



# Industrial Fastener Market in Egypt

## 埃及工业紧固件市场分析

The industrial sector in Egypt is receiving exceptional attention from the government, as it is a key driver of economic development in the country and a backbone of achieving social stability. The growth of “industrial” in the country, more than any other sectors, creates more job opportunities and develops the standard of living of citizens. “Industry” sector contributes 11.7 percent to the gross domestic product (GDP), which is targeted to achieve 15 percent in the near future, and to employ more than 28 percent of the total Egyptian workforce.

Egyptian industrial sector has experienced significant improvements during the past years at the level of legislation, new investments and expansions in cities and industrial areas, as well as the rise in export indicators for all industrial sectors. Egyptian leadership has paid excessive attention to the export sector, which contributed to achieving outstanding improvement in the country’s foreign trade indicators, especially relating to the increase in export rates and the decline in imports.

All these factors contributed to the increase in the value of Egyptian merchandise exports during 2021 to reach USD32.34 billion, as reported by the Industry Ministry, which is the highest value of exports in the history of Egypt’s foreign trade.

During the last 8 years, the Egyptian Government has taken a number of measures to stimulate investment in the industrial sector, including the establishment of 17 industrial complexes in 15 governorates nationwide, at a total investment cost of more than USD520 million, and a total of 5,046 industrial units providing about 48 thousand direct job opportunities. During the fiscal year 2020-2021, the industrial sector investments amounted to about USD2.55 billion, and this amount represents about 6 percent of the total public investments. The value of industrial output reached about USD 51.2 billion last year supported by diversified industrial bases spreading across over 150 industrial zones all around Egypt. All the investments are expected to reinforce the country’s geostrategic position as a key economic link between the Middle East, Africa and the rest of the world.





Following the disruption caused by the pandemic, Egypt is playing a crucial role in the restoration of international supply chains. The country's ports on the Red Sea and Mediterranean have been undergoing substantial improvements which should be completed by 2024 while the modernization of the systems used to process shipments, significantly cutting transit costs, will be fully operational from October this year.

In terms of industrial fasteners, the market in Egypt is expected to grow, thanks to increasing local, regional and global manufacturing and construction activities after the pandemic. Additionally, the growing use of fasteners in the electric and electronic industries is expected to drive the industrial fastener market forward.

**In 2021, exports of fastener products from Egypt, such as screws, bolts, nuts, coach screws, screw hooks, rivets, cotters, cotter pins, washers decreased by about 20% mainly due to the decline in exports to the US. Fastener manufacturers in Egypt shipped about USD3.7 million worth of fasteners to the global market last year. The US has been a main destination for fasteners manufactured in Egypt for many years until last year in which Saudi Arabian market took over that position and became the top importer of fasteners from Egyptian manufacturers.** In 2021, about 41% of the total value of exports has been delivered to the Saudi Arabia market. The US market which has given its 1<sup>st</sup> position as a top importer to the Saudi market, imported more than USD925,000 worth of screws and other fastener products from Egypt within last year.

In terms of product type, metal self-tapping screw exports rose steeply in 2021. Exports by Kuwait (USD137,000), Saudi Arabia (USD63,000) and Tunisia (USD48,000) were the main destinations for metal self-tapping screw exports from Egypt. The US was the main destination for wood screws (made of iron or steel) from Egypt. Last year, Egypt sold USD918,000 to the American buyers. Saudi Arabia, Morocco, Kenya and Tunisia were the key destinations for threaded screws and bolts. The total value of exports last year for threaded screws and bolts was about USD2 million. Nuts of iron or steel shipped to Sudan with the value of USD42,000 and USD206,000 of rivets were shipped to Madagascar from Egypt in 2021. The manufacturers in Egypt exported more than USD13.2 million of nails, pins, and similar products to the global market. More than 75% of the total exports of nails were shipped to Madagascar and the US.

On the other hand, looking at the imports market, there was a drastic decline in 2021 in comparison with previous years. **Last year, Egypt imported more than USD96.8 million worth of fasteners mainly from China. Chinese fasteners with the value of USD45.7 million were shipped to Egypt in 2021, recorded 47% of the total imports value, but lower than the values of imports, USD51.7 million in 2020 and USD62.7 million in 2019. Italy, Japan, Germany, Taiwan and the US were other key fastener exporters to Egypt.** However, in terms of both value and quantity those countries were far behind China. Italy, for instance, the second largest fastener exporter to Egypt, shipped about USD7.55 million worth of fasteners in 2021, which is slightly less than 17% of the total value of Chinese fasteners exported to Egypt.

The chart below shows the value of imports and exports of fasteners (HS Code 7318) within the last five years in Egypt:

(USD)	2017	2018	2019	2020	2021
<b>Imports</b>	<b>136,174,000</b>	<b>193,298,000</b>	<b>144,315,000</b>	<b>113,779,000</b>	<b>96,813,000</b>
<b>Exports</b>	<b>3,795,000</b>	<b>5,511,000</b>	<b>6,063,000</b>	<b>4,422,000</b>	<b>3,690,000</b>

Industrial development in Egypt will continue to prosper and stay to impact the country's industrial output, in general, and fastener production, in specific. There are several projects designed and budgeted by the Government which are expected to boost the demand for fasteners in the country. **Some of the major industrial development projects in the future include building more than 4,800 km of roads, developing the railway system for transporting goods, the new Suez Canal, developing commercial ports, increasing the length of docks, establishing 8 new airports, and the establishment of new power stations. All these strategic projects together with the geostrategic position of Egypt will contribute to generating a large local demand for industrial fasteners.** ■

**Sources:**

Egypt's industrial sector report by Egypt Today  
ITC Tarde Map, Trade statistics for international business development

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