



Egypt lifts ban on GPS

Following joint efforts by the Commission and EU industry, Egypt has withdrawn its de facto ban on GPS in April 2009. This legalisation is an important step forward for EU companies which had been denied fair access to the Egyptian market since 2003.

Egypt's Telecom Act of 2003 (Law 10/2003) required companies and consumers to seek government approval before importing GPS technology into the country. While the law did not officially introduce a ban on GPS, it resulted in an opaque and unpredictable system of permits and licenses which *de facto* prevented fair access to the Egyptian market.

In December 2008, DG TRADE was alerted by EU industry on the difficulties encountered by their local subsidiaries to import and market GPS-equipped devices (mobile phones) in Egypt. The European Commission took action by carrying out an investigation involving EC headquarters, the EC Delegation in Egypt, MS embassies in Cairo and EU business representatives. Following this, a formal letter was sent by the EC Delegation in Egypt to the Head of the Egyptian National Telecommunications Regulatory Authority (NTRA) to convey the concerns of our exporters and to receive clarifications on the legal basis used for banning GPS-equipped devices.

Furthermore, the combined pressure of the EU and the US on the Egyptian government helped convince the Egyptian authorities to review the importing requirements. Taking into account the difficulty in implementing a ban on electronic devices which were easily imported and used illegally and the corresponding lost tax revenues, Egypt's national telecommunications regulatory authority (NTRA) finally decided in April 2009 to legalise the GPS technology.

The Commission welcomes this positive development and commends the swift positive reaction of the Egyptian authorities. The Commission will monitor the situation closely to make sure that EU GPS devices now enjoy fair access to the Egyptian market.

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