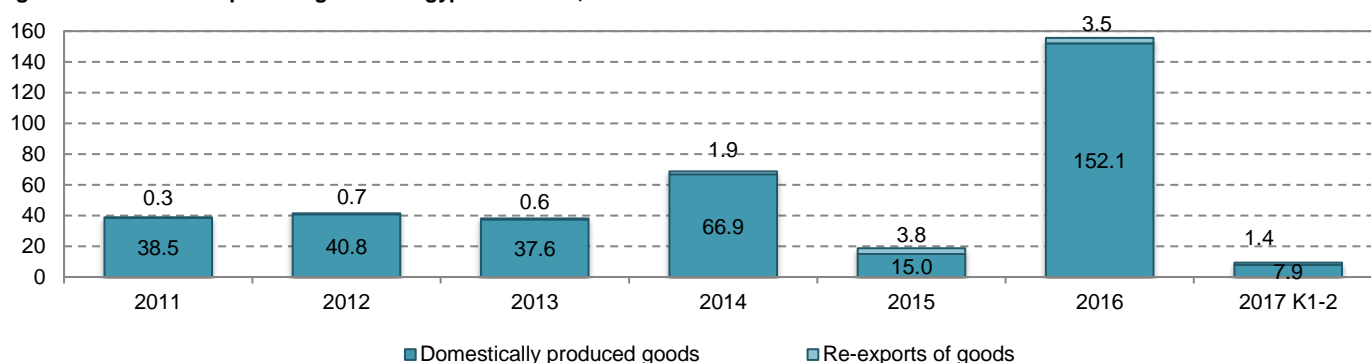


SUMMARY

► In 2016 the trade turnover in goods between Egypt and Lithuania increased 6 times or 135.4 million euro. In 2016 total exports of goods to Egypt had a value of 155.6 million euro which was 136.8 million euro more than in 2015, while the value of imports of goods from Egypt decreased by approximately 14.4% and reached a value of 8.4 million euro. In 2016 re-exports to Egypt decreased by 7.6% and reached a value of 3.5 million euro.

► Only 2.2% of total exports of goods to Egypt in 2016 consisted of re-exports and the remaining 97.8% were made up of domestically produced goods. In 2016 exports of domestically produced goods to Egypt reached a value of 152.1 million euro. In 2016 the highest increase in value was reported by mineral fuels and gas oils, edible vegetables and inorganic chemicals. The largest decrease was reported in optical, photographic, measuring, medical or surgical instruments, articles of stone, man-made filaments and miscellaneous chemical products. In 2016 exports of domestically produced goods mainly consisted of mineral fuels and gas oils (76.1%), edible vegetables and certain roots and tubers (20.8%), cereals (0.7%), inorganic chemicals (0.6%), and machinery and mechanical appliances (0.4%). In the first 6 months of 2017, domestically produced exports to Egypt decreased by 82.7% compared to the first 6 months of 2016 mainly because of lower exports of mineral fuels, mineral oils and edible vegetables and certain roots and tubers.

► In 2016 exports of services to Egypt decreased by 57.7% until 0.2 million euro. In 2016 Egypt was the 107th largest export partner for Lithuanian service providers.

Figure 1. Lithuanian exports of goods to Egypt 2010-2016, million euro.


Source: Statistics Lithuania and Enterprise Lithuania calculations.

Table 1. Bilateral trade between Lithuania and Egypt 2014-2016.

	2014		2015		2016	
	Share, %	Rank	Share, %	Rank	Share, %	Rank
Goods						
Share of partner country in total exports of goods	0,3%	35	0,1%	62	0,7%	23
Share of partner country in domestically produced exports of goods	0,5%	28	0,1%	56	1,1%	21
Share of partner country in re-exports of goods	0,0%	64	0,0%	52	0,0%	59
Share of partner country in imports of goods	0,0%	56	0,0%	63	0,0%	60
Services						
Share of partner country in exports of services	0,3%	32	0,0%	84
Share of partner country in imports of services	0,2%	36	0,2%	40

Source: Statistics Lithuania, Bank of Lithuania and Enterprise Lithuania calculations.

► In 2016 Lithuania had a positive trade balance with Egypt. In 2016 the trade surplus in goods was approximately 147.2 million euro, which was 138.2 million euro more than in 2015. As mentioned before, the increase in the trade surplus was caused by growing values of domestically produced goods. The main determinant of the increase in exports of domestically produced goods was mineral fuels and gas oils, which grew by 115.5 million euro last year.

► In 2016 the value of imports of goods from Egypt decreased by approximately 14.4% and reached a value of 8.4 million euro. The main negative growth drivers in 2016 were imports of copper and articles thereof, beverages, spirits and vinegar and aluminium and articles thereof. In 2016 the largest imported items were edible fruit and nuts (54.2%), glass and glassware (9.6%), plastics and articles thereof (8.3%), wool, fine or coarse animal hair (7.5%) and other vegetable textile fibres and paper yarn (3.1%).

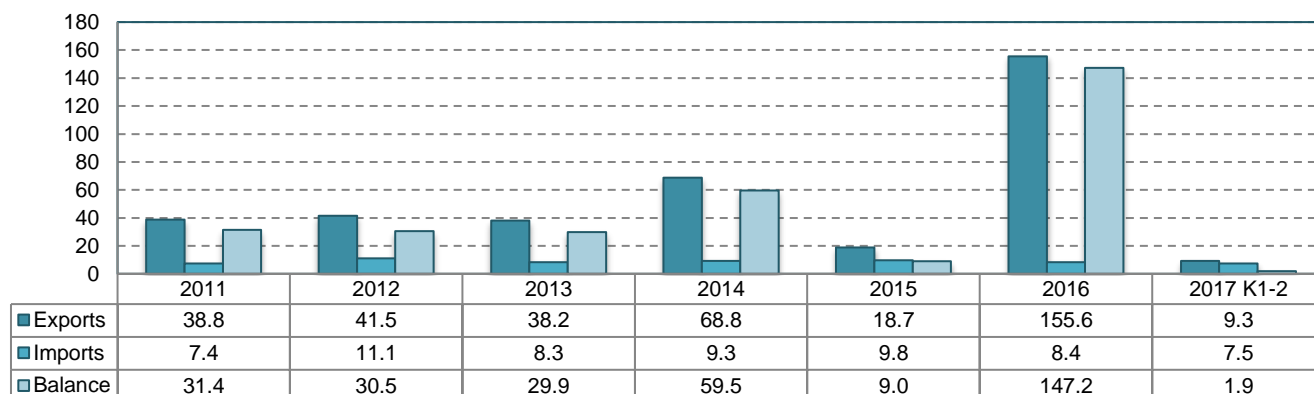
► Lithuania imported services for an amount of 9.8 million euro, 1.0% more than in 2015. In 2016 Egypt was Lithuania's 40th largest import partner for services. The highest shares in imported services from Egypt were taken by travel services (86.9%) and other services (13.1%).

► In 2016 Lithuania was the 63rd largest import partner for Egypt (Latvia 65th and Estonia 82nd).

I. TRADE BALANCE

In 2016 Lithuania had a positive trade balance with Egypt. In 2016 the trade surplus in goods was approximately 147.2 million euro, which was 138.2 million euro more than in 2015. The increase in the trade surplus was caused by growing values of domestically produced goods. The main determinant of the increase in exports of domestically produced goods were mineral fuels and gas oils, which grew by 115.5 million euro last year.

Figure 2. Bilateral trade of goods between Lithuania and Egypt in 2010-2016, million euro.



Source: Statistics Lithuania.

II. DOMESTICALLY PRODUCED EXPORTS

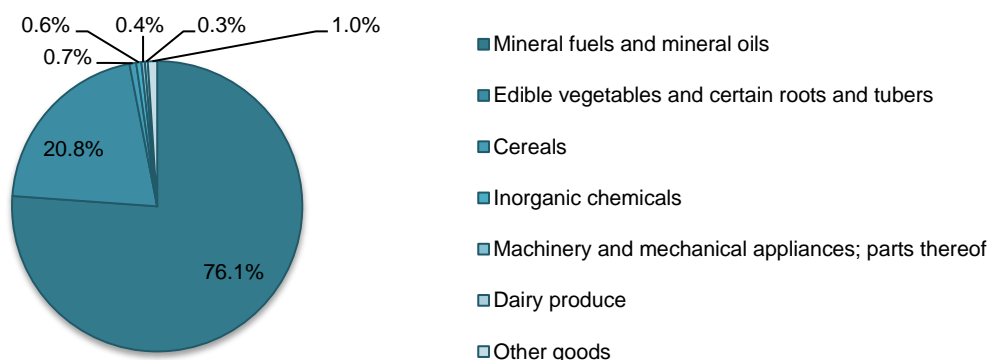
In 2016 exports of domestically produced goods to Egypt reached a value of 152.1 million euro. In 2016 the highest increase in value was reported by mineral fuels and gas oils, which grew by 115.5 million euro last year. The largest decrease was reported in optical, photographic, measuring, medical or surgical instruments, articles of stone, man - made filaments and miscellaneous chemical products. In 2016 exports of domestically produced goods mainly consisted of mineral fuels and gas oils (76.1%), edible vegetables and certain roots and tubers (20.8%), cereals (0.7%), inorganic chemicals (0.6%) and machinery and mechanical appliances (0.4%). In 2016 Egypt was Lithuania's 21st largest export partner for goods. In the first 6 months of 2017, domestically produced exports to Egypt decreased by 82.7% compared to the first 6 months of 2016 mainly because of lower exports of mineral fuels, mineral oils and edible vegetables and certain roots and tubers.

The largest share in domestically produced exports to Egypt in 2016 consisted of mineral fuels and mineral oils produce with an exported value of 115.8 million euro, which made up 76.1% of domestically produced exports in 2016. The majority of exports in this product group consisted of gas oils (99.8%).

The second largest category in 2016 was exports of edible vegetables with an exported value of 31.6 million euro, which made up 20.8% of domestically produced exports in 2016. In 2016 exports of edible vegetables grew by 198.6% mainly because of an increase of beans exports to Egypt. The majority of exports in 2016 consisted of beans (99.4%).

In 2016 the third largest category was cereals which comprised 0.7% of domestically produced exports to Egypt. The exported value in 2016 was slightly more than 1 million euro, which was 17.4% (or 168.5 thousand euro) more than in 2015. Basically all exports in this category consisted of wheat and meslin.

Figure 3. Structure of exports of goods produced in Lithuania to Egypt in 2016, %.



Source: Statistics Lithuania and Enterprise Lithuania calculations.

Table 2. Exports of goods to Egypt, million euro.

Category	2010	2011	2012	2013	2014	2015	2016	2016 annual change, %
Total	22,3	38,5	40,8	37,6	66,9	15,0	152,1	916,4%
27 Mineral fuels, mineral oils	0,0	0,0	0,0	0,0	0,1	0,3	115,8	38431,7%

07 Edible vegetables and certain roots and tubers	0,0	0,0	0,0	0,0	1,7	10,6	31,6	198,6%
10 Cereals	0,0	6,0	0,0	0,0	43,9	1,0	1,1	17,4%
28 Inorganic chemicals; organic or inorganic compounds of precious metals	0,7	3,0	2,5	0,7	0,0	0,2	0,9	274,1%
84 Machinery and mechanical appliances; parts thereof	0,1	0,1	0,1	0,2	0,2	0,4	0,6	32,0%
04 Dairy produce	0,5	0,0	0,0	0,6	0,7	0,1	0,5	492,1%
54 Man - made filaments	0,6	0,9	0,5	0,5	0,8	0,4	0,3	-28,8%
96 Miscellaneous manufactured articles	0,0	0,0	0,0	0,0	0,0	0,1	0,2	186,3%
94 Furniture; bedding, mattresses, mattress supports, cushions	0,0	0,0	0,0	0,0	0,0	0,1	0,1	20,1%
44 Wood and articles of wood; wood charcoal	0,0	0,1	0,0	0,0	0,1	0,0	0,1	197,4%
11 Products of the milling industry; malt; starches; inulin; wheat gluten	0,0	0,0	0,0	0,0	0,0	0,0	0,1	353,6%
16 Preparations of meat, of fish or of crustaceans	0,0	0,0	0,0	0,1	0,1	0,1	0,1	-17,9%
02 Meat and edible meat offal	0,0	0,0	0,0	0,0	0,0	0,2	0,1	-53,4%
49 Printed books, newspapers and other products of the printing industry	0,0	0,0	0,0	0,0	0,0	0,0	0,1	414,9%
Other goods	20,4	28,5	37,8	35,5	19,2	1,4	0,5	-66,1%

Source: Statistics Lithuania and Enterprise Lithuania calculations.

III. EXPORTS OF SERVICES

In 2016 exports of services to Egypt decreased by 57.7% until 0.2 million euro. In 2016 Egypt was the 107th largest export partner for Lithuanian service providers.

Table 3. Exports of services to Egypt, million euro.

Category	2015	2016	2016 annual change, %
Total	0,5	0,2	-57,7%
Travel services	0,1	0,1	-18,2%
Other services	0,4	0,1	-73,2%

Sources: Bank of Lithuania and Enterprise Lithuania calculations.

IV. POTENTIAL EXPORT OPPORTUNITIES

The Decision Support Model (DSM)¹ identified 256 product group (on 6-digit combined nomenclature) with potential opportunities for Lithuanian exporting companies in Egypt. Most potential export opportunities were identified for the manufacture of chemicals and chemical products, manufacture of other machinery and equipment n.e.c., manufacture of food products and manufacture of computer, electronic and optical products.

Table 4. Export opportunities for Lithuanian companies in Egypt according to the Decision Support Model.

Sector (according to NACE rev. 2)	Number of potential export opportunities
Manufacture of chemicals and chemical products	56
Manufacture of other machinery and equipment n.e.c.	39
Manufacture of food products	31
Manufacture of computer, electronic and optical products	21
Manufacture of basic metals	20
Manufacture of electrical equipment	19
Manufacture of rubber and plastic products	15
Manufacture of fabricated metal products, except machinery and equipment	12
Other manufacturing	9
Manufacture of textiles	8
Manufacture of motor vehicles, trailers and semi-trailers	6
Manufacture of wood and of products of wood and cork, except furniture;	4
Manufacture of paper and paper products	4
Manufacture of tobacco products	2
Agriculture	2
Manufacture of other non-metallic mineral products	2
Manufacture of basic pharmaceutical products and pharmaceutical preparations	2
Printing and reproduction of recorded media	1

¹ The Decision Support Model (DSM) is used to identify suitable export opportunities. The DSM takes into account Lithuania's revealed comparative advantage (products in which Lithuania is a relatively strong exporter in world markets), short-term and long-term import (value) growth of the product under consideration and the degree of market concentration for this product (an assessment whether it is difficult to enter the market for that product, the lower the index, the least concentrated the import market for this product). The full list of export opportunities for Lithuanian exporters in Egypt is available on request from analitikai@verslilietuva.lt.

Manufacture of coke and refined petroleum products	1
Manufacture of other transport equipment	1
Manufacture of wearing apparel	1
Total:	256

Source: Eurostat Comext, Statistics Lithuania and Enterprise Lithuania calculations.

V. IMPORTS OF GOODS

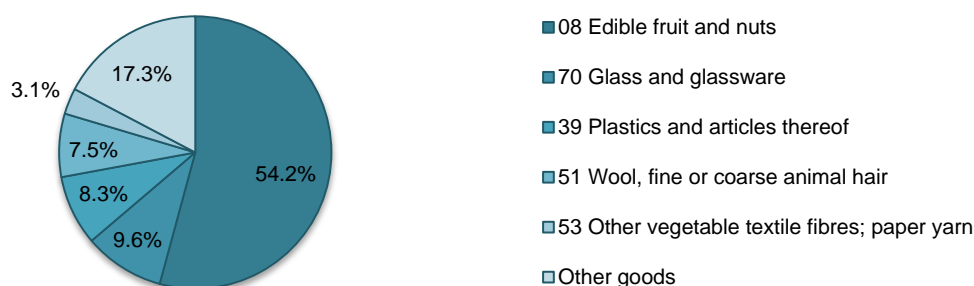
In 2016 the value of imports of goods from Egypt decreased by approximately 14.4% and reached a value of 8.4 million euro. The main negative growth drivers in 2016 were imports of edible fruit and nuts and machinery and mechanical appliances. In 2016 the largest imported items were edible fruit and nuts (54.2%), glass and glassware (9.6%), plastics and articles thereof (8.3%), wool, fine or coarse animal hair (7.5%) and other vegetable textile fibres and paper yarn (3.1%).

In 2016 the largest category among imports from Egypt was edible fruit and nuts which comprised about 54.2% of total imports from Egypt. Imports in this category decreased by 32.7% or 2.2 million euro. In 2016 the majority of imports in this category consisted of citrus fruits (96.2%).

The second largest category in 2016 were imports of glass and glassware which comprised 9.6% of total imports from Egypt. The imported value in 2016 was 798.1 thousand euro. Imports in this category increased by 211.6% or 2.2 million euro. In 2016 the majority of imports in this category consisted of rovings (55.1%) and mats (23.3%).

In 2016 the third largest category was imports of plastics and articles thereof with a share of 8.3%. The imported value in 2016 was 694.8 thousand euro. In 2016 the majority of imports in this category consisted of plates, sheets, film, foil and strip, of plastics (96.5%) and polymers of propylene or of other olefins, in primary forms (3.4%)

Figure 4. Structure of imports of goods from Egypt in 2016, %.



Source: Statistics Lithuania and Enterprise Lithuania calculations.

Table 5. Imports of goods from Egypt, million euro.

Category	2010	2011	2012	2013	2014	2015	2016	2016 annual change, %
Total	2,8	7,4	11,1	8,3	9,3	9,8	8,4	-14,4%
08 Edible fruit and nuts	2,0	2,6	5,0	6,5	7,2	6,7	4,5	-32,7%
70 Glass and glassware	0,0	0,4	0,1	0,2	0,2	0,3	0,8	211,6%
39 Plastics and articles thereof	0,1	0,1	0,0	0,0	0,3	0,6	0,7	8,6%
51 Wool, fine or coarse animal hair	0,0	0,0	0,3	0,5	0,6	0,6	0,6	-2,9%
53 Other vegetable textile fibres; paper yarn	0,0	0,0	0,1	0,0	0,0	0,1	0,3	360,1%
32 Tanning or dyeing extracts	0,1	0,2	0,3	0,2	0,3	0,2	0,2	22,6%
57 Carpets and other textile floor coverings	0,1	0,2	0,1	0,1	0,1	0,1	0,2	54,5%
85 Electrical machinery and equipment and parts thereof	0,1	0,1	0,1	0,2	0,2	0,2	0,2	-1,2%
12 Oil seeds and oleaginous fruits	0,0	0,0	0,0	0,1	0,0	0,1	0,2	146,9%
58 Special woven fabrics; tufted textile fabrics; lace	0,0	0,0	0,0	0,1	0,1	0,1	0,1	14,2%
07 Edible vegetables and certain roots and tubers	0,1	0,1	0,1	0,1	0,1	0,1	0,1	-12,4%
09 Coffee, tea, mate and spices	0,1	0,0	0,0	0,0	0,0	0,1	0,1	-5,6%
30 Pharmaceutical products	0,0	0,0	0,1	0,1	0,0	0,1	0,1	16,5%
20 Preparations of vegetables and fruit	0,0	0,0	0,0	0,0	0,0	0,0	0,1	-
Other	0,1	3,6	4,9	0,2	0,2	0,4	0,2	-61,7%

Source: Statistics Lithuania and Enterprise Lithuania calculations.

VI. IMPORTS OF SERVICES

Lithuania imported services for an amount of 9.8 million euro, 1.0% more than in 2015. The highest shares in imported services from Egypt were taken by travel services (86.9%) and other services (13.1%). In 2016 Egypt was Lithuania's 40th largest import partner for services.

Table 6. Imports of services from Egypt, million euro.

Category	2015	2016	2016 annual change, %
Total	9.7	9.8	1.0%
Travel services	8.3	8.5	2.4%
Other services	1.4	1.3	-7.1%

Sources: Bank of Lithuania and Enterprise Lithuania calculations.

VII. EGYPTIAN IMPORTS

In 2016 Lithuania was the 63rd largest import partner for Egypt (Latvia 65th and Estonia 82nd).

Table 7. Egyptian imports of goods by country, billion euro.

Country	2012	2013	2014	2015	2016
World	54,3	50,2	53,7	67,0	52,5
China	5,1	5,3	6,1	8,8	6,8
Germany	3,6	4,0	4,2	5,2	4,6
United States of America	4,1	3,9	3,9	3,9	2,8
Italy	2,7	2,7	2,5	3,0	2,4
Turkey	2,7	2,0	2,1	3,0	2,3
Saudi Arabia	2,1	2,3	2,1	2,7	2,2
Russian Federation	3,1	1,4	2,2	3,0	2,0
Ukraine	3,0	2,4	2,3	2,2	1,9
Korea, Republic of	1,4	1,2	1,7	2,2	1,9
Spain	1,1	1,1	1,1	1,8	1,8
India	1,8	1,7	1,9	2,1	1,7
Brazil	2,2	1,7	1,6	2,4	1,6
Qatar	0,1	0,0	0,0	0,7	1,4
Argentina	0,9	1,2	0,9	1,2	1,3
Other countries	20,6	19,4	21,1	24,7	17,9

Source: Trademap.

Table 8. Egyptian imports of goods by commodity group, billion euro.

Category	2012	2013	2014	2015	2016
All products	54,3	50,2	53,7	67,0	52,5
27 Mineral fuels, mineral oils and products of their distillation	10,2	7,0	7,4	10,7	7,5
84 Machinery, mechanical appliances, nuclear reactors, boilers	4,3	4,7	4,3	5,5	4,8
87 Vehicles other than railway or tramway rolling stock	2,8	2,5	3,9	5,6	4,1
85 Electrical machinery and equipment and parts thereof	2,9	3,2	3,5	4,6	3,6
10 Cereals	4,2	3,6	3,8	3,9	2,8
72 Iron and steel	3,3	3,0	3,3	3,4	2,6
39 Plastics and articles thereof	2,4	2,5	2,5	3,0	2,5
73 Articles of iron or steel	2,0	2,0	1,9	2,4	2,1
30 Pharmaceutical products	1,3	1,4	1,4	2,0	1,7
02 Meat and edible meat offal	1,1	0,9	1,2	1,8	1,3
44 Wood and articles of wood; wood charcoal	1,3	1,1	1,4	1,6	1,2
29 Organic chemicals	1,1	1,1	1,2	1,3	1,1
89 Ships, boats and floating structures	0,1	0,0	0,0	0,3	1,0
Other goods	0,0	0,0	0,0	0,0	0,0

Source: Trademap.