

Required Report: Required - Public Distribution

Date: November 07, 2023

Report Number: EG2023-0024

Report Name: Fresh Deciduous Fruit Annual

Country: Egypt

Post: Cairo

Report Category: Fresh Deciduous Fruit

Prepared By: Ahmed Wally

Approved By: Jenny Morgan

Report Highlights:

In Egypt, grapes are one of the most widely grown fruit crops, second to citrus. There are many varieties of table grapes produced in Egypt. Joining the International Convention for the Protection of New Varieties of Plants in 2019, Egypt was provided better opportunities to access new varieties of grapes and enhance production and exports. Table grape production in Egypt is forecast to reach 1.57 million metric tons (MMT) in marketing year (MY) 2023/24 (October-September), while exports are forecast to reach 170,000 MT.

Production:

Table grape production in Egypt is forecast to reach 1.57 MMT in MY 2023/24 (October-September), a very slight increase of 8,000 MT over the previous marketing year. This increase in production is primarily due to growing consumer demand, favorable soil and environmental conditions, the introduction of new varieties, the use of modern growing techniques, and opening new markets for exports.

Egypt has increased the production of grapes significantly over the past 10 years, by almost 60 percent due to the introduction of several new varieties, rootstocks, improved cultural practices, post-harvest treatments of storage, as well as opening new markets for exports. Fresh table grapes account for almost 90 percent of total production in Egypt. Grapes are one of the most widely grown fruit crops in the country, second only to citrus.

Egypt's grape cultivation is spread geographically from Alexandria in the north, to Aswan in the south, which ensures the production of early and late varieties of grapes and availability of fresh table grapes from May to November, especially when using modern growing techniques such as protected cultivation methods. In addition to early ripening of different varieties, such practices improve the fruit quality and enhance the total soluble solids (TSS) of early fruits.

There are two major types of grape farming in Egypt:

1. Nile Delta Valley Farming (Old Land Cultivation)

Across the Nile Delta Valley, farm sizes are very small where most grape farms are below five acres or less due to land fragmentation driven by intergenerational transfer or high demand for housing and urbanization. Most of the production in this area is directed to the domestic market for local varieties.

2. Reclaimed Desert-Land Farming (New Land Cultivation):

Reclaimed desert-land farms are very sophisticated and integrated enterprises tailored to export markets. Grape farms in these areas are generally large farms up to ten thousand acres, use highly modern growing techniques in cultivation, harvesting, and postharvest handling. Most of these growing areas are equipped with modern post-harvest infrastructures, cold chain storage facilities, automated packing houses. One of the famous areas producing table grapes in this category is the Nubaria region, which accounts for almost 55 percent of total Egyptian production of grapes, most of which are grown for exports.

Table Grape Varieties Grown in Egypt:

In addition to local or domestic grape varieties, there are many varieties of table grapes produced in Egypt, such as Red Globe, Crimson, Flame Seedless, Early Sweet, Superior, Prime Seedless, Autumn Royal, Timco, and Early Superior. Industry continually seeks new varieties, mainly aimed at improving quality and shelf life, as well as meeting export market specifications mostly per EU retailer recommendations.

Planting and Harvesting Dates of Table Grapes:

Planting season begins the first week of February and is done via cuttings, where they are planted in black polyethylene bags, filled with a mixture of peat moss and sand, and stored in greenhouses before the seedlings are transferred into the open field. The vines start fruiting on their third year.

Harvesting season in Egypt for early grape varieties begins in late May and ends in September, while harvesting for late varieties begins in late June and ends in November. The Thompson and Flame Seedless varieties dominate production, as they remain popular in the EU market (which is the largest importer of Egyptian grapes).

Egypt Accedes to the International Convention for the Protection of New Varieties of Plants:

On December 1, 2019, Egypt became the seventy-sixth member of the International Union for the Protection of New Varieties of Plants (UPOV). The purpose of UPOV is to provide and promote an effective system of plant variety protection, with the aim of encouraging the development of new varieties of plants. Egypt's accession to the UPOV has allowed Egypt to promote and develop new and distinguished varieties of plants. Moreover, it has enabled Egypt to have better access to novel plant varieties from member States, which help promote exports of various crops. It also has helped protect the registered Egyptian varieties from exploitation and theft. Since Egypt joined UPOV, the country has worked on improving intellectual property rights (IPR) in agriculture and in fighting IPR infringement. Lastly, joining UPOV has helped enhance Egypt's exports of not just grapes, but also of citrus and strawberries.

Consumption:

Domestic consumption of fresh grapes is forecast at 1.4 MMT in MY 2023/2024, a slight increase from the previous year at 1.39 MMT. Egypt has a population of more than 104 million, and the population of Egypt is expected to reach 124 million by 2030, according to the Central Agency for Public Mobilization and Statistics (CAPMAS). Egypt is also host to an estimated nine million immigrants from Iraq, Syria, Libya, Yemen, and Sudan.

The local grape market is an important market for producers that do not export their product or for exporters who allow some of their product to enter the local market after fulfilling their export contracts. Demand for grapes has increased slightly year-on-year due to population growth and increasing trends for eating healthy diets.

Farmers cultivating table grapes for the local market and their own family's consumption tolerate some blemishes or bruises. However, more attention and care is applied to meet quality standards and prevent damage for high-end markets. Due to the delicate nature of table grapes, losses during harvest and distribution do occur (as much as 25 percent), especially in smaller farms aimed for the local market.

Trade:

FAS Cairo forecasts exports to reach 170,000 MT in MY 2023/2024, like the previous marketing year. Egypt has become a competitive exporter of grapes in the last decade. The main destinations for Egyptian table grapes are the United Kingdom, the Netherlands, Germany, and Russia. The growth in fresh table grape exports can be attributed to joining the UPOV, gaining access to new varieties, maintaining good agricultural practices, using new technologies in cultivation and handling, reducing post-harvest losses, and improving packaging quality and development in certification and importer requirements. However, exports of table grapes in terms of quantity have flattened due to higher costs affiliated with the export operation from cultivation and production to handling, and packing. Also, air freight costs have increased and many farms (especially the ones that can't bear the export operation costs) have switched to the domestic market, especially to the processing sector (juices, jams, raisins, etc.). In lieu of air freight, having a shipping fleet with small vessel sizes to EU markets could help lower costs and enhance exports of Egyptian grapes to EU markets.

Egypt imports very few quantities of table grapes. In MY 2023/2024, Egyptian imports are expected to remain low at 2,000 MT, like the previous marketing year. Egypt mainly imports table grapes from South Africa, Lebanon, Spain, Australia, Italy, and few quantities from the United States. Typically, the imports cover the window where there is no domestic production. The imported table grapes are usually sold at very high prices at specialty retail stores.

Policy:

The Ministry of Agriculture and Land Reclamation (MALR) has taken steps to strengthen its export system. In 2021, MALR implemented the application of the coding system according to Decision 116/2021. The decision sets procedures to coordinate logistics with farms – uploading farm locations via the Global Positioning System (GPS) and registering all farms and pack houses that are used to export grapes and other crops.

Throughout the season, the Egyptian Central Administration for Plant Quarantine (CAPQ) monitors the production, takes samples, and ensures that export requirements are verified, (including pesticides residues). CAPQ along with the Agriculture Export Council (AEC) work together to comply with the phytosanitary regulations of trading partners, enabling Egyptian grapes to access a wide range of international markets. The AEC and CAPQ also worked together to develop a list of registered lands and pack houses where these producers and facilities are only eligible to export after complying with an array of requirements. This system enhances the quality of the production targeted for exports and strengthens the compliance with phytosanitary requirements of the importing countries.

Grapes, Fresh Table Market Year Begins Egypt	2021/2022		2022/2023		2023/2024	
	Oct 2021		Oct 2022		Oct 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	51000	75600	51000	75600	0	76000
Area Harvested (HA)	49500	67200	51000	71400	0	71800
Commercial Production (MT)	1435000	1470000	1480000	1560000	0	1568000
Non-Comm. Production (MT)	0	0	0	0	0	0
Production (MT)	1435000	1470000	1480000	1560000	0	1568000
Imports (MT)	8000	8000	6500	2000	0	2000
Total Supply (MT)	1443000	1478000	1486500	1562000	0	1570000
Fresh Dom. Consumption (MT)	1273000	1328000	1316500	1392000	0	1400000
Exports (MT)	170000	150000	170000	170000	0	170000
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	1443000	1478000	1486500	1562000	0	1570000
(HA) ,(MT)						

Attachments:

No Attachments