

## **US Trade Representative, Zoellick coming to Egypt to sign QIZ with Minister Rachid Mohammed Rachid**

Cairo, Thursday 9<sup>th</sup> December 2004

US Trade Representative Robert Zoellick, is coming to Cairo to sign an agreement on Qualified Industrial Zones with Egypt's Minister of Foreign Trade and Industry, Rachid Mohammed Rachid, and Israeli Deputy Prime Minister, Ehud Olmert, on Tuesday 14<sup>th</sup> December.

This agreement will grant free access into US markets for Egyptian products. Egyptian companies will be exempt from tariffs, quotas and other trade barriers provided that 35% of the value-added of products comply with the rules of origin stipulated under the agreement, including 11.7% of Israeli inputs.

The successful conclusion of negotiations on QIZ represents an important strengthening of US-Egypt trade relations and a stepping -stone towards a Free Trade Agreement. The United States is Egypt's largest single trading partner and stronger commercial ties are likely to impact, positively, on economic growth in Egypt, job creation and the program of comprehensive economic, political and social reform currently underway within the country.

Under the new Government, Egypt has embarked on a transition to an open market economy, seeking dynamic and competitive integration into the global arena. The Government believes that international trade agreements, such as QIZ and an FTA, will not only facilitate this global integration but will act as important catalysts to domestic reform.

The agreement will likely make a positive contribution to the Peace Process, confirming Egypt as a leader in efforts to bring stability and prosperity to the region.