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Saudi Arabia

Exporter Guide

Annual

2001

Approved by:
Quintin Gray
U.S. Embassy, Riyadh
Prepared by:
Hussein Mousa

Report Highlights:

Saudi Arabia is a $5 billion import market for food and agricultural products, with the U.S. share about 12 percent. While a substantial portion of U.S. exports to Saudi Arabia are bulk and intermediate products, U.S. exports of consumer-oriented food products to the Kingdom in CY 2000 was about $120 million in CY 2000. With a young and growing population, Saudi Arabia is expected to continue to be a substantial market for food products in the years to come. This report provides a guide to U.S. exporters on how to approach the Saudi market for high value food products

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Includes PSD changes: No
Includes Trade Matrix: No
Annual Report

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I. MARKET OVERVIEW

The Kingdom of Saudi Arabia has a young population. Its per capita income was $7,863 for year 2000, compared to $36,645 for the U.S. and the Kingdom's population is expected to double in 20 years from its current level of 21 million to over 40 million. About 50 percent of the population is under the age of 16.

Saudi Arabia has undergone tremendous changes, both economically and socially, over the past few decades. In 1930, there were no paved roads in Saudi Arabia. The city of Riyadh consisted mainly of mud structures. Today, Riyadh is a thriving metropolis of 4 million, landscaped with multi-lane highways and glass and steel skyscrapers. Excellent highways connect all corners of the Kingdom. The ports of Jeddah on the Red Sea and Dammam on the Arabian Sea are modern and efficient, handling thousands of containers annually. Railways connect Riyadh with the oil-rich Eastern Province.

Saudi buying and eating habits have changed significantly since the introduction of Western-style supermarkets and restaurants in the late 1970s. Built initially to cater to Western expatriates, modern Western-style Class A supermarkets are popular with the Saudis and continue to increase in number in the major urban areas of the Kingdom: Riyadh (Central Province), Jeddah (Western Province), and Dammam, Al Khobar, and Dhahran (Eastern Province). Mergers and consolidation of supermarket chains have increased sharply over the past couple of years, with more expected over the next year. Consolidation has made it feasible for many supermarket chains to import a portion of their stock directly from the United States. Nevertheless, supermarket chains and other retailers depend enormously on local importers for sourcing, merchandising, and inventory control.

The Saudi market for imported consumer food and edible fishery products increased 4 percent annually over the past few years, reaching 2.4 billion U.S. dollars in CY 1999 (total Saudi food and agricultural imports totaled about $5 billion in 1999). U.S. exports of consumer-oriented products to Saudi Arabia declined from $127 million in CY 1999 to $119 million in CY 2000 due to increased competition from locally produced food products and from imported food products from Europe and Far East. Saudi consumers are discriminating consumers and enjoy new food products. With a young and growing population, U.S. food and agricultural exports to the Kingdom should continue to expand in the coming years and decades.

The number of food processing companies in the Kingdom continues to grow. Both local and national brand potato chips (Frito-Lay), snack foods, fruit juices, and other products are produced in Saudi Arabia. Most food processors rely extensively, if not entirely, on imported raw ingredients.

The demand for institutional-size food products by the catering sector remains strong, given the huge number of expatriate third country nationals working in Saudi Arabia who require room and board. There are about 7 million expat workers in the Kingdom of Saudi Arabia, most of whom are from the Sub Continent of Asia (India, Pakistan, Bangladesh) and the Philippines.

Dining at fast food restaurants is popular with Saudi families and expat workers. International fast food chains such as KFC, Burger King, and McDonalds and local chains such as Herfy import a portion of their ingredients from the US. Large catering companies, especially those serving Western expats, also buy a portion of their food products directly from the United States.

Saudi Arabia has petitioned to accede to the World Trade Organization (WTO). Of the six Gulf Cooperation Council (GCC) members (Kuwait, Oman, Qatar, United Arab Emirates, Bahrain, and Saudi Arabia), only Saudi Arabia is not a WTO member. In the area of agricultural trade, a major stumbling block is shelf life and the new Ministry of Commerce’s requirements for GMO labeling (scheduled to go into effect in December 2001). The Saudi Arabian Standards Organization (SASO) determines and sets production/expiry dates for all imported food products. In the absence of sound science, the United States prefers that Saudi Arabia adopt the practice of "best if used by", allowing product manufacturers to determine shelf life dates.

The table below provides a summary of advantages and challenges of pursuing the Saudi market for imported foodstuffs:

ADVANTAGES	**CHALLENGES**
The Saudi population is growing at 3 percent annually	Increased competition from locally produced food products and from imported food products from Europe and Far East.
The number of upscale supermarkets continues to increase creating greater opportunities to display new-to-market American food products.	Freight costs from the United States are higher compared to those from, say Europe and Hong Kong. Recent decree banned transshipment of livestock meat through Europe and other countries affected by BSE and FMD.
The growing number of fast food restaurants, hotels and resorts and the thriving catering sector depend heavily on imported institutional size food products.	Arabic labeling, GMO labeling and shelf life restrictions.
ADVANTAGES	**CHALLENGES**

The rapidly growing food processing sector depends on imported ingredients.	Halal certification required for all meat and poultry products exported to Saudi Arabia. Additional statements on the health certificate accompanying the livestock meat shipment to indicate that the animals slaughtered for export to the Kingdom were not fed animal protein ruminants and were not treated with growth hormones.
Saudi consumers have a penchant to try new products and shop more and more at supermarkets.	Saudi regulations requires that the number of different food items in one container not exceed 25
The acceptance of Saudis to mass media advertisement.	
The U.S. is considered a supplier of quality foodstuffs.	
The potential for agricultural production is limited in Saudi Arabia due to the lack of arable land and water, hence imports of food will continue to be strong and increase in the future.	
Young population: The last official census indicated that more than 60 percent of the Saudi population is in their teens. Younger Saudis prefer Western-style foods more than their parents.	
Changing lifestyles. The number of working women is increasing, leading to more shopping at supermarkets to purchased prepared food items.	
Per capita income of $7,863 per year.	

II. EXPORTER BUSINESS TIPS

Local Business Customs

All food products are imported by the private sector. The vast majority of food products are subject to a 5 percent import duty. Selected products produced in significant quantity, such as poultry meat and table eggs, carry a 20 percent import duty. Rice, coffee, tea and red meat enter the country duty free. For religious reasons, Saudi Arabia bans imports of alcoholic beverages, live swine, pork, and food ingredients or additives which contain pork products, including pork fat and gelatin. Meat and poultry shipments must be accompanied by a "Halal" slaughter certificate issued by an Islamic center in the country of origin.

There are dozens of food importers in the Kingdom, with about 25 accounting for the bulk of food imports from the United States. Each importer operates differently:

1. Some importers deal only with U.S. companies manufacturing and marketing national brands, such as Campbell Soup, and usually require sole agency agreements. The Saudi importers will help build the brand, but request support from U.S. companies. Assistance offered by the U.S. firms include promotional and marketing assistance.

2. Some large Saudi importers are willing to test-market a new food product under the condition that if it succeeds, the product will be labeled under its own private brand. As in the United States, private labels are becoming commonplace in Saudi Arabia.

Some Saudi companies have developed private labels which appeal to Saudis and other Arabs in the Kingdom. Others use labels with Western-sounding names to appeal to British, Americans, and other Western expatriates. Salim Basamah Company, perhaps the largest importer of grocery products in Saudi Arabia, places its private label, "Goody" on a wide variety of food products imported from the United States. "Goody" appeals to American, British, and other Western expats. Basamah's cousin, also a large food importer, uses an Arabic sounding private label, " Al-Alali" to appeal to Saudis and Arabs, even though the vast majority of his products are American.

Hence, a can of American peaches can be marketed in Saudi Arabia under several different labels:

--under an established U.S. brand such as Monarch or Libbys
--under a Saudi private label: like Goody or Al-AlAli.
--or under a U.S. private label: such as ShopRite

3. Some companies import a wide range of food products for mass distribution, employing the use of consolidators in the United States. Many supermarket chains, especially those with the ability to handle large volumes, are beginning to import directly. One company owning a modern supermarket chain imports up to 300 new-to-the market American food products yearly for sale in its stores, lending support to a wide range of brands without a binding agency agreement.

U.S.-based consolidators assist Saudi food importers by sourcing products from wholesalers, such as Fleming, and providing services such as placing stickers on labels. Current Saudi regulations allow U.S. suppliers to place an Arabic language sticker on the original English language label. The stickers translate key ingredient and product information into Arabic. Stickering is a laborious task and most manufacturers do not want to bother with this. Most U.S. consolidators are based in Houston, New York, and other ports and are located close to large wholesalers.

If a product has performed well in the market, a U.S. company may opt to go beyond the sticker stage and develop a bi-lingual label in both Arabic and English. Monarch is one of many U.S. companies which have developed bi-lingual labels for the Middle East. Non-alcoholic Budweiser beer was launched in the Kingdom in 1999, with a red, white, and blue bi-lingual label. However, a significant quantity of U.S.-origin grocery items found in Saudi supermarkets have stickers.

Saudi importers are constantly searching for new products, and often request support from suppliers for promotion and advertising. The Saudi consumer is a discriminating consumer, closely examining labels and looking for the best deal. Advertising is considered a necessity to woo Saudi consumers. Two-for-one deals are very popular in larger supermarkets. As bar coding becomes more popular, many "like" products are expected to be eliminated (i.e., 25 different types of ketchup). Supermarkets are also becoming more competitive. Distributors are routinely charged slotting fees and some supermarkets are reportedly charging registration fees for new products.

Client Base and Consumer Preferences

Saudi Arabia is located between Europe and Asia. With its large expat population, the Kingdom is a multi-ethnic society. Consequently, foods from around the globe are found in Riyadh, Jeddah, Dammam, and other urban areas in the Kingdom. There are two basic consumer categories in the Kingdom:

Saudi citizens (14 million)
Expatriates temporarily residing in the Kingdom (7 million)

Most expats are from South Asia (Indian, Pakistan, Bangladesh), Egypt, the Sudan, Yemen, the Philippines, and East Africa. There are about 40,000 Americans residing in the Kingdom and about 30,000 British citizens. The American and British tend to occupy "white collar" or professional positions. Many Saudi food and supermarket companies hire Americans and British as general managers, operation managers, and executives.

Saudis and Western expats are the largest consumers of American consumer-oriented products and the principal shoppers in Class A supermarkets. The Saudi consumer is becoming more enlightened to quality, nutritional value, price, and packaging. Saudis pay attention to expiry dates on products. Saudis and Westerners enjoy new products and supermarket managers acknowledge that those companies offering a wide variety of products will ultimately succeed in this competitive market.

A recent trend in the Kingdom has been the decline in canned food products in favor of frozen food items. Frozen foods are perceived by consumers as being fresher. Saudis prefer eating fresh foods, but changing lifestyles and an increasing number of women entering the workplace has created a demand for prepared foods. Saudis continue to purchase a large percentage of their food at wholesale markets, but more and more Saudis are shopping regularly at supermarkets, especially women. Supermarket shopping is considered a primary form of entertainment for the Saudi family. Many supermarkets have built large play areas for children and are surrounded by several boutiques, speciality shops such as photo and music shops, and fast food restaurants.

Corner grocery stores, commonly referred to as bakalahs, are found in every neighborhood in the Kingdom. They cater mainly to Saudis and third country nationals. Despite the tremendous increase in the number of Class A supermarkets and the growing number of hypermarkets, the number of bakalahs has not decreased, as once predicted. Perhaps the main reason is that Saudi women cannot drive and the fact that many third country nationals working in the Kingdom do not own automobiles. Most compounds, housing expatriates, contain one or two corner grocery stores. The Saudi company, "Arabian Food Supplies", for example, has small grocery stores located in many "Western" compounds in Riyadh and in SAUDI/ARAMCO in the Eastern Province. With the continued growth in private residences in Riyadh, corner grocery stores continue to be built. They are filled with many consumer-oriented products originating from the United States. Most have the capability to store frozen foods, and all contain chillers.

If and when women can drive in the Kingdom and if Saudi-ization results in the departure of more third country national expatriates from Saudi Arabia, sources expect the number of bakalahs to decrease significantly. The Saudi government has put teeth over the past five years in its long-standing Saudi-ization programs by compelling private sector firms to increase the proportion of Saudis in their workplace by five percent a year. Last, the government banned expatriates from working in fruit and vegetable markets and shops across the country. It also plans to ban expatriates from working in bakalahs (corner stores) with less than 40 square meters by the end of January 2002. There are about 50,000 bakalahs in the Kingdom.

In addition to corner grocery stores, there are thousands of ethnic stores in the Kingdom, catering to Indians, Pakistanis, Filipinos, and other Asians. Foods from many parts of the world are found in the Kingdom.

Food Standards and Regulations

Saudi regulations which the U.S. exporters must pay attention to and adhere to are:

-- Government-imposed shelf life requirements
-- Arabic labeling
-- GMO Labeling
-- Halal Slaughtering
—-Animal ruminants and growth hormones certificates for imported meat

Shelf Life

The Saudi Arabian Standards Organization (SASO) sets shelf life requirements (production/expiry dates) for all food products. Production/Expiry dates for selected products were reduced or halved in 1993 per Saudi Standard 702/1993 and Gulf Standard No. 150/1993, however shelf life for other products was actually increased. For more detailed information, please refer to SA1012 of July 2001 entitled "Saudi Arabia: Food and Agricultural Import Regulations and Standards."

General Prepackaged Foodstuffs Labeling

Regulations for labeling of prepackaged foodstuffs are found in Gulf Standard 9/1995. In sum, prepackaged food product labels should be in Arabic or include an Arabic language translation of the label. At a minimum, product labels must contain the name of the product, name of the packer, country of origin or manufacture, listing of ingredients, consumer instructions, and production/expiry dates.

GMO Labeling

On December 11th , 2000, the Saudi Ministry of Commerce (MOC) issued directive no 1666 to extend the grace period for GMO labeling, ban the importation of genetically modified animal products and put a new requirement for a GMO health certificate.

Following is the summary of the MOC's Directive No 166:

1. Ban on GMO Animal Products: one of the main features of the Ministerial Directive No 1666, is the **IMMEDIATE AND TOTAL** ban placed on the imports of foodstuffs containing genetically engineered animal products to the Kingdom. The directive did not give reasons for the total ban of animal products. However, ATO trade sources believe that the decision was taken to make sure all imported foodstuffs are Halal and do not contain products from swine and other animals banned for consumption by the Islamic religion.

2. Positive GMO labeling: if a product contains **one or more genetically modified plant ingredients**, the information should be clearly communicated to the consumer by labeling. A triangle should be drawn and in it the text should read "Contains Genetically Modified Product (s)." It should be noted that the Ministry will not accept a statement that says "This Product May Contain GMO Ingredients."

3. Bilingual Labeling: The GMO statement must be clearly written in both Arabic and English languages with an ink different from that of the main product table.

4. Health Certificate: GMO products or genetically engineered products which are exported to Saudi Arabia must have been approved in the country of origin for human consumption. Each shipment must be accompanied by health certificate issued by GMO licensing government agencies (such as the FDA) stating that the GMO ingredient (s) used in the foodstuff is approved in the country of origin (United States) for human consumption. One certificate could be issued that certifies a list of GMO items used in a foodstuff.

5. Quality Standard: All genetically modified foods products should be in compliance with legal and ethical controls observed in the Kingdom and must meet pertinent Saudi Arabian standard specifications.

6. Locally Produced Foodstuffs: The GMO labeling requirements will also apply to locally produced agricultural products.

9. Grace Period Extension: The directive authorized Saudi quality control laboratories officials full authority to enforce the GMO labeling requirements commencing from November 30, 2001 (one year grace period from the issuance of the directive based on the Islamic calendar). The Ministry of Commerce believes the new deadline will give both local and foreign foodstuff suppliers\producers adequate time to comply with the new GMO labeling requirements.

Certificate of Islamic Slaughter

Per Saudi Arabia Standard No. SSA 630/1998 (Animal Slaughtering Requirements According to Islamic Law), a Certificate of Islamic Slaughter must be issued for all meat and poultry products entering the Kingdom of Saudi Arabia. This certificate is issued by Islamic institutions in the United States which are recognized by the Saudi Embassy and/or Consulates. Information related to the approved Islamic institutions may be obtained from the Saudi Embassy in Washington D.C. or the nearest Saudi Consulate (New York, Houston, Los Angeles).

General Import and Inspection Procedures

The majority of Saudi food imports enter the country via Jeddah port on the Red Sea or Dammam port on the Arabian Gulf. About two-thirds of all foodstuffs enter Jeddah. Imports from Jordan, Syria, and nearby countries enter the Kingdom by truck.

King Khalid International Airport in Riyadh and King Abdulaziz International Airport in Jeddah also receive significant quantities of food items, particularly fresh fruits, vegetables and chilled meat. Fresh and chilled products are usually cleared within 24 hours of arrival.

Imports of Samples

Samples destined to Saudi importers or for display in food shows are exempt from Saudi labeling and shelf life regulations, but are subject to inspection at ports of entry. Samples shipped to Saudi Arabia by D.H.L. of Federal Express and similar carriers must contain a commercial invoice specifying that the product is not for sale and has no commercial value.

Certification and Documents Requirements

Saudi Arabia requires the following documents for imported foodstuffs:

(1). Commercial Invoice (2). Health Certificate from the Country of Origin (3). Halal Slaughter Certificate for Meat and Meat Products (4) Certificate of Origin (5). Animal Ruminants Feed and Growth Hormones Free Certificates for imported Meat and Meat Products (6). GMO Certificate (7). Bill of Lading (8). Packing List (highly recommended to expedite product inspection and clearing)

The first four documents listed above must be attested by a U.S./Arab Chamber of Commerce or any U.S. Chamber of Commerce located in the city or area where the exporting firm is based. If the exporting firm is located close to a Saudi Consulate or the Saudi Embassy, the documents could be attested by the Consulate or Embassy. Documents number five and six must be certified by the USDA's FSIS.

Product Inspection

All imported foodstuffs are subject to inspection by the Ministry of Commerce at the port of entry, with the exception of herbal preparations, health and supplementary foods (inspected by the Ministry of Health) and live animals, plants, seeds, and animal feed (inspected by the Ministry of Agriculture). If a consignment is rejected for not adhering to Saudi standards, the importer is requested to either re-export or destroy the product.

Customs Clearance

As stated earlier, shipments of food products must be accompanied by a commercial invoice, health certificate, and other selected documents. An importer is responsible for translating the commercial invoice into Arabic (per Saudi Customs requirements) and to provide the translated document to his Customs agent in order to start the clearing process. Containers are normally cleared in less than ten days provided all documents are in order and imported products meet Saudi standards and specifications.

In the event a product is rejected by a Ministry of Commerce laboratory at the port of entry, an importer may submit an appeal calling for a re-test. The appeal must be submitted in writing to the Director General of the Quality Control and Inspections Department of the Ministry of Commerce. If an appeal is accepted, the Director General orders a re-test by another laboratory. If the second test verifies initial results, the exporter is ordered to re-export or destroy the product.

Banned Products

For religious reasons, Saudi Arabia bans imports of alcoholic beverages, live swine, pork, and foodstuff ingredients or additives which contain pork products, including pork fat, and gelatin. Other banned products include meat of asses, mules, hinnies (fresh chilled, or frozen), frog legs, poppy seeds, hemp seeds, opium and hops and leather of swine.

III. MARKET SECTOR STRUCTURE AND TRENDS

Retail Sector

Class A and B supermarkets in the Kingdom total more than 280 and are increasing in number. Most are comparable to those in the United States. Major supermarket chains include Tamimi Markets, Al Azizia-Panda, Giant Stores (no relation to Giant in the United States), Al Raya, Watani, Danube, Farm Supermarkets, Al Hamada Supermarkets, Al Sadhan Markets, Sarawat Supermarkets, Universal Marketing Centers, Marhaba Markets, and Star Supermarkets. All of these supermarkets have modern frozen food sections and handle a number of food products from the United States. Tamimi Markets and Al Azizia-Panda import fresh fruit and vegetables directly from the United States, such as strawberries, some apples, celery, lettuce, and other selected produce are flown in while others are shipped in containers. Tamimi and Al Azizia-Panda also import a significant percentage of dry goods, chilled beef, and dairy products directly from the U.S., employing the use of consolidators.

Tamimi Markets began as a partnership with Safeway USA, but has been wholly-owned by the Tamimi family for several years. Tamimi continues, however, to sell Safeway brand products. All other supermarket chains in the Kingdom are wholly-owned by Saudi companies. Many are managed by Western expatriates, mainly American and British. Al Azizia-Panda has grown from a few stores four years ago to 32 today, mainly through acquisition of existing supermarket chains. As in the United States and Europe, supermarket mergers are on the upswing. The supermarket business has become very competitive. Larger volumes will enable selected chains to import directly, in an effort to lower costs.

Even though some supermarket chains are importing a percentage of their stock directly, importers play and will continue to play a major role in the food business. Strict shelf-life regulations imposed by the Saudi Arabian Standards Organization renders inventory control a challenge. Saudi supermarket chains depend on distributors to take back products that have not been sold before the date of expiration. Supermarkets also depend on merchandising services offered by importer/distributors, i.e., stocking shelves and keeping inventory. Many supermarkets also earn significant revenues from slotting fees and product registration fees paid by distributors.

The rapid expansion in the number of supermarkets in the Kingdom, has produced stiff competition as each supermarket chain strives to gain a larger client base. Managers are looking to cut costs and expand product range. Competitive pricing is essential, but promotional and advertising support are key as well as the ability of a vendor to offer a wide selection of products. Advertising is often geared toward women, who play a greater role in purchasing decisions.

Many countries including the European Union nations, Egypt, Thailand, China, India, Australia and New Zealand are active in offering promotional assistance to local importers. Most suppliers offer attractive credit terms and price discounts on bulk purchases. Many provide promotional materials and assist with advertising. France and Brazil dominate the frozen poultry trade through attractive financing and pricing. Australia and New Zealand provide "point-of-sale" material to retailers. Australian meat is advertised on Saudi TV. France often holds promotional events for "Gala" apples, involving the French Embassy in Riyadh. In the past, the ATO office regularly sponsored the American Food Festivals. However, due to the correct anti-U.S. sentiments in the region, these activities have been put on hold.

Food Processing Sector

Local manufacturing of food products has expanded rapidly over the past 5 years. The Saudi government has assisted the food industry by providing attractive financing and subsidies on some equipment and by imposing higher import tariffs on selected imports which compete with locally-produced products (poultry meat, table eggs, infant foods based on milk, macaroni and similar products, etc.). Locally-produced food products also have an advantage over imported food products because they can be exported duty free to any country within the Gulf Cooperation Council (GCC): Kuwait, Oman, Qatar, Bahrain, United Arab Emirates, and Saudi Arabia. Hence, the market for locally-manufactured products consists of the entire Arabian Peninsula, including Yemen. The expanded market has prompted many international companies to set up licensing agreements with local manufacturers in Saudi Arabia to produce their brand. Such companies include Kraft/General Foods, Delmonte, Pepsico, and Coca-Cola.

Potato chips, snack foods, juices, biscuits, peanut butter, hot sauce, cookies, cereals, and ice cream are all produced in the Kingdom. However, processed food products "produced" in Saudi Arabia depend heavily on imported inputs and ingredients. The Sunbullah company, for example, produces, distributes, and markets retail packs of frozen vegetables. However, the source of its production stems from imported frozen blocks of vegetables. Sunbullah breaks down the imported blocks, and packages the product under its own label. Locally-produced yogurt and ice cream rely on imported milk powder.

Food Service Sector

Over half of Saudis are in their teens. Dining at fast food restaurants is popular and is a major form of entertainment for the Saudi family. International fast food chains such as KFC, Burger King, McDonalds, Fuddruckers, Taco Bell, Pizza Hut, Dominos, and local chains such as Herfy continue to expand and are found in major urban areas. Many of these fast food chains and selected local chains such as Herfy import a significant share of required ingredients directly from the United States.

The demand for institutional-size food products by the catering sector remains strong because of the large number of ex-pats (7 million) and the huge number of pilgrims visiting the Kingdom to perform Haj or Umra (more than 4 million annually). The Muslim pilgrims usually stay two weeks to two months in the cities of Mecca, Medina, and Jeddah and require room and board. Also, with the new Saudi Government emphasis on tourism, Muslim pilgrims will soon be visiting other cities and staying up to two months in the Kingdom. This will further increase demands for food products.

A recent trend has been an increase in the number of resorts in the Kingdom, catering mainly to Saudis and other Arabs. Many have been and are being built on the Red Sea.

IV. BEST HIGH-VALUE PRODUCT PROSPECTS

The following is a list of some consumer ready food products with high export potential.

Potato chips and savory snacks
Mayonnaise, tomato ketchup, and sauces
Beverage ingredients
Non-alcoholic beer
Cheese
Almonds and nuts
Chicken Leg Quarters and Turkeys
Milk products, including infant formula
Red meats
Fresh apples and pears
Processed fruits and vegetables
Jams and jellies
Breakfast cereals and pancake mixes
Honey
Sweet pastry and biscuits
Dietetic foods

V. KEY CONTACTS AND FURTHER INFORMATION

Agricultural Trade Officer
American Embassy
Unit 61307
APO AE 09803-1307

OR

Agricultural Trade Officer
American Embassy
P.O. Box 94309, Riyadh 11693
Saudi Arabia
Tel: 966-1-488-3800, Extension 1560
Fax: 966-1-482-4364

Internet E-Mail Address: fasriyadh@hotmail.com

Food standards are set by the Saudi Arabian Standards Organization (SASO), with product inspection done by Saudi Ministry of Commerce Laboratories at various ports of entry. The following are coordinates for SASO and the Ministry of Commerce:

Dr. Khalid Al-Khalaf
Director General of SASO and Secretary General for Standardization & Metrology Org.

of the Gulf Cooperation Council Countries.
Tel: 966-1-452-0000
Fax: 966-1-452-0086

Dr. Hamad Al-Awfy
Director General, Quality Control and Inspection Department
Ministry of Commerce
Tel: 966-1-401-3265
Fax: 966-1-402-8985

Live animals & plants and animal feed are inspected by the Saudi Ministry of Agriculture and Water (MAW). Following are coordinates of some of the important departments.

Mr. Rashid A. Al-Khidir
Director General
Plant and Animal Quarantine Department
MAW
Tel: 966-1-404-4292
Fax: 966-1-401-1323

Mr. Magid Al-Khamis
Director General
Livestock Department (registers and tests feed additives)
Ministry of Agriculture and Water
Tel: 966-1-404-4555
Fax: 966-1-404-4265

Mr. Abdul Kharim Al-Ghamdi
Director General (registers and testes seeds as well as pesticides used in foodstuff)
Agricultural Research Department
Ministry of Agriculture and Water
Tel: 966-1-405-5848
Fax: 966-1-405-5848

APPENDICES:

A. Key Trade & Demographic Information

Agricultural Imports From All Countries ($Mil)* U.S. Market Share	4,943 13%
Consumer Food Imports From All Countries ($Mil)* U.S. Market Share	2,326 7%
Edible Fishery Imports From All Countries ($Mil)* U.S. Market Share	105 .06%
Total Population (Millions) Annual Growth Rate	21 3.4%
Urban Population (millions) Annual Growth Rate	13.65 4%
Number of Major Metropolitan Areas	7
Size of the Middle Class *** (millions)/Growth Rate	Not Available
Per Capita Gross Domestic Product (U.S. Dollars)**	$ 7,863
Unemployment Rate ***	Not Available
Per Capital Food Expenditures (U.S. Dollars)	$ 2,092
Percent of Female Population Employed	6%
Exchange Rate	US$1 = 3.75 SR

* Data for 1998 obtained from the FAS Global Agricultural Trade System using data from the United Nations Statistical Office. Data for 1997, 1999 and 2000 were not available.

**U.S. Embassy/Riyadh data for 2000.

*** No official Government Data available.

B. Consumer Food & Edible Fishery Products Imports

In Thousands of U.S. Dollars									
Product	Imports from the World			Imports from the U.S.			U.S. Market Share		
	1995	1996	1998	1995	1996	1998	1995	1996	1998
Consumer Food & Edible Fishery Products	2,200,373	2,141,964	2,430,867	162,126	144,934	161,984	7%	7%	6%
Snack Foods (excl. Nuts)	91,345	94,441	128,066	7,221	8,799	8,263	8%	9%	6%
Breakfast Cereals & Pancake Mix	8,232	6,158	9,380	3,590	930	2,701	44%	15%	29%
Red Meats, FR/Chilled/FZ	225,460	213,450	228,633	7,672	6,586	6,873	3%	3%	3%
Red Meats, Prep/Pves	14,504	14,856	18,510	4,667	4,949	6,839	32%	33%	37%
Poultry Meat	341,518	322,549	352,668	21,373	16,156	6,454	6%	5%	2%
Dairy Products (Excl. Cheese)	261,798	256,442	268,229	7,194	2,561	2,631	3%	1%	1%
Cheese	153,835	148,902	193,433	2,782	3,292	2,270	2%	2%	1%
Eggs & Products	4,587	3,974	5,628	102	29	94	2%	1%	2%
Fresh Fruit	313,140	288,120	290,733	15,631	14,649	17,616	5%	5%	6%
Fresh Vegetables	105,979	132,860	144,369	1,622	1,548	1,639	2%	1%	1%
Processed Fruit & Vegetables	124,877	120,987	140,711	16,352	16,084	20,785	13%	13%	15%
Fruit & Vegetable Juices	59,224	60,000	79,060	19,244	16,491	20,683	32%	28%	26%
Tree Nuts	20,404	23,938	24,855	3,438	4,261	4,502	17%	18%	18%
Wine & Beer	8,208	8,888	12,008	198	172	203	2%	2%	2%
Nursery Products & Cut Flowers	7,143	7,615	7,008	699	177	931	10	2%	13%
Pet Foods (Dog & Cat Food)	1,424	1,654	1,582	211	421	329	15%	26%	21%
Other Consumer-Oriented Products	371,979	354,610	421,206	50,130	47,829	59,171	14%	14%	14%
Fish & Seafood Products	86,716	82,520	104,788	2,042	1,288	679	2%	2%	1%
Salmon	12,243	10,225	8,173	253	333	183	2%	3%	2%
Surimi	605	814	395	0	0	17	--	--	4%
Crustaceans	7,687	6,745	8,126	193	201	71	3%	3%	3%
Groundfish & Flatfish	30,261	24,489	33.394	505	199	125	2%	1%	1%

Molluscs	215	378	219	121	151	4	56%	40%	21%
Other Fishery Products	35,705	39,869	54,481	970	344	279	3%	1%	1%

Source: Data for 1995, 1996 & 1998 was obtained from the FAS Global Agricultural Trade System using data from the United Nations Statistical Office. Data for 1997, 1999, & 2000 were not available on the FAS Global Agricultural Trade System.

C. Top 15 Suppliers of Consumer Foods

	In Thousands of U.S. Dollars		
Country	1995	1996	1998
France	244,236	234,140	260,099
Brazil	179,654	167,761	219,114
United States	162,126	144,934	161,984
Netherlands	156,156	142,188	144,974
Ireland	137,197	97,963	135,546
Syria	92,557	103,282	126,426
Denmark	123,009	123,751	120,633
Egypt	94,587	100,391	118,265
Australia	98,022	100,449	111,879
United Arab Emirates	45,076	50,274	77,180
New Zealand	47,424	70,828	67,615
Germany	41,613	41,377	59,883
India	43,962	45,142	55,634
Turkey	52,638	52,949	51,810
S. Afr. Cus.Un	10,058	27,967	44,138
World Total	**1,528,315**	**1,503,396**	**1,755,180**

Source: Data for 1995, 1996 & 1998 was obtained from the FAS Global Agricultural Trade System using data from the United Nations Statistical Office. Data for 1997, 1999, and 2000 were not available on the FAS Global Agricultural Trade System.

D. Top 15 Suppliers of Edible Fishery Products

	In Thousands of U.S. Dollars		
Country	1995	1996	1998
Thailand	23,387	24,731	28,547
United Arab Emirates	11,440	10,976	17,857
Yemen	2,938	6,533	11,620
Taiwan	0	5,479	7,532
Oman	8,232	5,796	6,198
Japan	2,911	5,277	4,821
Indonesia	1,804	1,632	3,789
Italy	2,530	3,012	3,323
Bahrain	2,681	4,092	3,049
Pakistan	2,606	2,216	2,809
Uruguay	3,517	2,071	2,561
Bangladesh	3,048	1,783	2,552
New Zealand	875	851	1,615
Morocco	714	735	1,326
Singapore	1,769	1,212	1,140
World Total	**68,452**	**76,396**	**98,739**

Source: Data for 1995, 1996 & 1998 was obtained from the FAS Global Agricultural Trade System using data from the United Nations Statistical Office. Data for 1997, 1999, and 2000 were not available on the FAS Global Agricultural Trade System.

END OF REPORT