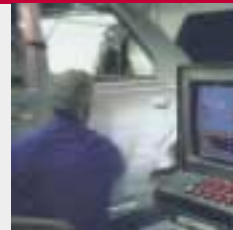
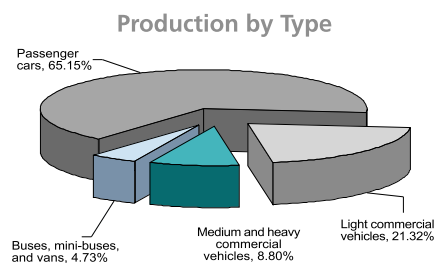




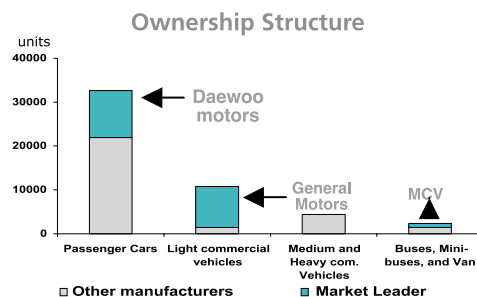
Automotive Assembly Industry



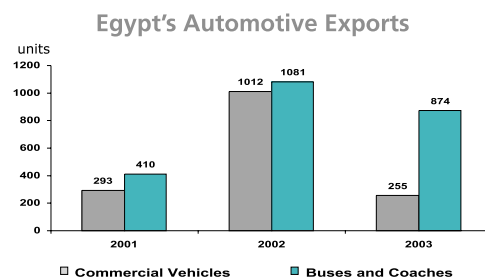
- Egypt possesses one of the few domestic auto production capacities in the MENA region and is the largest auto producer in North Africa.
- The Egyptian automotive industry accounts for about 62 thousand jobs in Egypt and has the potential to play an important role in reducing unemployment.
- With Egypt's large labor pool and lower costs of infrastructure, Egypt is positioned to benefit from global changes in the automotive industry and the movement of original equipment manufacturers (OEMs) into new markets and lower cost-of-production countries.
- Total production of light, medium and heavy vehicles, buses and passenger cars reached 50,127 units in 2003 with a total turnover of €1.9 billion.
- Assembly of passenger cars represents the largest component in Egypt's vehicle assembly production, accounting for 65.2% of total production in 2003.
- Daewoo Motors leads the passenger car segment with 33% of total production in 2003.
- General Motors leads in the production of light commercial vehicles with 86% of total production.
- Mercedes Commercial Vehicles (MCV) is the largest producers of buses with 38% of the market.
- Egyptian exports are dominated by buses, accounting for 63% of total vehicle exports.
- Vehicle export volume increased to approximately 2,100 units in 2002 due to a sharp decline in the Egyptian pound which increased Egyptian producers' international price competitiveness.
- The Egyptian government's decision in 2004 to dramatically reduce tariffs on imported vehicles and vehicle parts has re-energized the Egyptian auto industry by improving its cost-competitiveness and encouraging foreign firms to expand their operations in Egypt.
- The Egyptian auto industry is being integrated into global supply chains, increasingly providing foreign component parts from plants in Egypt to auto manufacturers around the world.



Source: Industrial Modernization Centre, 2004.



Source: Calculated items, Industrial Modernization Centre, 2004.



Source: Industrial Modernization Centre, 2004.

Egypt has attracted production facilities from the world's largest auto manufacturers including Mercedes, BMW, Peugeot, Suzuki, Hyundai, Nissan, Daewoo, Citroen, Chrysler, Opel, Kia, and Tofas.

