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Prepared By: Shaza Omar, Senior Agricultural Specialist and Elizabeth Mello, Senior Agriculture Attaché

Approved By: Kurt Seifarth

Report Highlights:

Egypt maintains herd size with slight increases at 10 million head. Egypt continues to put policies in place to increase the animal production, however, the government hasn't met their target yet, mostly due to instable input costs. Imports of live cattle and beef appear to be affected by the price increase of Brazilian exports. Indian exports of water buffalo are sharply increasing, while beef imports from Brazil are remarkably decreasing. China is absorbing most of the beef imports from Brazil after the African swine fever that hit China in 2018 impacted pig and pork production in the world's top market. Adding to that, Egypt delisted almost 70 percent of beef establishments supplying beef from Brazil. The Egyptian government representatives in veterinary service and Halal certifiers declared that quality and halal audits are required to re-approve these establishments.

Executive Summary

FAS Cairo forecasts Egypt's production (calf crop) in market year (MY) 2022 at 1.94 million head, unchanged from the U.S. Department of Agriculture's (USDA) official MY 2021 number. Total supply in MY 2022 is forecast at 10.140 million animals, increasing by 150,000 head or slightly under two percent above the USDA's official MY 2021 figure of 9.99 million.

Cattle production input costs are high despite the government authorizing in 2018 an additional 400,000 hectares for yellow (feed) corn production. To lower cattle production costs, the government aims to increase feed corn yields to 12 metric tons (MT) per hectare by 2030. Feed costs per animal are 45 Egyptian pounds (EGP) (\$2.82) to 60 EGP (\$3.76) per day, making it burdensome for the small-scale producer (FOREX EGP 15.98 to USD \$1.00). Lack of water availability is also posing production challenges. The government seeks herd growth to increase domestic beef production, increase carcass weight, and help stabilize market prices.

FAS Cairo forecasts Egypt's live cattle imports in MY 2022 at 200,000 head, unchanged from post estimates in MY 2021. Post attributes imports of live cattle same as estimates of last year as the demand dropped in live cattle imports from Brazil, as that country continues to slaughter and process more of its animals for beef export to China.

FAS Cairo forecasts beef production in MY 2022 to reach about 385,000 MT, up by 2.6 percent or 10,000 MT above post's MY 2021 estimate of 375,000 metric tons. Post attributes the increase to growing consumer demand as inflation stabilizes and the Egyptian population grows 2.3 percent per annum (Central Intelligence Agency, July 2020 estimate).

FAS Cairo forecasts Egypt's domestic beef consumption in MY 2022 to reach about 655,000 MT, up by 4.8 percent or 30,000 MT above the USDA's official MY 2021 estimate of 625,000 metric tons. This slight increase in forecasted MY 2022 domestic beef consumption levels is largely due to Egyptian population growth, which is adding over 2 million consumers yearly. Post is revising downwards it's MY 2021 domestic beef consumption estimate and adopts the USDA's official figure of 625,000 metric tons.

Egypt's total beef imports in MY 2022 are forecast at 270,000 MT, up eight percent, or 20,000 MT greater than the USDA's official MY 2021 estimate of 250,000 metric tons. Imports of water buffalo from India are sharply increasing, while beef imports from Brazil are remarkably decreasing.

CATTLE:

Production, Supply and Demand Data Statistics:

Animal Numbers, Cattle	2020		2021		2022	
Market Year Begins	Jan 2020		Jan 2021		Jan 2022	
Egypt	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Total Cattle Beg. Stks (1000 HEAD)	7645	7675	7850	7850	0	8000
Dairy Cows Beg. Stocks (1000 HEAD)	4480	4480	4500	4500	0	4550
Beef Cows Beg. Stocks (1000 HEAD)	0	0	0	0	0	0
Production (Calf Crop) (1000 HEAD)	1940	1940	1940	1940	0	1940
Total Imports (1000 HEAD)	280	280	200	200	0	200
Total Supply (1000 HEAD)	9865	9895	9990	9990	0	10140
Total Exports (1000 HEAD)	0	0	0	0	0	0
Cow Slaughter (1000 HEAD)	740	740	750	750	0	775
Calf Slaughter (1000 HEAD)	50	50	50	50	0	50
Other Slaughter (1000 HEAD)	975	940	990	990	0	1005
Total Slaughter (1000 HEAD)	1765	1730	1790	1790	0	1830
Loss and Residual (1000 HEAD)	250	200	200	200	0	200
Ending Inventories (1000 HEAD)	7850	8365	8000	8000	0	8110
Total Distribution (1000 HEAD)	9865	9895	9990	9990	0	10140
(1000 HEAD)						

NOTE: “New Post” data reflects FAS Cairo’s assessments and are NOT official USDA data.

Production

FAS Cairo forecasts Egypt’s production (calf crop) in market year (MY) 2022 (January-December) at 1.94 million head, unchanged from MY 2021 number. Post forecast the flat growth in calf due to increased heifer slaughters, as result of high feed cost. Egypt only produces 35 percent of its feed requirements, increasing the prices due to the reliance on imports. Producers said that the average cost price per animal may range from EGP 50,000 (\$3,165) to EGP 80,000 (\$5,060) according to the animal use – fattening or for milk production. In 2019, the sector of animal resources at Ministry of agriculture, declared that almost 70 percent of the animal husbandries in Egypt are run by small and medium enterprises. This creates failure in the establishment of adequate feedlots and the inability to purchase feed at higher process. The revenues they make by keeping the animal alive to benefit from milk production is less than the input costs.

Total supply in MY 2022 is expected to reach 10.140 million animals, increasing by 150,000 head or slightly under the two percent MY 2021 figure of 9.99 million. The herd size remains stable as there were no disease outbreaks in MY 2021 to reduce the number. Slaughters also stay a bit high due to the increasing input costs. Farmers, especially those who has small head numbers, choose to slaughter the animal as a response to the high input cost.

Egypt's national herd is largely composed of bovine dairy cattle (*Bos taurus*) and domestic water buffalo (*Bubalus bubalis*), split in a ratio of 55 to 45 percent. The Ministry of Agriculture and Land Reclamation (MALR) released, Egypt's most recent national herd number in 2016. Reporting then approximately 8.5 million animals (i.e., 4.7 million head of dairy cattle and 3.8 million head of water buffalo), including calf production numbers (see [GAIN EGYPT – Egypt Livestock Products Annual 2017: Strengthening Egyptian Pound to Ease Beef Prices, Consumption and Imports to Rise in 2018](#)). The ministry continues not to release any new revised figures.

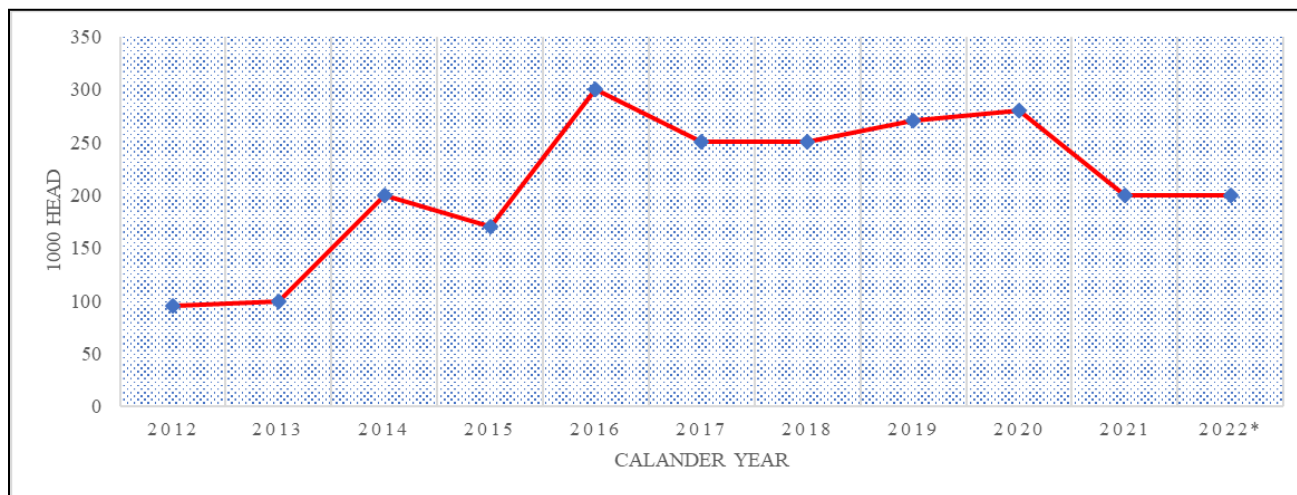
However, the ministry declared that they are planning to develop a comprehensive map for the animal resources in Egypt. The aim is to create a database with the real numbers, and registrar livestock inventory, which is an initiative to increase meat and dairy production through real investments. The presence of an accurate database should facilitate providing vaccines and serums, and improving the breed to increase production, as well decide on imports that would cover the real gap between livestock and meat.

Trade

Imports: FAS Cairo forecasts Egypt's live cattle imports in MY 2022 to remain unchanged from MY 2021 at 200,000 head. Imports dropped by 29 percent from 2020 in 2021 and post forecasts live cattle imports to continue to remain low in 2022. Post attributes imports of live cattle at the 200,000 head same as last year, as the demand drops in live cattle imports from Brazilsince Brazil proceeds to slaughter and process more of its animals for beef for export to China.

Sources also identified that Egypt's demand of sheep and camels is more than cattle. Imports are mainly of Sudanese live cattle for immediate slaughter and the remaining imports are sourced from Europe and Latin America.

FIGURE 1: EGYPT, Live Cattle Imports, CY 2012-2022



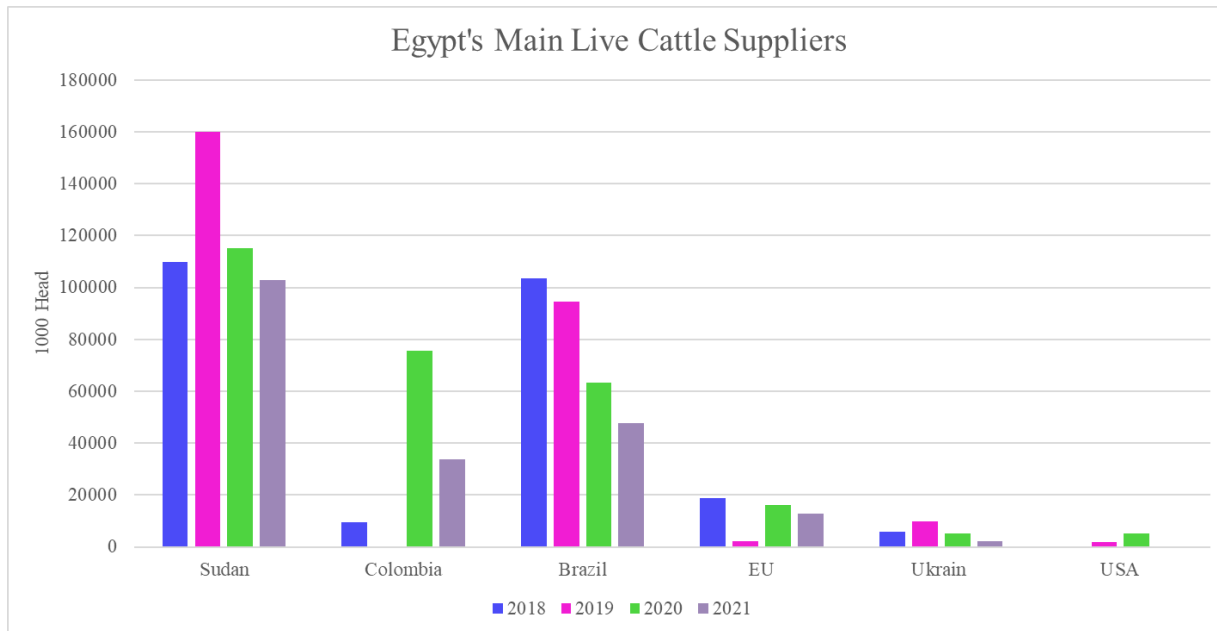
NOTE: () MY 2022 Post forecast cattle beginning stock figure.*

Source: FAS Cairo office research.

In 2018, Egypt and Sudan signed an agreement to import 800,000 head of Sudanese live cattle for immediate slaughter over the course of three years (i.e., 2018-2020). The agreement that is set to expire in 2020, was hobbled by the October 2019 outbreak of Rift Valley Fever (RVF) in Sudan and the ensuing Egyptian ban (November 2019) on Sudanese live cattle imports. Since December 2019, the MALR's General Organization for Veterinary Services (GOVS) has approved Sudanese live cattle for slaughter and the production of beef cuts, but only if processing occurs in Sudan. Egyptian GOVS technical teams continue to travel routinely to inspect and certify slaughter and processing facilities in Sudan. In March 2020, Egypt lifted the ban on Sudanese live cattle for immediate slaughter.

Egypt's primary supplier of live cattle for immediate slaughter in recent years has been Sudan. Sudan, however, does not report its live cattle exports numbers. While Egypt's [Central Agency for Public Mobilization and Statistics](#) (CAPMAS) does report import numbers (including for animals coming from Sudan), it does so with a two years delay. Figure 2 demonstrates suppliers of live cattle.

Figure 2: Egypt Imports of Live Cattle



Source: Trade Data Monitor TDM/ FAS office research

Brazil is one of Egypt’s major supplier of record of live cattle for immediate slaughter. Brazil shipped in CY 2020 63,500 head of cattle compared to 94,602 head of cattle the previous CY, a drop of 31,102 head or down by 32 percent.

The drop in live cattle shipments to Egypt compared to previous years is due to China’s increased demand for frozen Brazilian beef and varietal meat cuts. Chinese demand for Brazilian beef has resulted in increased cow slaughter for beef production, displacing the number of live animals available for export to Egypt. China increased demand for foreign-origin animal protein is a result of the spread of African swine fever in the Chinese mainland - the country’s 440-million-hog herd has shrunk now by half. With the Brazil real’s (BRL) also shedding 32 percent of its value against the U.S. dollar through mid-May 2020, Brazilian agricultural commodities and products have been on fire sale for buyers around the world. Brazil’s exports to China of frozen beef through May 2020, at \$2.5 billion, are up 59 percent compared to the same period in 2019 (see [GAIN-BRAZIL \(BR2020-0025\) Brazilian Agricultural Sector Thrives despite COVID-19 Pandemic](#)).

Other live cattle suppliers in recent years include EU-28 member states Croatia, Germany, Hungary, Italy, the Netherlands, Slovenia, and Spain, Colombia and Uruguay.

Egyptian imports of U.S-origin live dairy cattle made a comeback in 2019-2020. U.S. Holsteins are highly regarded by Egyptian importers and government officials. U.S. Holstein dairy cattle are Egyptian

dairy producers’ preferred breed. One of Egypt’s largest dairies uses higher milk producing U.S.-bred heifers and their offspring exclusively. Between November 2019 and February 2020, Egypt imported over 4,700 head of U.S. Holsteins. These shipments represent the first successful U.S. live cattle exports to Egypt since 2013 (see [GAIN-EGYPT \(EG2020-0001\) Got Milk – Egypt Imports U.S. Holsteins](#)).

Exports: None. Egypt is not an exporter of live cattle for slaughter, nor of dairy cattle, or of animals for breeding stock.

Policy

The Ministry of Agriculture and Land Reclamation in January 2019 launched the Filling the Blanks project. The project seeks to expand the national herd by 4.5 million head over the next two years (i.e., 2019-2021). The project aims, by increasing the national herd size, to increase dairy and beef productivity. In 2016, President Abdel Fattah El-Sisi launched the National Million Cattle project, whereby Egypt will expand dairy and beef production by growing the national herd by 1 million head in a two-year period. However, dynamic growth of one herd is not reflected nor expected to be seen in the near-term future.

FIGURE 3: EGYPT, Live Cattle Inventory, CY 2016-2022



NOTE: (*) MY 2022 Post forecast cattle beginning stock figure.

Source: FAS Cairo office research.

The government continues to enforce Ministerial Decree (Agriculture) No. 72/2017 (February 2017), prohibiting the slaughter of domestic cattle weighing 400 kilograms or less, as well as of bulls under two-years of age. Prior to the decree, carcass weight averaged 27.5 kilograms; today carcass weight averages 130 kilograms. This decree does not apply to animals imported for immediate slaughter.

The national veal project (relaunched in May 2017) has benefitted 5,200 young, small-scale farmers fell on hard times in 2020. This year’s number of beneficiaries has dropped precipitously; farmers are experiencing difficulties in repaying the five percent interest bearing loans for cattle and feed purchases. The project has succeeded to drive up pre-slaughter weights for 550,000 younger animals slaughtered yearly, up from the previous 80-120 kilograms range now to 400 kilograms.

MEAT, BEEF AND VEAL:

Production, Supply and Demand Data Statistics:

Meat, Beef and Veal	2020		2021		2022	
	Jan 2020	Jan 2021	Jan 2021	Jan 2022	Jan 2022	Jan 2022
Market Year Begins						
Egypt	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Slaughter (Reference) (1000 HEAD)	1765	1730	1790	1790	0	1830
Beginning Stocks (1000 MT CWE)	0	0	0	0	0	0
Production (1000 MT CWE)	367	370	375	375	0	385
Total Imports (1000 MT CWE)	230	350	250	250	0	270
Total Supply (1000 MT CWE)	597	720	625	625	0	655
Total Exports (1000 MT CWE)	0	0	0	0	0	0
Human Dom. Consumption (1000 MT CWE)	597	720	625	625	0	655
Other Use, Losses (1000 MT CWE)	0	0	0	0	0	0
Total Dom. Consumption (1000 MT CWE)	597	720	625	625	0	655
Ending Stocks (1000 MT CWE)	0	0	0	0	0	0
Total Distribution (1000 MT CWE)	597	720	625	625	0	655
(1000 HEAD) ,(1000 MT CWE)						

Note: “New Post” data reflects FAS Cairo’s assessments and are NOT official USDA data.

Production

FAS Cairo forecasts Egypt’s beef production in MY 2022 to reach 385,000 MT, up 2.6 percent or 10,000 MT above MY 2021 estimates of 375,000 metric tons. Egyptian beef production is increasing to meet growing consumer demand, which is expanding as inflation stabilizes and the population grows (2.3 percent per annum, Central Intelligence Agency, July 2020 estimate). The government ongoing program seeks to meet consumption patterns and increased demand. However, the increase doesn’t meet the ambitions of the government programs yet.

This can be due to instability and the recent increase in feed costs. Egypt's yellow corn production covers less than 35 percent of its feed demand needs, and imports supplement the feed manufacturing industry's current production.

FAS Cairo forecasts Egypt's cattle total slaughter in MY 2022 at 1.83 MT million head, up by 2.2 percent or increasing by 40,000 animals compared to MY 2021 estimate of 1.79 million head. Post attributes the increase to additional cows available for slaughter due to improvements in animal welfare. Better care is reducing Egypt's animal loss rate of 200,000 animals.

The Ministry of Agriculture and Land Reclamation reports a drop in animal deaths from foot-and-mouth (FMD) disease. Its current vaccination campaign, launched in June 2021, is preventively controlling potential FMD outbreaks (1.3 million head vaccinated since June 2021). The last reported disease occurrence, affecting production was in 2018 was when the Egyptian government announced an outbreak of lumpy skin disease (LSD) and losses of 265,000 head.

Since December 2019, the ministry has carried out a preventative vaccination campaign for Rift Valley fever (RVF). The disease reportedly has not made its way into Egypt in 2019-2020. To limit the spread of RVF into Egypt, there has been an increase in the slaughter of Sudanese live cattle (starting in December 2019) and processing for its beef south of the Egypt-Sudan border.

Cattle production input costs are high despite the Egyptian government adopting measures to lower costs. The government authorized in 2018 the planting of an additional 400,000 hectares for yellow corn for cattle feed. To support production, the MALR purchases local feed corn at fixed times during the year and at set prices. To lower cattle production costs, the MALR aims to increase feed corn yields to 12 metric tons (MT) per hectare by 2030. Feed costs per animal are Egyptian pounds 45 (EGP) (\$2.82) to 60.00 EGP (\$3.76) per day making it burdensome for the small-scale producer (FOREX EGP 15.98 to USD (\$1.00)). Scarcity of water also poses production challenges. The government seeks herd growth to increase domestic beef production, increase carcass weight, and stabilize market prices.

In 2021, MALR has continued to expand the approvals of licenses for livestock, poultry, and fodder projects, through the livestock and poultry sector facilitating the procedures to obtain these operation approvals. This comes as part of the state's plan to expand local production of red and white meat and milk, thus increasing their supply on the market to reduce imports, while also supporting small breeders and small enterprises.

Consumption

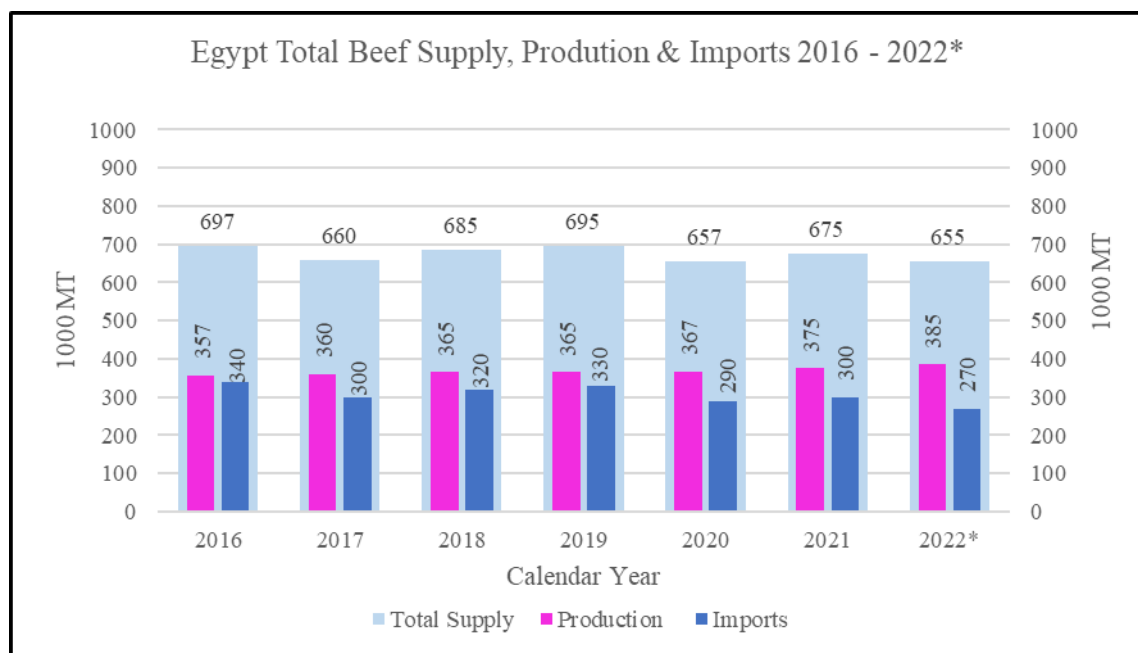
FAS Cairo forecasts Egypt's domestic beef consumption in MY 2022 655,00 up by 4.8 percent or 30,000 MT above the MY 2021 USDA's official at 625,000 MT, metric tons. Post attributes this slight increase in forecasted MY 2022 domestic beef consumption levels to natural population growth (2.3 percent). Domestic beef prices are stable in MY 2021, encouraging the per capita consumption. Egypt's fisheries sector has expanded noticeably since 2019, and the availability of affordable source of protein such as fish eased the prices on beef.

It should be noted that Egypt is one of the world’s largest fish farming countries – it is the first in Africa and the sixth internationally in this field, and the first in the production of mullet fish. Egyptian fish production from farms constitutes 1.7 MMT, or around 85 percent of total fish production in Egypt which stands at 2 MMT in CY 2020. Natural fisheries (Seas, Lakes, and Nile river) produce around 300,000 MT of fish.

In addition,, Egypt has seen a notable rise in tourist numbers, especially since the beginning of 2021, according to a statement of the ministry of tourism. Ministry figures show Egypt has received 1.8 million tourists since January 2021. In 2022, tourism is forecast to continue increasing, especially with worldwide vaccination rates and the decrease of travel restrictions.

Post is revising downwards it’s earlier MY 2021 domestic beef consumption estimate of 675,000 MT and adopts the USDA’s official figure of 625,000 metric tons. The revision is mainly due to increased prices in imported beef, especially from Brazil, which increased by almost 40percent compared to prices in 2020. It is worth mentioning that Brazilian beef was not only in demand by direct consumers but also as a production input in the majority of beef industries in Egypt.

FIGURE 4: EGYPT, Total Beef Supply, Production and Imports, CY 2016-2022*



NOTE: (*) MY 2022 Post forecast beef production and imports figures.

Source: FAS Cairo office research.

The novel coronavirus (COVID-19) pandemic outbreak in Egypt (February 14, 2020), resulted in the complete suspension of tourism from March through June (over 100-days). This negatively affected hotel-restaurant-institutional (HRI) demand for beef. Tourism revenue losses have been \$1 billion per month. The country, starting in late July and into early August resumed international flights, lifted the partial nighttime curfew (imposed since late March), and reopened restaurants, cafes, theaters, and cinemas, as well as hotels, museums, and archeological sites, but is still limiting capacity at 50 percent. The easing of restrictions is part of the government's coexistence plan to maintain anti-coronavirus precautionary measures while resuming economic activities.

Affordably priced beef drives domestic beef consumption; most of Egypt's population of 104.1 million are lower-income consumers. Any variation in the consumption rate is due mainly to beef affordability. Beef consumption remains tied to cost, rather than to recommended daily protein intake amounts.

Egyptians prefer beef to other types of meat (i.e., poultry and lamb). Consumers favor freshly slaughtered beef over frozen beef largely for cultural reasons. Egyptians consume red meat from locally produced fresh beef, imported live cattle or immediate slaughter, frozen water buffalo beef (India), and frozen beef (mainly from Brazil).

More affluent consumers view imported frozen beef as an inferior product. They perceive the bulk of frozen beef imports as often being low-quality cuts sold mainly at government outlet stores at discounted (subsidized) prices.

The average retail price of beef in Egypt for local and imported cuts in Egyptian pounds remained unchanged from 2020 to 2021. Beef liver, a major source of affordable animal protein, vary in price greatly. The domestic liver price ranges from EGP 90/ Kilogram (\$5.6) at Ministry of Supply and Internal Trade's (MOSIT) Holding Company for Food Industries (HCFI) average. And sold at EGP140/kilogram (\$8.8) at retail display store. Beef liver prices per kilogram today, however, are nonetheless 60 percent higher than they were earlier in 2018. Imported liver prices ranges from EGP 38/Kilogram to 40/kilogram (\$ 2.3 – 2.5)

EGYPT, Meat Prices Before and After the November 2016 Devaluation										
Product	Before the Devaluation		August 2018		August 2019		August 2020		August 2021	
	EGP	USD	EGP	USD	EGP	USD	EGP	USD	EGP	USD
Live Cow	40.00	2.23	65.00	3.63	55.00	3.33	55.00 to 60.00	3.50 to 3.75	57.5	3.6
Live Buffalo	37.00	2.07	54.00	3.02	48.00	2.90	50.00	3.00	51	3.2
Domestic Fresh Beef	80.00 to 120.00	4.40 to 6.70	120.00 to 180.00	5.03 to 5.59	120.00 to 180.00	7.20 to 10.90	130.00 to 185.00	8.00 to 11.50	170	10.70
Sudanese Chilled Beef	65.00	3.63	90.00 to 100.00	5.03 to 5.59	85.00	5.06	95.00	6.00	85	5.3
Brazilian Frozen Beef	45.00	2.51	75.00 to 85.00	4.19 to 4.75	80.00	4.80	80.00	5.00	90	5.6
Sudanese Chilled Beef at MOSIT Shops	60.00	3.35	90.00	5.03	85.00	5.06	95.00	5.95	85	5.3
Brazilian Frozen Beef at MOSIT Shops	50.00	2.79	80.00	4.47	50.00	2.97	65.00	4.07	90	5.6
Prices are per kilogram.										

NOTE: Foreign Exchange Rates (2017) EGP 17.65 = USD \$1.00; (2018) EGP 17.90 = USD \$1.00; (2019) EGP 16.81 = USD \$1.00; (2020) EGP 15.98 = USD \$1.00.

Source: FAS Cairo office research.

The 2021 *Eid al-Adha* Islamic holiday (July 20) saw prices for live cattle for slaughter range from EGP 22,950 (\$1,445) to EGP 31,200 (\$1,615). Almost unchanged from last year's live animal's prices that ranged EGP 23,000 (\$1,439.30) to EGP 31,650 (\$1,980.60).

The Food Subsidy Program:

The Egyptian government in fiscal year (FY) 2020/21 (July-June) allocated 84 billion Egyptian Pounds (\$5.36 billion) to food subsidies. Of this amount, roughly EGP 48 billion (\$3.06 billion) alone is earmarked for the bread subsidy program (EGP15.65 = \$1.00). The other EGP 36 billion (\$2.3 billion) is for supply commodities (i.e., rice, cooking oil, sugar, beef, chicken, etc.). Roughly 64 million Egyptians make use of food subsidies delivered by the government as credits on SMART cards; these credits are redeemable monthly for food staples.

The subsidy program in CY 2020 provides cash allowances of EGP 50 (\$3.19) per beneficiary, up 233 percent from CY 2014's EGP 15 per beneficiary. The system today offers beneficiaries a choice of discounted food items (i.e., supply commodities such as rice, beef, and chicken, etc.); it offers a more diversified food basket similar in quality to that found in retail outlets.

All SMART card beneficiaries are entitled to one liter of blended vegetable oil (EGP 17.00). A network of 1,300 state-owned consumer complexes managed by the Ministry of Supply and Internal Trade's (MOSIT) Holding Company for Food Industries (HCFI) accept SMART cards, as well as 31,000 partnered, private grocery stores.

The [Ministry of Supply and Internal Trade](#) (MoSIT) subsidizes beef and beef products through a network of 1,250 state-owned complexes managed by the Holding Company for Food Industries (HCFI) and by 27,000 partnered, private grocery stores. The ministry's HCFI outlets in 2021 sell Sudanese chilled beef EGP 85/Kilogram (\$5.3) compared to 2020 at 95.00/kilogram (\$5.95).

The Egyptian government, through the MoSIT\HCFI and Ministry of Defense stores, continues to prop up demand for beef by providing additional supply at below retail market costs. Government intervention stabilized prices, making imported beef less expensive than domestic product. Sudan and Brazil remain Egypt's main suppliers of beef, with India being the sole supplier of water buffalo beef. Demand for beef will increase as inflation eases and the population grows.

Post attributes the stability and slight decrease of beef and beef products prices to the availability of other affordable sources of protein, such as fish. Currently, Egypt is one of the world's largest fish farming countries – it is the first in Africa and the sixth internationally in this field, and the first in the production of mullet fish. Egyptian fish production from farms constitutes 1.7 MMT, or around 85 percent of total fish production in Egypt which stands at 2.0 MMT in CY 2020. Natural fisheries (Seas, Lakes, and Nile river) produce around 300,000 MT of fish.

Trade

Imports: FAS Cairo forecasts Egypt's total beef imports in MY 2022 at 270,000 MT, up eight percent, or 20,000 MT greater than the USDA's official MY 2020 estimate of 250,000 metric tons. Post is revising downwards its earlier MY 2021 total beef imports estimate of 300,000 MT and adopts the USDA's official figure of 250,000 metric tons.

Following the Egyptian pound's November 2016 devaluation, several private sector importers left the market. Government ministries such as the Ministries of Supply and Internal Trade, Agriculture and Land Reclamation, and of Defense, are Egypt's largest importers of live cattle and frozen beef and varietal meats (i.e., livers, hearts, and kidneys). The ministries today are the largest players in the live cattle and beef market, driving down the cost of imported beef.

Exports: None. Egypt is not an exporter of meat, beef and or veal.

Egypt-U.S. Beef Liver Trade: In calendar year 2021 (January-June), exports to Egypt of U.S. frozen beef livers (HS No. 0206.22.00) are 23,491MT almost same quantity at the same time 2020 (i.e., 23,483 MT). Egypt is the largest export market for U.S.-origin frozen beef livers. In calendar year 2019, exports to Egypt of U.S. frozen beef liver reached 57,570 MT (\$67 million), up 3,200 MT from the 2018 volume of 54,368 MT (\$56 million).

One of the biggest challenges was the application of Egyptian standards establishing a zero-tolerance residue level for veterinary drugs (e.g., Ractopamine). High rejections and prolonged clearance from the ports were the most common obstacles for US beef liver. However, National Food Safety Authority adopted a risk based percent to manage Ractopamine which eased the trade. See [GAIN-EGYPT | \(EG2021-0014\) Adopting A Risk Based Tolerance for Ractopamine in Beef Reduces Rejections by 90 Percent](#)

Egypt-U.S. Beef Trade: Through June 2021, exports to Egypt of U.S. beef (HS No. 0202.30.60 – meat of bovines, boneless, frozen, except processed) at 114 MT are up 46 percent compared to 2020 (i.e., 61 metric tons). In 2020, COVID-19 disruptions to the Egyptian HRI sector dampened demand for U.S. high-quality beef cuts. In calendar year 2019, exports to Egypt of U.S. frozen beef (high-quality muscle cuts for high-end hotels and restaurants) reached 210 MT (\$2 million), up 123 percent from CY 2018’s volume of 157 MT, while doubling from \$1 million in terms of value. However, tourism started to pick up in 2021, through May two million tourists had visited Egypt.

Egypt-Brazil Beef Trade: Through June 2021, Egypt’s imports of Brazil-origin frozen beef are roughly 50,000 MT, down by 20,000 MT or almost 40 percent down the 70,000 MT shipped during the same period in 2020. In calendar year 2019, Egypt imported 171,000 MT of Brazilian frozen beef, making Brazil the country’s largest supplier of beef.

In March 2021, Egypt delisted more than 40 Brazilian plants exporting beef to the Egyptian market. The Egyptian authority that certifies halal slaughter (ISEG) removed clearance of 42 of the 60 Brazilian meat processing plants entitled to export beef to the country. The government noted that the suspension is due the long duration since last audit on the beef suppliers. They declared that they need to ensure the quality status of the establishments exporting to Egypt.

Effect on trade: Contacts declared that this wouldn’t affect the trade, although, 42 out of 60 were suspended. As they indicated out of the 60 only 20 were actively supplying Egypt and the 18 not banned are among those 20.

However, the trade is affected due to the current high prices of Brazilian beef and beef products. In Brazil, both calf and cattle prices initially spiked in November 2019 due to the African Swine Fever outbreak in China, which led to an increase in protein demand in China and elevated global beef prices.

Egypt-India Beef (Water Buffalo) Trade: India remains Egypt’s sole supplier of frozen water buffalo beef. Through June 2021, Egypt’s imports of India-origin frozen water buffalo beef are 100,00 MT, up more than 60 percent, increasing 65,000 MT compared to the same period in 2020. Sources indicate that in 2020, India exported to Egypt 150,000 MT of water buffalo beef a massive improvement compared to 108,000 in 2019.

Post forecast that Indian exports to Egypt will spike as well in 2022, probably replacing the Brazilian limited supply.

Egypt-Ireland Beef Trade: Early in 2017, Ireland announced that it signed an agreement with Egypt to export Irish beef and offal. Egypt had banned Ireland-origin product since the late 1990s as part of the ban of European Union (EU) countries due to the outbreak of *bovine spongiform encephalopathy* (BSE). Since 2001, Egypt has allowed the conditional lifting of the ban. In February 2016, following the inspection visit by Egypt's General Organization for Veterinary Services there was an easing of the ban. Ireland's Department of Agriculture indicates that with the finalization of technicalities, five Irish plants will commence exporting beef to Egypt. Both countries also agreed to the export of live cattle from Ireland to Egypt.

Although Egypt and Ireland finalized the technical export agreement in 2018, sources indicate that the agreement was revised in 2019 and once again in 2020. To date Egyptian traders have only imported two container-loads (100 MT) of Irish veal. A key impediment to more shipments is the high price of Irish product compared with that from other origins.

Beef Plant Audits and Halal Issues: In March 2019, officials from the MALR\GOVS conducted food safety and halal audits of U.S. beef processing establishments. The mission audited the U.S. food safety system for beef products. Following the audit, Egypt's GOVS provided system-wide food safety recognition for beef and beef products. All U.S. beef establishments under USDA\Food Safety Inspection Service supervision are now eligible to export to Egypt if establishments follow halal guidelines. Prior to the March 2019 audit, the GOVS conducted individual plant audits to determine beef plants eligibility to export to Egypt.

Following the audit, the GOVS approved only one halal certifier (out of eight) to certify halal shipments to Egypt. According to industry contacts, the price for halal certification has increased under the new system. Previously, halal certifiers charged \$10.00 (EGP 172.00) to \$20.00 (EGP 344.00) per metric ton for certification. That fee has now increased to \$0.10 per pound, equivalent to \$220.00/MT (EGP 3,516.00/MT) coming to a flat fee of \$5,000.00 per container). Post had anticipated that the new, higher halal certification fees would increase beef prices for Egyptian consumers (see [GAIN-EGYPT \(EG19007\): UPDATE – New Egyptian Halal Procedures May Disrupt Markets, Drive up Prices](#)); and this is currently the case.

Policy

Halal Label Certification: On January 5, 2020, the Egyptian government issued Prime Ministerial Decree No. 35/2020, establishing a new state entity in the form of a joint-stock company integrated by the Ministries of Islamic Affairs, Agriculture and Land Reclamation, and the General Organization for Export and Import Control (an agency of the Ministry of Trade and Industry). The joint-stock company ISEGHALAL is the official Egyptian authority for granting halal label certification for foreign products shipped to the Arab Republic of Egypt (see [GAIN-EGYPT \(EG2020-0002\) Egypt's Halal Certification and Policy](#)).

Egypt Relaxes Shelf-Life Requirements for Frozen Fish and Beef Liver: On July 15, 2021, Egypt's Minister of Trade and Industry (MTI) signed Decree No. 322/2021 Egypt extended the validation of decree 653/2020, extending the shelf life of frozen fish and beef liver until December 2021.

On December 30, 2020, Egypt's Minister of Trade and Industry (MTI) signed Decree No. 653/2020. The decree renewed an earlier decision that extended the shelf-life validity period for imported frozen fish from six to nine months and of frozen beef liver from seven to 10 months. The decree valid until June 30, 2021. (See [GAIN \(EG2021-0002\) Egypt Continue to Relax Shelf –Life Requirements For Frozen Fish and Beef Liver](#)).

On April 11, 2020, Egypt's Ministry of Trade and Industry (MoTI) issued Decree No. 209/2020. The decree extends the shelf-life validity period for imported frozen fish from six- to nine-months and of frozen beef liver from seven- to ten-months. The decree published in Egypt's official gazette (*Al-Wakaye Al-Mesreya*) on April 11, 2020, entered into effect on the same day of its publication and is valid until December 31, 2020 (see [GAIN-EGYPT \(EG2020-0020\) Egypt Relaxes Shelf-Life Requirements for Frozen Fish and Beef Liver](#)). Discussions with government authorities are now underway to formulate a longer-term solution.

Attachments:

No Attachments