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Foreign Agricultural Service

GAIN Global Agricultural Information Network

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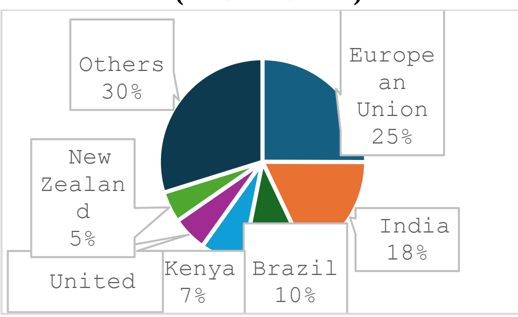
Report Highlights:

While small local grocers dominate the Egyptian retail market, representing more than 50 percent of sales by value, convenience and price will continue to drive the majority of Egyptian consumer buying decisions, presenting growth opportunities across all retail channels. Government spending on infrastructure projects and the growth of Egypt's tourism sector will also help drive retail expansion. Despite recent economic challenges, Egypt's expanding urban population is increasingly seeking diverse food products and international cuisines. In 2024, the United States was Egypt's fifth-largest supplier of consumer-oriented food products.

Executive Summary:

Egypt, Africa's second-largest economy, faces long-standing fiscal and external imbalances, worsened by global shocks. Its macroeconomic outlook is expected to improve with structural reforms, including increased privatization. Despite economic challenges and regional conflicts, Egypt hosted 15.7 million tourists in 2024. Food and agriculture imports fell by 6.2% through November 2024, compared to the same period of the previous year. As one of the world's largest grain importers, Egypt's feed and food industry drives demand for wheat and corn.

Egypt's Top Suppliers of Consumer-Oriented Food Products (Jan.-Nov. 2024)



Source: Trade Data Monitor

Food Retail Industry:

The retail market in Egypt is primarily dominated by hypermarkets, supermarkets, and small local grocers, offering a diverse range of products to meet consumer need. Boycotts impacting some U.S. brands started in October 2023 and seem to come and go based on the geopolitical situation in the region, at times bolstering local and regional brands. According to Euromonitor International©, Egypt's packaged food retail sales reached $12.7 billion in 2023, 87.7 percent higher than in 2019.

Food Processing Industry:

The United States was Egypt's fourth largest foreign agricultural supplier in 2024. Euromonitor International© reports that Egypt is the largest U.S. export market for processed foods in North Africa. Egypt's food processors and manufacturers are growing, exporting to the entire region, and require more food ingredients.

Food Service Industry:

According to Euromonitor International©, full-service restaurants registered healthy growth in both sales and in terms of the number of new establishments in 2023. Despite economic challenges, demand for eating out was high. Egypt's tourism industry is growing, and in turn, may spur further demand for food products, as the sector caters to foreigners.

Quick Facts CY 2024 (Jan.-Nov.)

Imports of Consumer-Oriented Products *(US $3.4 billion)*

List of Top 10 Growth Products in Egypt

1) Beef and Beef Products	2) Dairy Products
3) Tree Nuts	4) Soup/Food Prep.
5) Condiments/Sauces	6) Processed Veg.
7) Processed Fruit	8) Distilled Spirits
9) Spices	10) Bakery Goods, Cereals, Pastas

Food Industry by Channels (U.S. billion)

Small Local Grocers	$13,850.3
Food/Drink/Tobacco Specialists	$3,169
Supermarkets	$1,851
Hypermarkets	$1,508
Discounters	$1,475
Convenience Retailers	$991
Foods E-Commerce	$157

Top 10 Host Country Retailers (by sales)

1) Carrefour	2) Fathallah Market
3) Kazyon	4) Hyper One
5) Seoudi	6) Spinneys
7) Metro	8) Kheir Zaman
9) BIM	10) Ragab Sons

GDP/Population

Population: 117 million
Real GDP: $1.912 trillion dollars (2023 est.)
GDP per capita (USD): $17,000 (2023 est.)
Inflation rate: 33.88% (2023 est.)

Sources: Euromonitor International©, IMF, CIA, EIU, TDM

Strengths	***Weaknesses***
-Large consumer market seeking trendy products -Tourism sector caters to Westerners and Asians.	-High tariffs -Complex import regulations
Opportunities	***Threats***
-Growing tourism sector -Consumer interest in trends and social media	-Competitors with free trade agreements -Competitors with closer proximity to Egypt

Section 1: Market Summary

Business Climate
In March 2024, Egypt implemented monetary and exchange rate adjustments to tackle the ongoing foreign currency crisis that had persisted since 2022. Egypt allowed the Egyptian pound to depreciate against the dollar to correct distortions in the foreign exchange market. Simultaneously, Egypt took steps to control inflation and support the local economy. These steps – along with significant investments from the UAE, including a $35 billion partnership agreement to develop Ras El-Hekma,[1] and the successful completion of IMF reviews – have boosted investor confidence. However, the economy remains vulnerable and is challenged by excessive bureaucracy, a shortage of skilled labor, limited access to credit, and non-tariff trade barriers. Further, a myriad of regional conflicts since October 2023 is a leading reason for reluctance to enter the Egyptian market as it is perceived to be riskier than other global markets.

Emerging Trends
Despite recent economic challenges, Egypt's expanding urban population is increasingly in search of diverse food products and internationals cuisines. E-commerce is expanding, and online food delivery services – like Talabat, Breadfast, Rabbit – give everyday Egyptians access to hundreds of food options, including international cuisine. While small local grocers dominate the retail market (representing more than 50 percent of sales {by value}), convenience and price will continue to drive the vast majority of Egyptian consumer buying decisions, presenting growth opportunities across all retail channels.

Notably, supermarket chain Spinneys just opened its 31st branch in the resort town of Ain Sukhna and has plans to open six more stores by June 2025.[2] Also, Majid Al Futtaim's Supeco – a low-cost traditional supermarket/wholesale hybrid – announced its latest store opening in Fayoum Governorate, in December 2024, with plans to grow to 140 stores (from 13) by 2030.[3] These are just a few examples of retail expansion in Egypt, as the country experiences growth from infrastructure projects and investments.

At the same time, young Egyptians are rediscovering their heritage and are actively seeking out experiences rooted in tradition, impacting business strategy across a country undergoing rapid change.[4] Across Egypt, a new popular dining scene has emerged that features traditional Egyptian fine-dining restaurants with globally trained chefs. Egyptians gather to socialize and relax at coffee shops, bakeries, and shisha cafes – places that are deeply embedded in Egyptian daily life – while indulging in a sweet, snack, or drink. In these venues, we see the latest viral trend emerge, combining pistachios and chocolate, as businesses experiment by putting the combination in croissants, knafeh, and drinks to satisfy Egyptians' desire to try the latest flavor/social media trend.[5]

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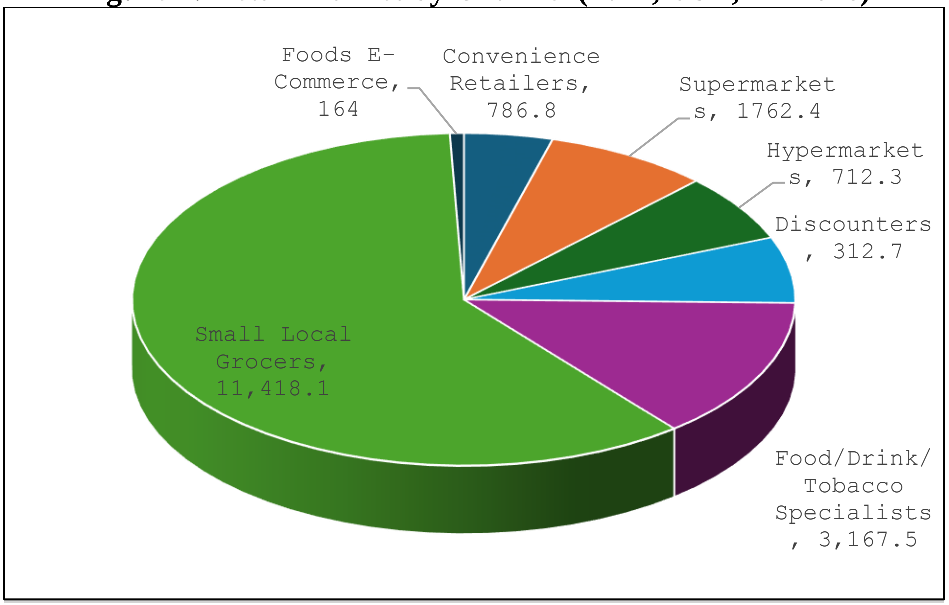
[2] Daily News – Spinneys Opens New Store in Ain Sukhna as Part of Expansion Drive
[3] Majid Al Futtaim – First Supeco Store Opens in Fayoum as Part of Expansion Strategy in Upper Egypt
[4] Egyptian Streets – The Nostalgia Economy: How Egyptians Are Cashing In on the Past
[5] El-Shai.com – The Dubai Pistachio Craze: Egypt's New Dessert Obsession – But Is It Too Much?

Advantages and Challenges

ADVANTAGES	CHALLENGES
Egypt's tourism sector is growing and, in turn, may spur further demand for food products in Egypt, especially from its HRI and retail sectors. Egypt's tourism sector caters to foreigners.	Egypt's economic challenges caused a slowdown in imports in 2023 as importers struggles to access foreign currency to make payments and consumers increasingly spend their budgets on essentials. NOTE: Improvements were seen in 2024, and the hope is this positive trend will continue in 2025.
U.S. origin products continue to be accepted in the Egyptian market, as they are associated with high quality.	U.S. exporters face competition from geographically advantaged European Union (EU) Member States. Egypt has a free trade agreement with the EU, which sometimes puts U.S.-origin products at a disadvantage.
Egypt's food processors and manufacturers are exporting to the entire region and require more imported food ingredients. For this reason, Egypt markets itself as a hub to export to Europe, the Middle East, Africa, and Asia.	Egypt often refers to third-country standards for application in its own market, for example the EU. Import regulations are, at times, complex and lack transparency.

Retail Sales by Channel

Figure 1: Retail Market by Channel (2024, USD, Millions)



Source: Euromonitor International©

Section 2: Road Map for Market Entry

Entry Strategy

U.S. exporters should identify an Egyptian importer or distributor, with whom they can build a relationship. Egyptian firms are best suited to navigate local regulations, understand distribution chains, and have relationships with retailers, food processors, hotels, restaurants and institutions (see GAIN- Food Service - Hotel Restaurant Institutional Annual_Cairo_Egypt_EG2024-0031). For more information about trade shows in Egypt, which are excellent opportunities to meet retailers, distributors, food manufacturers, and key contacts in the food and beverages industry, please check the attached document (see GAIN-Guide to Egyptian Food and Beverage Trade Shows_Cairo_Egypt_EG2025-0005).

Market Structure

Egypt's market structure is straightforward. Importers are food processors, manufacturers, and/or agents/distributors of these. Large companies will source food ingredients and products directly to lower prices, guarantee product flow, and ensure quality. Agents/distributors service the food processing and manufacturing sectors, comprised of numerous fragmented small- and medium-size companies. Smaller manufacturers purchase reduced quantities, do not import directly, pay in Egyptian pounds, and maintain small inventories.

Figure 2: Import Procedures

Figure 3: Company Profiles and Top Retailers

Company	Activity	Product Focus
Carrefour	Supermarket/Hypermarket	Domestic & Imported Goods
Mansour Group	Retail/Distribution	Domestic & Imported Goods
Seoudi	Retail	Domestic & Imported Goods
On-the-Run	Convenience Store	Domestic & Imported Goods
HyperOne	Retail	Domestic & Imported Goods
Spinneys Egypt	Retail	Domestic & Imported Goods

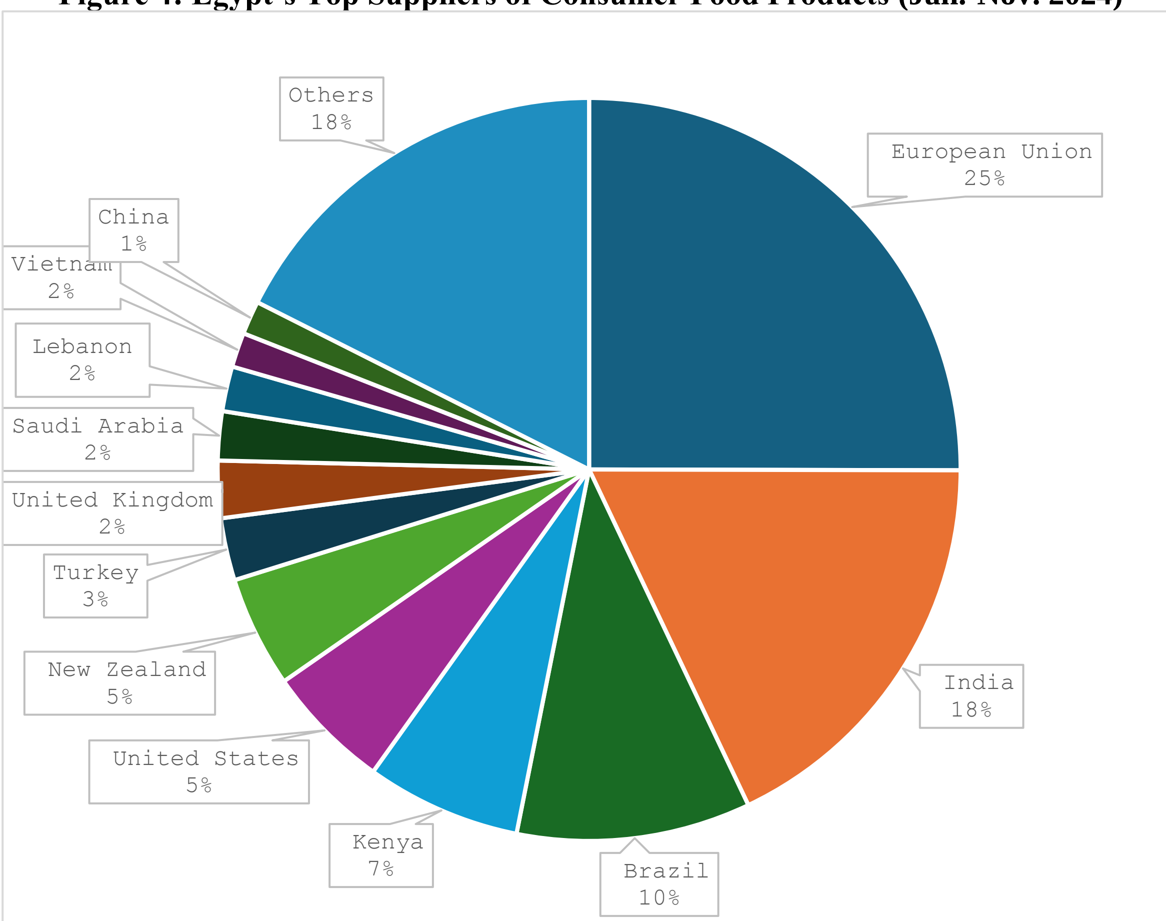
BIM	Retail	Primarily Domestic Goods
Kazyon	Retail	Primarily Domestic Goods
Gourmet Egypt	Retail	Domestic & Imported Goods
Alfa Market	Retail	Domestic & Imported Goods

Source: Euromonitor International©

Section 3: Competition

Egypt imported roughly $3.4 billion of consumer-oriented products in 2024 (through November). During this period, the United States was the fourth largest supplier of Egyptian imports (by value) with approximately $186 million in imports. However, U.S.-origin food products to Egypt face competition from European, Middle Eastern, and increasingly African-origin products. Free trade agreements, shipping proximity, and lower production costs for some regional competitors provide these countries an advantage over U.S. products. Primary consumer-oriented products imported were beef products (including liver), dairy products, tree nuts, soup and food preparations, and condiments and sauces. The main suppliers of foreign consumer-oriented products were the European Union, India, Brazil, Kenya, New Zealand, and the United States.

Figure 4: Egypt's Top Suppliers of Consumer Food Products (Jan.-Nov. 2024)



Source: Trade Data Monitor

Figure 5: Egypt's Major Imports and Competing Suppliers (Jan.-Nov. 2024)

Product Category	Major Supply Sources	Strengths of Key Supply Countries	Advantages and Disadvantages of Local Suppliers
Beef and Beef Products $995 million	1. India- 57% 2. Brazil- 27% 3. **USA**- 11% 4. Australia- 1.2%	Low production cost	-Limited domestic production -High demand
Dairy Products $741 million	1. New Zealand- 22% 2. France- 9% 3. Germany- 12% 4. **USA**- 6%	Duty free access and year-round availability	-Limited domestic production -High demand
Tea $244 million	1. Kenya- 90% 2. UAE- 3% 3. Sri Lanka- 2.2% 4. India- 2% **USA**-0.02%	Low production cost	-No local production -High Demand
Soup and food $244 million	1. Ireland- 26% 2. Germany- 9.3% 3. Saudi Arabia- 9% 4. Netherlands- 5% **USA-** 3%	EU duty-free access and proximity	-Limited domestic production -High demand
Fresh Fruits $215 million	1. Lebanon- 27% 2. Poland- 20% 3. Greece- 19% 4. Italy- 16% **USA-** 0 %	EU duty-free access and proximity.	-Limited domestic production -High demand
Chocolate and Cocoa $166 million	1. Malaysia - 14% 2. Netherlands - 13% 3. Spain - 12% 4. Cote d'Ivoire - 11% **USA-** 0.02%	High production and low production cost	-No local production -High Demand
Tree Nuts $97 million	1. Vietnam- 25% 2.**USA-** 21% 3. Turkey- 11% 4. Spain- 10%	Ideal growing conditions	-Limited domestic production -High demand
Spices $95 million	1. Vietnam - 27% 2. China - 12% 3. Guatemala - 12% 4. Brazil - 11%	Low production cost	-Limited domestic production -High demand

	USA- 0%		
Fresh Vegetables $75 million	1. United Kingdom- 32% 2. Netherlands- 29% 3. France- 13% 4. Denmark- 9% **USA-** 0%	Proximity and EU duty-free access	-Limited domestic production -High demand
Poultry Meat and Products $56 million	1. Brazil- 98% 2. Turkey- 1.03% 3. Malaysia - 0.06% **USA-** 0.003%	Low production cost	-Limited domestic production -High demand

Source: Trade Data Monitor

These categories highlight Egypt's import priorities based on market size, key suppliers, and the strengths of those suppliers, while also noting the limitations of local production and ongoing high demand.

Section 4: Best Product Prospects Categories

- Products present in the market, which have good sales potential, such as beef, dairy, tree nuts (especially pistachios), soups and food preparations, condiments and sauces, processed vegetables/fruit, and bakery ingredients, continue to represent good prospects for U.S. exporters. As in past years, Egypt remains an important market for U.S. beef liver. The country is by far the largest export market for U.S. frozen beef livers, with a value of $53 million in 2024.
- U.S. beef muscle cuts are well known for their quality among affluent buyers and represent a category with growth potential, especially targeted towards the growing tourism and hospitality sector.
- U.S. products that are not present in significant quantities but have good sales potential among the more affluent Egyptian consumers include beef muscle cuts, pulses, sweets and snacks, and healthy and nutritional foods.
- U.S. products not present because they face significant barriers include fresh apples due to high tariffs and poultry parts due to non-tariff barriers.

Figure 6: Egypt's Imports from the United States vs. the World

HS	Product	World (USD, 2022)	United States (USD, 2022)	U.S. Share of Imports in 2022	World (USD, 2023)	United States (USD, 2023)	U.S. Share of Imports in 2023
All	Total - Agricultural and Related Products	21,010,259,487	2,828,218,658	13.5%	17,797,311,383	1,200,772,324	6.7%
01	Live Animals	773,978,797	2,189,502	0.3%	449,456,930	4,138,725	0.9%
02	Meat And Edible Meat Offal	1,525,000,361	170,908,690	11.2%	1,211,154,437	173,878,271	14.4%
03	Fish And Crustaceans, Molluscs And Other Aquatic Invertebrates	604,350,763	33,795	0.0%	530,086,844	30,682	0.0%
04	Dairy Produce; Birds' Eggs; Natural Honey; Edible Products Of Animal Origin, Nesoi	843,360,279	62,957,668	7.5%	622,569,099	57,602,656	9.3%
05	Products Of Animal Origin, Nesoi	9,024,992	428,608	4.7%	5,726,097	758,495	13.2%
06	Live Trees And Other Plants; Bulbs, Roots And The Like; Cut Flowers And Ornamental Foliage	12,099,320	2,413	0.0%	11,239,423	199,114	1.8%
07	Edible Vegetables And Certain Roots And Tubers	640,208,152	1,411,868	0.2%	666,825,645	5,053,793	0.8%
08	Edible Fruit And Nuts; Peel Of Citrus Fruit Or Melons	709,963,009	45,471,397	6.4%	428,565,528	22,510,098	5.3%
09	Coffee, Tea, Mate And Spices	678,784,580	261,793	0.0%	655,216,330	159,414	0.0%
10	Cereals	7,342,479,073	50,355,820	0.7%	6,394,816,033	60,422,795	0.9%
11	Milling Industry Products; Malt; Starches; Inulin; Wheat Gluten	49,369,582	89,619	0.2%	63,928,476	158,687	0.2%
12	Oil Seeds And Oleaginous Fruits; Miscellaneous Grains, Seeds And Fruits; Industrial Or Medicinal Plants; Straw And Fodder	3,158,022,157	2,331,094,244	73.8%	1,968,776,037	791,195,933	40.2%
13	Lac; Gums; Resins And Other Vegetable Saps And Extracts	29,811,348	759,607	2.5%	27,098,161	714,016	2.6%
14	Vegetable Plaiting Materials And Vegetable Products, Nesoi	2,807,226	-	0.0%	2,987,750	75	0.0%
15	Animal Or Vegetable Fats And Oils And Their Cleavage Products; Prepared Edible Fats; Animal Or Vegetable Waxes	2,350,049,155	11,167,761	0.5%	2,494,771,674	6,088,579	0.2%
16	Edible Preparations Of Meat, Fish, Crustaceans, Molluscs Or Other Aquatic Invertebrates	288,660,229	4,926	0.0%	90,774,467	3,032,045	3.3%
17	Sugars And Sugar Confectionary	614,515,036	1,588,119	0.3%	664,258,428	1,957,401	0.3%
18	Cocoa And Cocoa Preparations	176,495,880	700,595	0.4%	158,597,238	891,210	0.6%
19	Preparations Of Cereals, Flour, Starch Or Milk; Bakers' Wares	208,808,934	2,312,225	1.1%	135,972,078	721,625	0.5%
20	Preparations Of Vegetables, Fruit, Nuts, Or Other Parts Of Plants	87,467,667	4,141,411	4.7%	63,854,297	1,642,035	2.6%
21	Miscellaneous Edible Preparations	447,721,096	20,172,245	4.5%	357,523,854	16,521,129	4.6%
22	Beverages, Spirits And Vinegar	107,491,340	35,829,848	33.3%	77,603,885	8,471,436	10.9%
23	Residues And Waste From The Food Industries; Prepared Animal Feed	349,790,510	86,336,504	24.7%	715,508,673	44,624,111	6.2%

Source: Trade Data Monitor

Section 5: Key Contacts and Further Information

U.S. Embassy Cairo, Foreign Agricultural Service (FAS) Office of Agricultural Affairs
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Attachments:

No Attachments