

# Egypt Logistics and Warehousing Market Overview and Size

By : Editor Published On : 20 Oct, 2019 09:27 AM IST



INVC NEWS

New Delhi,

The report titled “Egypt Logistics and Warehousing Market Outlook to 2025 –driven by Massive Infrastructure Development and Increasing Foreign Trade” provides a complete analysis of Egypt Logistics and Warehousing Market. The report covers overall size and future outlook of Egypt Freight Forwarding, Warehousing, Courier, Express, and Parcel, 3PL and E-Commerce market in terms of value, segmentation on the basis of service mix, by geography, by ownership and type of industries. The report also covers the competitive landscape and company profiles of major Freight Forwarding, Warehousing, and Express Logistics Companies in Egypt. The report concludes with market projections for future and analyst recommendations highlighting the major opportunities and challenges.

## Egypt Logistics and Warehousing Market Overview and Size

Egypt’s proximity to three continents and control over the Suez Canal grants the country’s location massive strategic importance for world trade. Since the new government came into power in 2014, massive investments to improve the infrastructure have been made, with particular emphasis on the logistics and transportation sector. In 2018, Egypt ranked 67th on the Logistics Performance Index. The Egyptian Logistics and Warehousing Market have witnessed steady growth over the past few years. The main reasons behind the growth being the continued infrastructure investment, attracting FDI, the expansion of the Suez Canal, and the government’s focus on promoting exports

## Egypt Logistics and Warehousing Market Segmentation

By Freight Forwarding

Sea freight is the dominant mode of transport for freight movements. This is primarily because of Egypt’s location and the Suez Canal. Major products transported include crude oil and its derivatives, food, and beverages, machinery, and FMCG goods. Almost all freight forwarders in Egypt follow asset-light models,

and they usually outsource the contract to domestic players. Asia is the largest flow corridor for the freight forwarding industry in Egypt in terms of revenue. Future trends in freight forwarding include increased trade with African nations and utilizing the Nile River for transportation of goods.

#### By Warehousing

Egypt, being a transshipment hub has a strong demand for warehouses. The warehousing market in Egypt has been growing at a robust rate due to the government's focus on the logistics infrastructure in the country. The market is fragmented with numerous players in the market. Upcoming warehousing regions include Banha Investment Zone, Ain Sokhna port, and East Port Said Port. New technologies in the warehousing market in Egypt include WMS, and automation, which will help to increase the efficiency of the warehousing sector as well as reducing operating costs.

#### By Courier, Express, and Parcel Logistics Market

The CEP logistics market grew at a strong CAGR in the period 2013-2018. The growth in the CEP market is mainly fuelled by the growth in the e-commerce sector. The CEP market is dominated by international companies, with the national postal service, Egypt Post, having a minority share in the market.

#### By 3PL Logistics Market

Almost all international logistics players in Egypt provide 3PL services. 3PL is a great way for these companies to be asset-light and yet dominate the market by partnering with the domestic logistics companies, who know the market better. This effectively reduces costs and increases efficiency.

#### By E-Commerce Logistics Market

In the E-Commerce market in Egypt, Jumia, and Souq.com are the biggest players, with Noon.com being a new entrant in the market. Currently, a majority of the e-commerce logistics is captive, i.e. e-commerce players have their own logistics arm to store goods and carry out deliveries.

#### Competitive Landscape in Egypt Logistics and Warehousing Market

The logistics sector has improved considerably since the political crisis in 2013. With the trade volumes returning to pre-crisis levels, and the increase in the ease of doing business in the country, the market is now highly competitive with both international and domestic players. Domestic companies have also started freight services internationally. International companies are investing heavily in the seaports and airports and are setting up logistics hubs there. With the growth in the e-commerce industry, e-commerce companies are expected to move away from captive logistics to 3PL companies. To acquire a greater share in the market, the international companies will start acquiring domestic companies, to make the market more concentrated.

#### Future Outlook and Projections

Increasing industrial activity, rising foreign investment, aiming to increase exports, and the influx of international companies in Egypt will positively affect the logistics and warehousing market. The steady growth in the market is majorly triggered by the massive infrastructure projects the government has been undertaking, especially with regards to the transport infrastructure. Upcoming technologies in the logistics market include real-time tracking, WMS, warehouse automation, and using drones for deliveries. A combination of advance in technology and increasing foreign trade and investment will greatly lead to the logistics market's growth.

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