

**Voluntary Report** – Voluntary - Public Distribution

**Date:** February 25,2021

**Report Number:** TC2021-0003

**Report Name:** COVID Fells US Ag Exports to GCC-4 by 22 Percent in 2020

**Country:** United Arab Emirates

**Post:** Dubai

**Report Category:** Agricultural Situation, Agriculture in the News

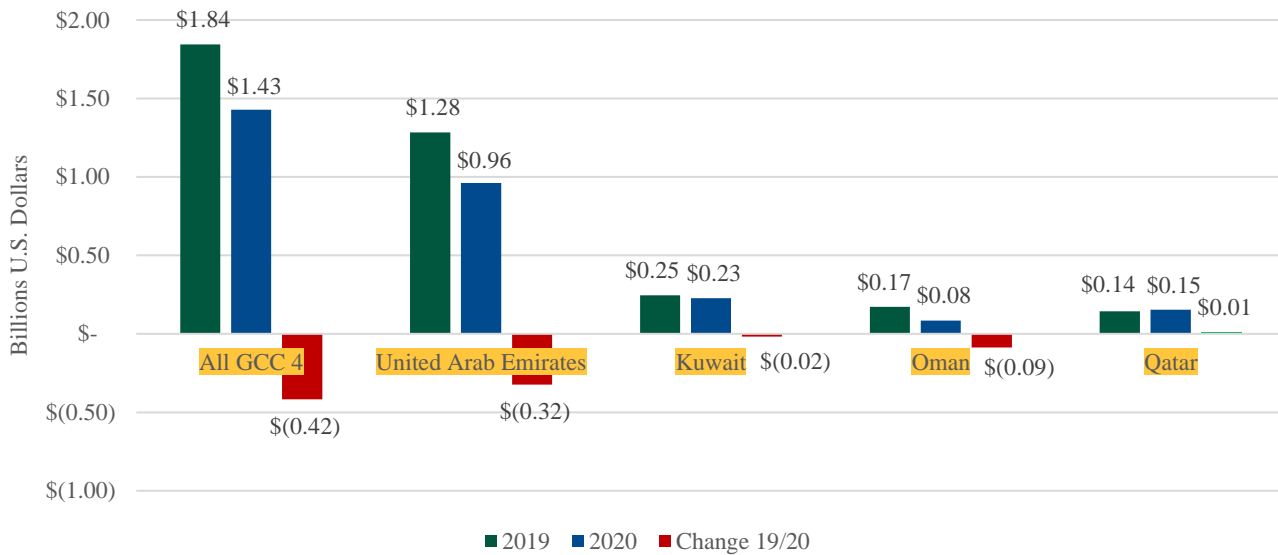
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**Report Highlights:**

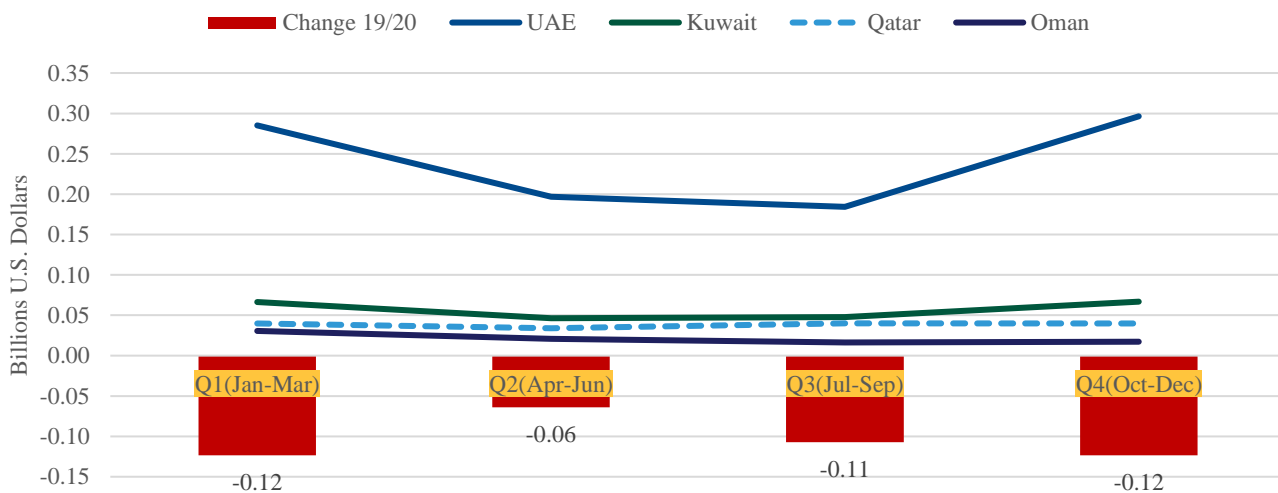
In 2020, due to the ongoing coronavirus pandemic U.S. exports fell by 22 percent or \$420 million to the Gulf Cooperation Council 4 (GCC-4), comprised of the United Arab Emirates (UAE), Oman, Kuwait, and Qatar. The United States was the most impacted of any agricultural exporter to the region, with Canada being the exception and gaining significant market share in 2020. Reflecting the broader economic recovery in the Arabian Gulf, U.S. agricultural exports improved by 31 percent from Q3 to Q4 2020, but remain well below 2019 export levels.

**Graph 1: U.S. Exports of Agricultural & Agricultural Related Products to GCC-4  
(Values in Billions)**



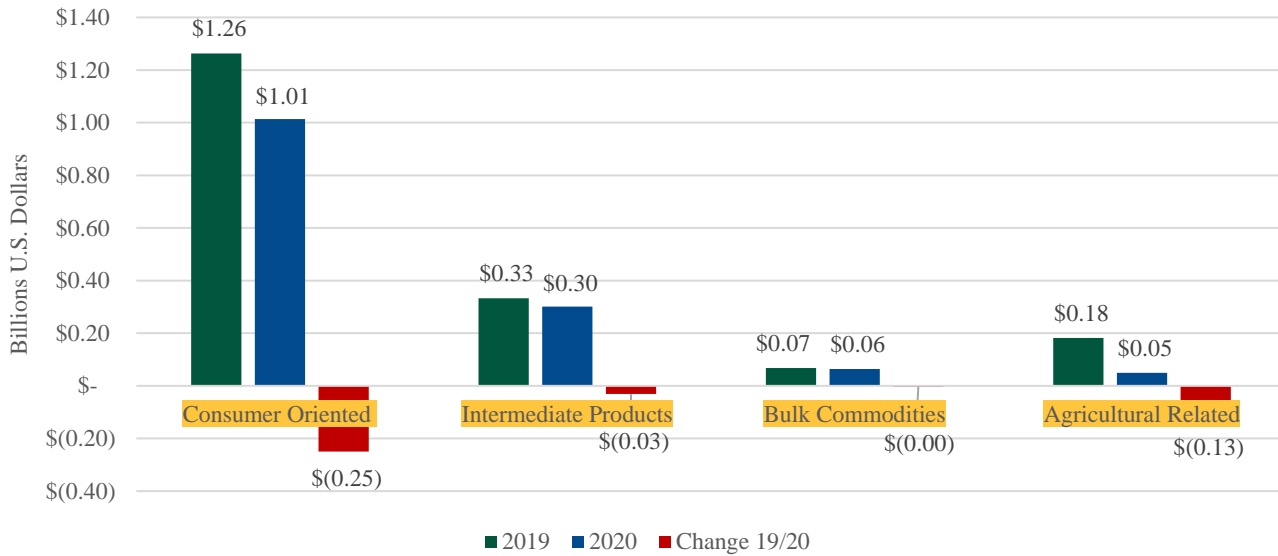
**Graph 1:** From 2019 to 2020, U.S. agricultural exports to the GCC-4 fell by \$420 million or 22 percent due to the ongoing coronavirus’ impact on demand. The only market where U.S. exports have increased in Qatar, any only by \$10 million.

**Graph 2: Quarterly U.S. Exports of Agricultural & Agricultural Related to GCC-4 (Values in Billions)**



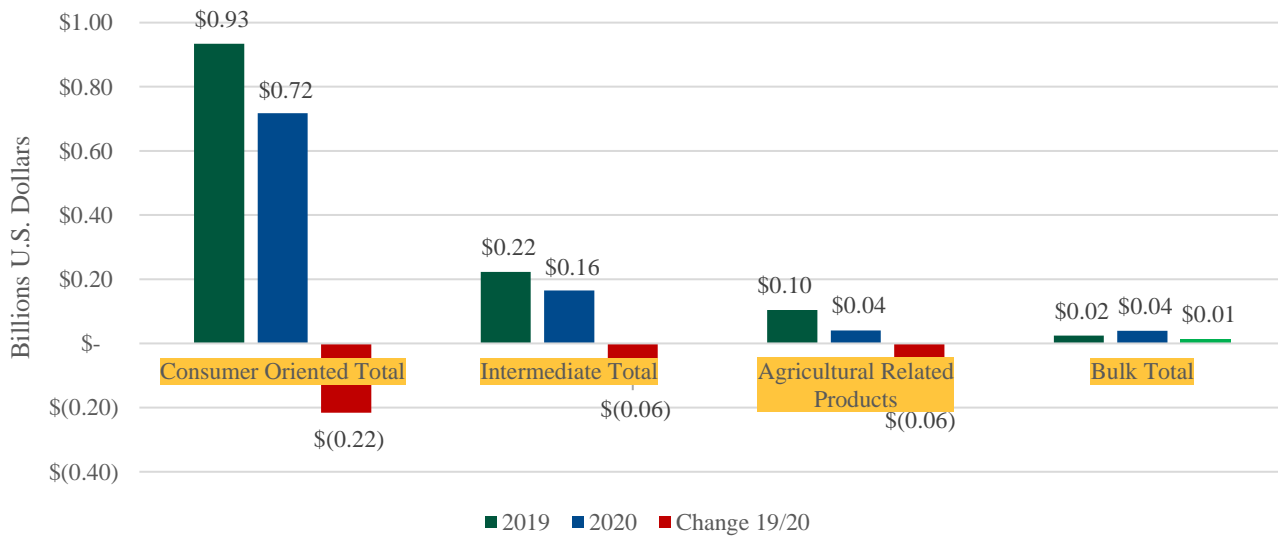
**Graph 2:** Shown graphically above, the fall in U.S. exports coincided with the worst period of lockdowns and virus spread in the GCC-4 during quarter two and three of 2020. While U.S. exports have recovered in Q4 by 31 percent or \$130 million, they still remain well below 2019 levels, as demonstrated in red.

**Graph 3: U.S. Exports to GCC-4 Product Groups  
(Values in Billions)**



**Graph 3:** Reflecting the demand impact of COVID-19, U.S. exports of consumer-oriented products found on store shelves fell by the largest amount. Factory closures also negatively impacted exports of agricultural related and intermediate products. Bulk commodities for local livestock remained the most resilient.

**Graph 4: U.S. Exports to UAE Product Groups  
(Values in Billions)**



**Graph 4:** The UAE reflects the same overall trends found in U.S. agricultural exports to the GCC-4, where the worst affected sectors were consumer oriented, intermediate, and agricultural related products.

**Table 1: Global Agricultural and Related Product Exports to GCC-4**

	December - November (Value: USD)		Market Share (%)		Change 2020/2019	
	2019	2020	2019	2020	Amount	Percent
<b>Total</b>	<b>23,015,584,042</b>	<b>22,578,719,110</b>	<b>100</b>	<b>100</b>	<b>-436,864,932</b>	<b>-1.93</b>
EU 28 External Trade	5,203,966,977	4,925,178,381	22.61	21.81	-278,788,595	-5.36
India	2,912,656,277	2,985,682,184	12.66	13.22	73,025,907	2.51
Saudi Arabia	1,702,803,528	1,718,189,680	7.40	7.61	15,386,152	0.90
Brazil	1,773,988,451	1,514,549,365	7.71	6.71	-259,439,086	-14.62
United States	1,886,417,736	1,464,477,608	8.20	6.49	-421,940,128	-22.37
Australia	1,032,476,073	1,003,544,062	4.49	4.44	-28,932,011	-2.80
China	1,005,930,202	1,001,883,360	4.37	4.44	-4,046,842	-0.40
Canada	589,183,872	790,923,023	2.56	3.50	201,739,151	34.24
Turkey	640,687,879	719,231,549	2.78	3.19	78,543,670	12.26
New Zealand	581,155,603	641,955,288	2.53	2.84	60,799,684	10.46
Other	5,686,317,441	5,813,104,610	24.71	25.75	126,787,169	2.18

**Table 1:** While overall agricultural exports to the GCC-4 fell by -1.93 percent from 2019 to 2020, U.S. agricultural exports fell by the most of any of the region’s top 10 trade partners. Canada, New Zealand, and Turkey all took market share from the United States. Evidence suggests that importers in the GCC-4 were more readily able to source Canadian agricultural products and that said products remained more price competitive given COVID-19 related supply disruptions to U.S. agribusiness.

**Table 2: Global Agricultural and Related Products Exports to the UAE**

	January - November (Value: USD)		Market Share (%)		Change 2020/2019	
	2019	2020	2019	2020	Amount	Percent
<b>Total</b>	<b>13,345,753,456</b>	<b>12,756,369,895</b>	<b>100</b>	<b>100</b>	<b>-589,383,561</b>	<b>-4.62</b>
EU 28 External Trade	2,954,366,353	2,592,061,296	22.14	20.32	-362,305,057	-12.26
India	1,580,394,228	1,656,495,864	11.84	12.99	76,101,635	4.82
Brazil	1,156,680,305	1,008,441,528	8.67	7.91	-148,238,777	-12.82
United States	1,169,754,322	878,506,832	8.77	6.89	-291,247,490	-24.90
Saudi Arabia	804,228,662	829,515,001	6.03	6.50	25,286,339	3.05
Canada	464,418,594	684,792,135	3.48	5.37	220,373,542	47.45
China	675,427,871	636,618,332	5.06	4.99	-38,809,539	-5.75
New Zealand	403,255,008	405,101,102	3.02	3.18	1,846,094	0.46
Australia	444,961,926	404,532,209	3.33	3.17	-40,429,717	-9.09
Thailand	323,038,447	317,186,301	2.42	2.49	-5,852,146	-1.81
Other	3,369,227,739	3,343,119,295	25.25	26.21	-26,108,444	-0.78

**Table 2:** Similar to overall trade with the GCC-4, the United States was the worst affected of all agricultural exporters to the UAE. Canadian agricultural and related product exports to the UAE increased by over 47 percent or \$220 million from 2019 to 2020.

*All data contained in this report is from Trade Data Monitor or the USDA Global Agricultural Trade System.*