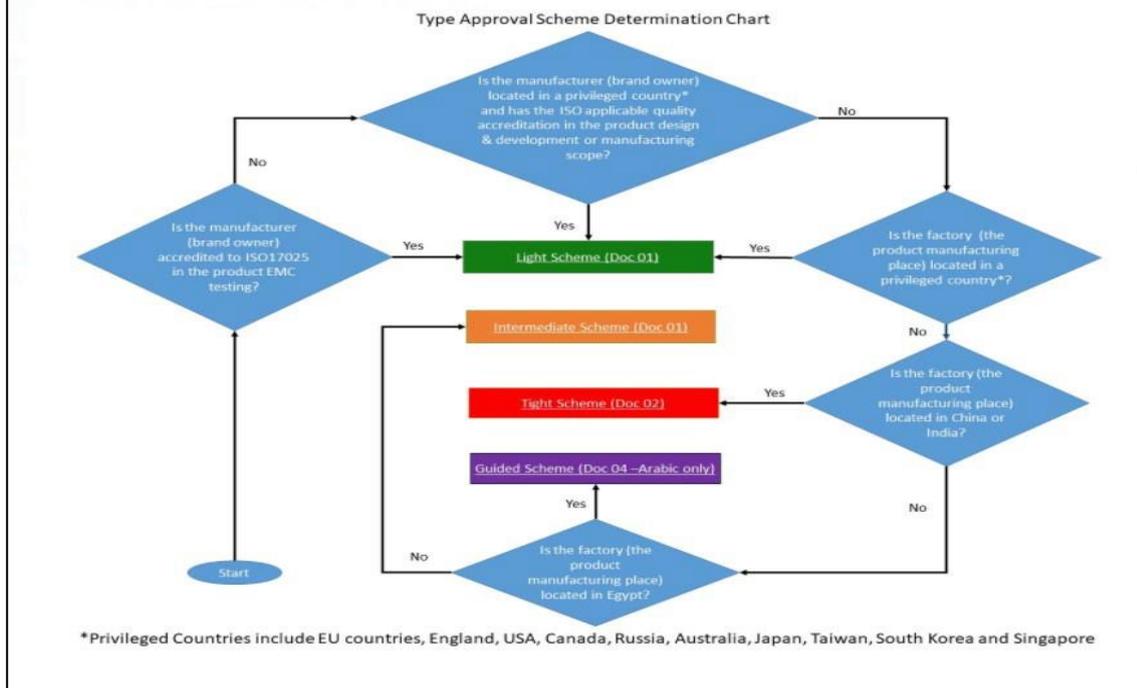
The National Telecommunications Regulatory Authority commonly known as NTRA, is Egypt's "Regulatory and Competition Authority". The agency is also authorized for ensuring standards, track and regulate all electronic and telecom imports coming into Egypt. **NTRA has exempted imports from privileged nations such as EU countries, US, Australia etc.** and have imposed re-testing norms on imports from India and China. The cost of this retesting condition is approximately 10-15% of the consignment value and makes the Indian exports uncompetitive vis-a-vis products from other competing nations.

Over and above these expenses, estimated charges for inspection (which is mandated by Govt. of Egypt to few agencies in India e.g. Bureau Veritas, TUV and SGS) cost an additional INR 30,000 + GST per product. With the introduction of new custom system in Egypt (CargoX), the country has further imposed restriction on import of items and has increased duties on Telecom products. This has made the landed cost of products higher by 40% to 50%. The requirement of additional testing has added to the delay putting Indian products at a huge disadvantage. The final cost of the products in the Egyptian market for Indian Telecom products has thus become non-competitive.

A flowchart taken from the NTRA website showing clearly the 'strict re-testing norms' for imports from India is given below for your information:

Type Approval Scheme Determination Chart:

Following is a flow chart determining the applicable Type Approval Scheme:



Source: <https://tra.gov.eg/en/regulations/type-approval/type-approval-procedure/>

To add to the misery of Indian exporters, NTRA has mandated that each and every product involving IP is to undergo testing. This is against the industry norm of sample testing being followed elsewhere globally.

We would, therefore, request you to take up the issue with relevant authorities in the Egyptian government to secure a level playing field for Indian exports. A suitable amendment would entail placing the Indian Exports under the Light Scheme instead of the Tight Scheme. This would ensure that Indian exporters have to apply for Verification of Compliance (VoC) Certificate at any one of the NTRA Group A accredited test labs (These labs are already listed in document Doc 03 published on Type Approval procedure page on the NTRA website), The concerned Lab will then be able to issue the VoC for the product upon passing the compliance tests as is applicable CE harmonized standards.

I am sure that your timely intervention in the matter will enable Indian Telecom products to be more competitive and help realize the Hon'ble Prime Minister's vision of 'Make in India for the World'.

We would be highly obliged for your response on the matter at the earliest.

With regards,

George Paul
Chief Executive Officer