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Report Name: Sugar Annual

Country: Egypt

Post: Cairo

Report Category: Sugar

Prepared By: FAS Staff

Approved By: Adam Klein

Report Highlights:

FAS Cairo (Post) forecasts Egyptian sugar production in marketing year (MY) 2025/26 (October-September) to rise to 3.18 million metric tons (MMT). This increase is driven by industrial demand and higher prices for sugar beets, incentivizing many farmers to plant more beets. Post forecasts that Egypt will meet 82.5 percent of its domestic sugar consumption demand and import the remaining 17.5 percent in MY 2025/26. Brazil has been the major supplier of raw sugar to Egypt over the past five years and is likely to remain so in MY 2025/26.

SUGAR, CENTRIFUGAL

Sugar, Centrifugal Market Year Begins Egypt	2023/2024		2024/2025		2025/2026	
	Oct 2023		Oct 2024		Oct 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks (1000 MT)	155	155	845	845	0	1155
Beet Sugar Production (1000 MT)	1500	1500	1600	2400	0	2470
Cane Sugar Production (1000 MT)	1100	1100	1000	700	0	710
Total Sugar Production (1000 MT)	2600	2600	2600	3100	0	3180
Raw Imports (1000 MT)	1900	1900	1500	1200	0	1000
Refined Imp.(Raw Val) (1000 MT)	60	60	60	60	0	60
Total Imports (1000 MT)	1960	1960	1560	1260	0	1060
Total Supply (1000 MT)	4715	4715	5005	5205	0	5395
Raw Exports (1000 MT)	300	300	300	300	0	300
Refined Exp.(Raw Val) (1000 MT)	0	0	0	0	0	0
Total Exports (1000 MT)	300	300	300	300	0	300
Human Dom. Consumption (1000 MT)	3570	3570	3750	3750	0	3850
Other Disappearance (1000 MT)	0	0	0	0	0	0
Total Use (1000 MT)	3570	3570	3750	3750	0	3850
Ending Stocks (1000 MT)	845	845	955	1155	0	1245
Total Distribution (1000 MT)	4715	4715	5005	5205	0	5395
(1000 MT)						

Production

Post forecasts Egyptian sugar production in MY 2025/26 (October-September) to rise to 3.18 MMT (raw value), up by 80,000 metric tons (MT) from Post's MY 2024/25 estimate, due to slightly higher beet and cane sugar production. Of this total forecast, 2.47 MMT of sugar will be derived from sugar beets, while 0.71 MMT will be sourced from sugarcane.

Post is also revising upward MY 2024/25 centrifugal sugar production by 19.2 percent to yield 3.1 MMT (raw value), amid increase in harvested areas and production of sugar beets. Post is also revising down its MY 2024/25 cane sugar production by 30 percent due to lower quantities delivered to governmental centrifugal sugar producers, as competitive prices were offered to sugarcane growers by other businesses. In Egypt, there are 16 sugar processors: eight processing sugarcane and eight processing sugar beets. All eight sugarcane processors are state-run companies affiliated with Ministry of Supply and Internal Trade's (MoSIT) Holding Company for Food Industries (HCFI). Of the eight sugar beet processors, five are private sector companies and the rest are state-run companies.

Consumption

Post forecasts total domestic sugar consumption in MY 2025/26 to increase by 2.6 percent, reaching 3.85 MMT. The rise in sugar consumption is driven by population growth. Egypt's population is approximately 114 million¹ and is expected to reach 124 million by 2030, according to the Central Agency for Public Mobilization and Statistics (CAPMAS). In addition to the local population, Egypt hosts an estimated ten million migrants. Furthermore, the expansion of Egypt's confectionary food products sector is demanding higher sugar inputs.

¹ World Bank Group – [Population, total - Egypt, Arab Rep. | Data](#)

Egypt's Food Subsidy Program: Egypt continues to provide refined sugar to food subsidy recipients at prices significantly lower than the market price, which currently averages EGP 35 per kilogram (equivalent to \$0.70 per kilogram). Recipients are entitled to receive one kilogram of sugar at a subsidized price of EGP 12.6 per kilogram (\$0.25 per kilogram). A family of four receives monthly cash of EGP 200 (\$4.00) on a smart card, enabling them to meet their sugar needs and purchase other food commodities. A network managed by HCFI includes 1,300 state-owned consumer outlets that accept payment by smart card, as well as 40,000 partnered private grocery stores, serving 64 million people under this program.

Government of Egypt (GoE) Stance on Value-Added Tax for Sugar: Local media sources report that the GoE is considering a value-added tax (VAT) on sugar in the new fiscal year 2025/26 (July-June). However, in an April 23 statement, the Egyptian Tax Authority confirmed that sugar is included in the list of goods and services exempt from VAT under Law No. 67 of 2016. The statement added that the new draft budget for fiscal year 2025-2026, currently before the House of Representatives, does not impose a tax on sugar.²

Potential New Regulatory Efforts to Reduce Sugar Consumption: A May 11 press release by the National Food Safety Authority (NFSA) of Egypt mentioned that the agency is committed to efforts aimed at reducing sugar consumption in Egypt. The NFSA press release attributed Egypt's increasing rates of obesity and non-communicable diseases (NCDs) to high levels of sugar consumption, citing the [Global Nutrition Report](#) that nearly 45 percent of adult women and nearly 26 percent of adult men in Egypt are obese, while 23.4 percent of adult women and 18.8 percent of adult men have diabetes. These efforts may include a targeted study on dietary sources of sugar intake by Egyptian consumers, nutrition labeling requirements, and a public awareness campaign to warn against overconsumption of sugar.

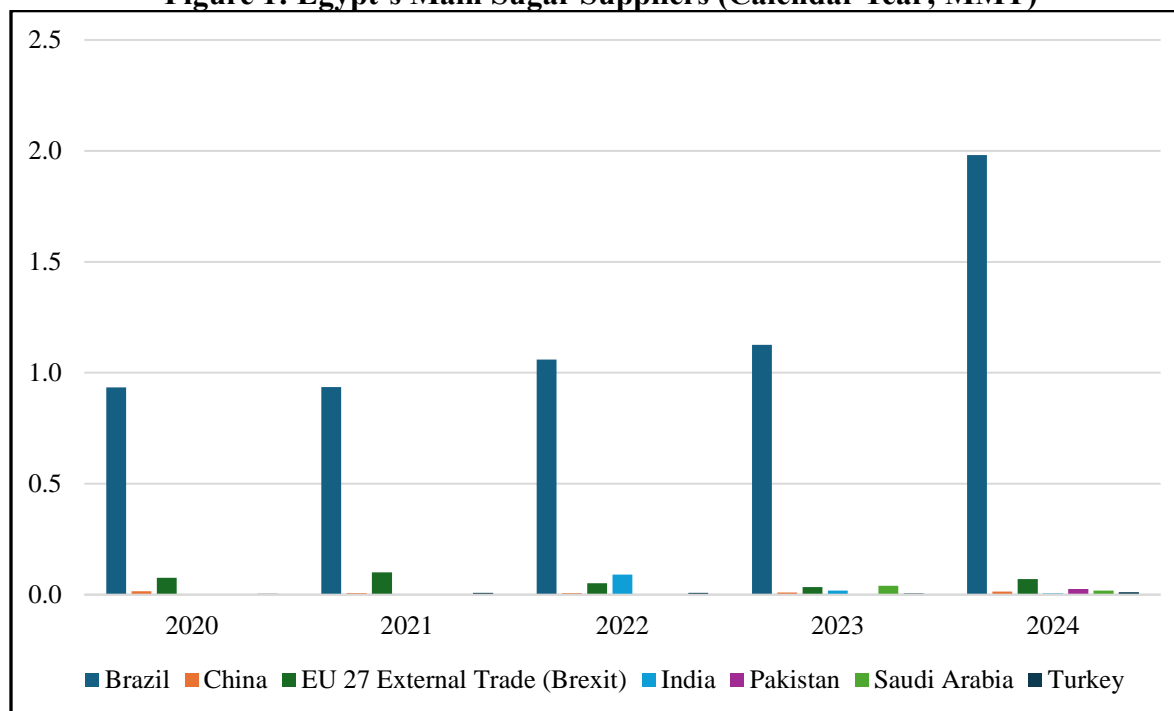
Trade

Imports

Post forecasts total sugar imports in MY 2025/26 to decrease by 16.6 percent, reaching 1.0 MMT, amid an increase in domestic production. Post forecasts that Egypt will meet 82.5 percent of its domestic sugar consumption demand and import the remaining 17.5 percent in MY 2025/26. Brazil has been the major supplier of raw sugar to Egypt during the past five years and is likely to remain Egypt's main raw sugar supplier in the future (Figure 1).

² Al Borsa News – [Government Denies Imposing Value-Added Tax on Sugar in New Budget](#)

Figure 1: Egypt's Main Sugar Suppliers (Calendar Year; MMT)



Source: Trade Data Monitor LLC

Exports

Post forecasts Egypt's sugar exports to reach 300,000 MT in MY 2025/26 unchanged from Post's MY 2024/25 estimate. While Egypt's export ban on sugar remains in place, the country continues to export sugar to several Arab countries, as well as some in Africa, through regulated channels that permit the export of officially recognized surplus quantities.

Egypt Continues Sugar Export Ban: In April 2025, the GoE decided to extend the ban on the export of sugar of all kinds for six months to secure the needs of the local market, as published in the Egyptian Gazette (issue 88), under the Ministry of Investment and Foreign Trade's Decision No. 111 of 2025, continuing Ministerial Resolution No. 88 of 2023.³ Industry leaders have commented that the decision to extend the sugar ban is a precautionary measure aimed at preserving stocks and maintaining current prices.⁴ In October 2024, the government issued Export Circular No. 17 of 2024 to extend the ban by six months (through April 2025),⁵ while industry leaders pointed to shortages in global markets following declines in sugar production in India, the world's second largest sugar producer after Brazil.⁶

Stocks

Post forecasts MY 2025/26 ending sugar stocks to reach nearly 1.24 MMT, an increase of almost 7.8 percent from the previous marketing year, due to anticipated increases in local production and GoE efforts to establish modern storage facilities and inventories to buffer against any future shocks. The

³ Aleqaria – [Government decision to ban sugar exports for 6 months](#)

⁴ Aleqaria – [Egypt's sugar production has reached 98% of its needs](#)

⁵ Almal News – [Customs Begins Decision to Ban Sugar Exports Another 6 Months](#)

⁶ Almal News – [Banning Sugar Exports is Precautionary Measure Due to Production in India](#)

GoE is eager to maintain more than six months of reserves of essential commodities to support food security programs.

SUGAR BEETS

Sugar Beets Market Year Begins Egypt	2023/2024		2024/2025		2025/2026	
	Jan 2023		Jan 2024		Jan 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	282	282	285	316	0	326
Area Harvested (1000 HA)	280	280	282	315	0	325
Production (1000 MT)	10780	10780	10895	16800	0	17300
Total Supply (1000 MT)	10780	10780	10895	16800	0	17300
Utilization for Sugar (1000 MT)	10780	10780	10895	16800	0	17300
Utilizatr for Alcohol (1000 MT)	0	0	0	0	0	0
Total Distribution (1000 MT)	10780	10780	10895	16800	0	17300

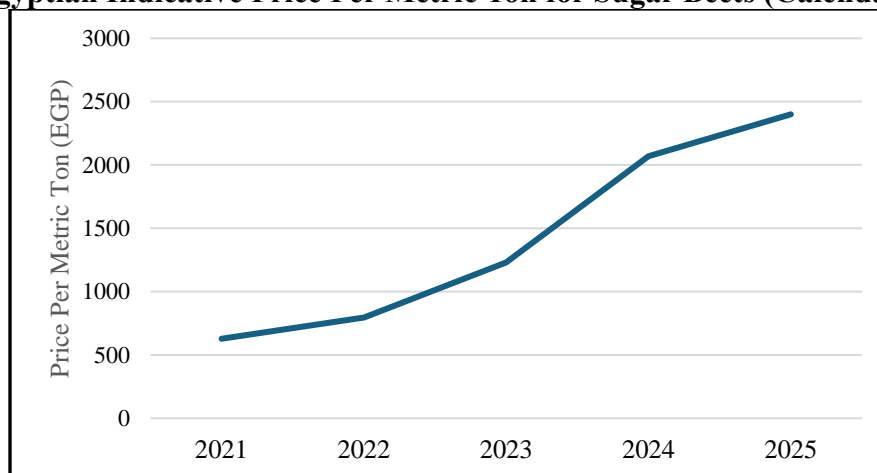
(1000 HA) ,(1000 MT)

Productive Capacity

Post forecasts Egyptian beet production in MY 2025/26 at 17.3 MMT, an increase of almost 3 percent from the previous marketing year. The increase in production is due to an estimated 3.1 percent increase in the area harvested, reaching 325,000 hectares, driven by profitability.

In 2025, the GoE increased the guaranteed prices for sugar beets by 16 percent, reaching EGP 2,400 (\$47.30) per metric ton compared to the previous season (see Figure 2). Similar to sugarcane, sugar beets are purchased from farmers at a government-guaranteed price. However, due to competition between private companies in the sugar beet processing sector trying to secure a significant amount of production from farmers, purchasing prices sometimes reach EGP 3,000 (\$59.20) per metric ton.

Figure 2: Egyptian Indicative Price Per Metric Ton for Sugar Beets (Calendar Year, EGP)



Source: FAS Cairo Research

In addition to the official procurement price, farmers receive premiums from private companies based on delivery date and sugar content. The delivery premium is designed to ensure steady beet supplies early

in the season when sucrose content is at its peak. This encourages farmers to focus on sucrose concentration rather than just crop weight, thereby increasing sugar yields.

Post is revising upwards its MY 2024/25 area harvested estimate by 11.7 percent, to 315,000 hectares, and production by almost 55 percent, to 16.8 MMT. This increase is due to higher prices set by companies for purchasing the crop, suitable growing conditions, and increased contract farming between companies and farmers. The increased implementation of contract farming between growers and stakeholders ensures the distribution of certified sugar beet seeds to farmers, continuous evaluation and monitoring of cultivation during the season, and sustainable, uniform yield.

Beets are planted in August and September and harvested in March and April. Egypt does not produce beet seeds locally due to specific requirements for temperature and sunlight. As a result, Egypt depends on seed varieties imported from Germany, Denmark, the Netherlands, France, and Sweden. Each season, the Ministry of Agriculture and Land Reclamation (MALR) distributes between 20-30 different varieties to mitigate the risk of crop failure due to the susceptibility of a single variety to biotic or abiotic stresses.

SUGARCANE

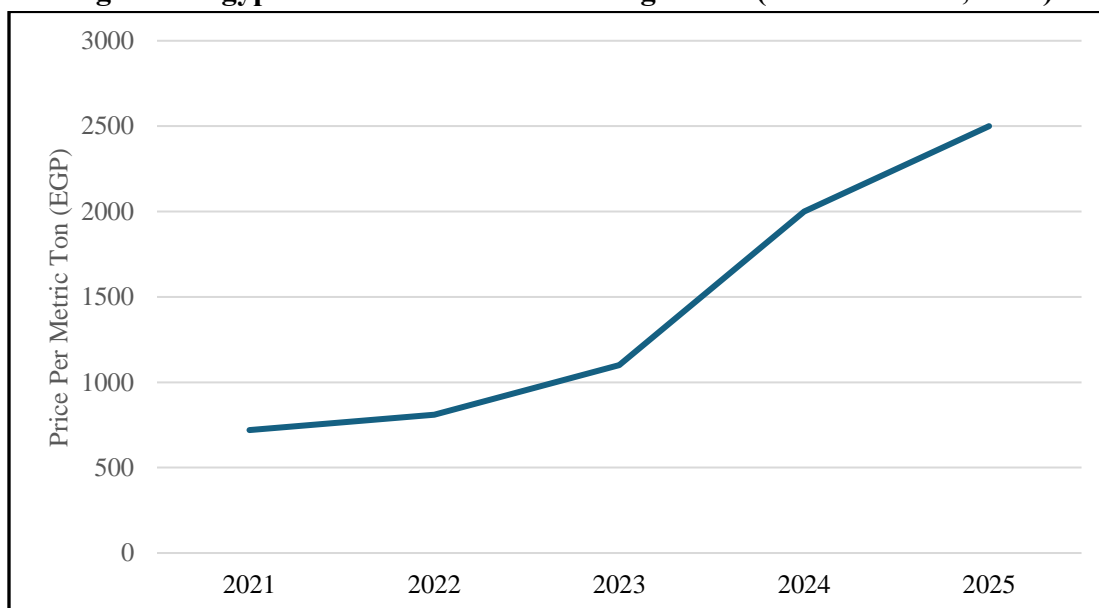
Sugar Cane for Centrifugal Market Year Begins Egypt	2023/2024		2024/2025		2025/2026	
	Jan 2023		Jan 2024		Jan 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	130	130	125	141	0	143
Area Harvested (1000 HA)	126	126	124	140	0	142
Production (1000 MT)	14305	14305	13043	12200	0	12370
Total Supply (1000 MT)	14305	14305	13043	12200	0	12370
Utilization for Sugar (1000 MT)	14305	14305	13043	12200	0	12370
Utilizatn for Alcohol (1000 MT)	0	0	0	0	0	0
Total Utilization (1000 MT)	14305	14305	13043	12200	0	12370
(1000 HA) ,(1000 MT)						

Productive Capacity

Post forecasts cane production in MY 2025/26 at 12.37 MMT, an increase of almost 1.4 percent from the previous marketing year. The increase in production is due to an estimated 1.42 percent increase in the area harvested. The GoE's guaranteed price is a major determinant for farm-level production decisions. When the government sets a low guaranteed price, farmers switch to other more profitable crops.

Farmers' cooperative unions were satisfied with the government's procurement price of EGP 2,500 (\$49.30) per metric ton going into the January 2025 harvest (see Figure 3). The unions and the Egyptian Sugar Council had demanded an increase in the price, and the Egyptian government responded by increasing the price by 25 percent compared to the previous season.

Figure 3: Egyptian Indicative Price for Sugarcane (Calendar Year, EGP)



Source: FAS Cairo Research

Post expects that during the forecasted period, the GoE will likely increase the price to encourage farmers to continue cultivating the crop. It is important to note that the guaranteed price for the crop is not the final contract price, but rather the minimum purchasing price. This price may be raised depending on international prices, and it will not be reduced if prices decline.

Despite the increase in prices for sugarcane in 2025, the GoE's procurement of sugarcane to produce sugar is facing heavy competition from a booming private business sector, including black honey and molasses production, and sugarcane juice shops in urban cities. Many Egyptian sugarcane growers have shifted their marketing channels to direct sales to such businesses due to competitive pricing. Approximately 60 percent of the area harvested with sugarcane is procured by the GoE to produce sugar, while the remaining 40 percent is directed to these alternative marketing channels.

Sugarcane cultivation in Egypt is heavily concentrated around the sugar refineries in Upper Egypt, which constitute 77 percent of the cane area in the country. Middle Egypt comprises an additional 15 percent of the sugarcane area, followed by the Delta at 8 percent. Sugarcane is planted in the spring and fall seasons. Spring planting occurs in February and March, while fall planting extends from September through October. The crop takes 12 months to grow.

Attachments:

No Attachments