



The Impact of
Political and Social Instability in Egypt
on Indian Trade and Investment

FICCI *Survey*

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Key findings of the survey:

- According to the companies surveyed, forty four percent respondents were fully acquainted with the current political situation in the Arab world and were closely monitoring the developments.
- There was a decline in Indian business by more than twenty percent due to political instability and civil unrest in Egypt. Sixty two percent of the respondents surveyed admitted to the said decline.
- Among the companies surveyed, sixty eight percent were engaged in exporting goods to Egypt and sixty nine percent of the respondents among them were interested in expanding their trade basket in Egypt.
- On the issue of security of Indian investments in Egypt, sixty nine percent of the respondents reposed confidence about the safety of their existing investments in Egypt. Nevertheless, some of them would observe the economic situation for sometime before taking a decision to move out to other potential destinations.
- More than sixty percent of the respondents were optimistic about the economic prospects of Egypt and fifty six percent of the respondents were confident of a business friendly environment for the private sector investment in the new political dispensation.
- Another positive finding of the survey is that in spite of the civil unrest in Egypt; there had been relatively no decline of Indian personnel deployed in Indian business establishments in Egypt.
- There have been mixed opinions, however, on the time required for the normalization of situation in Egypt. Thirty one percent of the respondents were of the view that it would take more than a year for the political situation to stabilize, while another thirty one percent of the respondents were not sure how long the stability process would take.

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