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Directorate-General for Trade  
European Commission

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### **Trade friction created by recent Halal certification requirement for exports to Egypt**

Dear Mr. Coturni,

Eucolait as the European Association representing dairy trade urgently call on the European Commission to find a solution with their Egyptian counterparts to resolve the confusion which has been created by the recently announced Halal certification requirement that should be applied since 1 October 2021.

While Egypt is well within its rights to require that imports be Halal certified, the restrictive nature of the measure and the manner with which this requirement has come about (absence of details in writing from an official source and basically immediate implementation) are unacceptable. The lack of communication on the scope of the measure has meant that information has been transmitted informally throughout the European and global dairy community, creating tremendous uncertainty for European businesses jointly exporting € 350 million worth of dairy products to Egypt on an annual basis. Egypt is a very important export market for the EU dairy sector, ranking 10<sup>th</sup> overall.

We especially challenge the requirement that certification can only be granted by IS EG Halal Global, which appears to be a new structure partially owned by the Egyptian government. This creates a huge barrier to trade and is not workable in practice, considering that the full Halal certification by IS EG foresees physical inspection of establishments producing product for export to Egypt. Halal certification is very costly to maintain and exporting companies cannot be expected to have certificates from multiple certification bodies. If mandatory Halal certification is imposed for all dairy imports into Egypt, certificates issued by other well-known agencies should also be accepted.

Another major problem is the extremely short timeframe between the announcement and entry into force of the new requirements. Rumours about the measure to be introduced on 1 October began to circulate in early September. According to importers and agents in Egypt, the measure has been postponed to 1 January 2022, however the scope of this postponement (i.e. whether it applies to the whole Halal certification or just to the labelling of products as Halal) is as of yet unclear. Even if there is a 3-month transition period, it will of course not allow inspecting all facilities exporting to Egypt, a process which would take years to complete.

In summary, we are seeking an official confirmation of the scope and application date of the measure, a postponement beyond 1 January 2022 to allow for more time to take the necessary steps and a commitment from the Egyptian authorities to extend the list of organisations which can issue Halal certificates for dairy products imported into Egypt.

Your engagement with the Egyptian authorities to create momentum to change this unworkable situation is most appreciated. We remain at your disposal in case of any further questions and are happy to provide additional feedback as required.

Yours sincerely,



Jukka Likitalo  
Secretary General