

## **Domestic Market...a Wrong bet for Private Sector**

Ambassador Gamal Bayoumi, Chairman of the Arab Investors Union (AIU) stressed the importance of export and of making use of the available opportunities provided in the Egyptian European partnership agreement.

He noted that the Egyptian private sector relies on the local market, which consumes 94% of production with only 6% being exported.

“Implementing the agreement phases at a faster rate is in the interest of the Egyptian economy, especially as there is a demand from the Federation of Egyptian Industries to speed up the liberalization of 95 commodities“, he said.

The remarks came during a symposium organized by the Industry and Energy Committee with the German-Arab Chamber of Industry and Commerce moderated by Dr. Nader Riad. It focused on the challenges of modernizing Egyptian industry internationally and regionally.

Bayoumi pointed out that bilateral trade agreements between Arab countries are modest and they have failed to achieve the goal of increasing trade exchange, which has not exceeded 9% of inter-Arab trade.

The problem is that, so far, the Arab countries have not agreed on the rules of origin and standard specifications.

“The most outstanding obstacle in front of joint Arab action is making use of knowledge, women and good governance“, he said.

Bayoumi also called for the acceleration of the Egyptian industrial modernization program, which is based on three main axes in the form of

policies. These include the active labor market, financial flexibility, human development, tax reform, cooperation, competition among the Egyptian private sector and commitment to quality.

"The Egyptian European partnership agreement does not pose any danger to Egyptian industry, as some skeptics claim. This is due to the fact that it takes 19 years to implement in comparison to 12 years for the Tunisian European partnership agreement that was reduced to 10 years", he said.