

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Report Highlights:

News on developments in agriculture and food in Egypt.

Nile Nuggets

*News on Developments in Agriculture and Food in Egypt
August 2015*

EGYPT'S AGRICULTURAL RECLAMATION PROJECT BOOSTED FROM 1 to 1.5

MILLION FEDDANS: A project to reclaim land in Egypt's Western Desert has been expanded to one and half million feddans (630,000 ha) of prospective agricultural land instead of one million feddans (420,000 ha). The project includes digging over five thousand water wells for a total cost of LE6 billion (\$766 million), supplying 80 percent of what will be used for irrigation, while the remaining 20 percent will come from the Nile River. The project is to be implemented in stages, with the initial phase covering 220,000 feddans (92,400 ha). Egypt has a total cultivated area of 8.6 million feddans (3.6 million ha), including the 2.1 million feddans of desert reclaimed land from 1984-2004. The agricultural sector constitutes 17 percent of Egypt's GDP.

ONE-STOP-SHOP AT EGYPT'S SEA PORTS: The Ministers of Transport, Finance and Trade announced the "Electronic Linkage" system, which will connect all the sea ports to a central database for custom and inspection procedures, reducing the clearance time for imported commodities and products from 6 days to 4 hours. The Ministry of Transport said that they began applying the linkage system which they anticipate will be fully applied by the end of November 2015, noting that the first stage includes the Port of Alexandria.

EGYPT AND RUSSIA CONSIDERING BARTERING GOODS: Egypt's Minister of Industry and Foreign Trade stated that Cairo and Moscow could benefit from bartering goods. He added that there is huge potential for Egypt to export leather products, furniture, readymade garments, and its world famous Egyptian cotton in return for Russian machinery, tools, heavy trucks, and agricultural equipment. In addition, this month, Egypt and Ukraine agreed on a barter deal by which Egypt will provide Ukraine with cotton in return for the latter's wheat.

EGYPT PLANS TO RAISE CROPS IN SUB-SAHARAN AFRICA: Amid Egypt's water scarcity, Cairo is forming agricultural alliances outside its borders. The efforts include sending Egyptian farmers to cultivate land in Sudan and Congo, agreeing to transfer their expertise to local farmers. Additionally, Egypt is considering the establishment of model farms for strategic crops in a number of countries including Mali, Niger and Zambia. The countries have abundant water and land resources, but lack proper agricultural development due to lack of funding and agricultural machinery in which Egypt expects to capitalize on to cover the food needs of Egyptian people.

TRADITIONAL BREAD MAKING GOING STRONG DESPITE THE SUBSIDIZED BREAD PROGRAM IN NEW VALLEY GOVERNORATE:

Despite the introduction in late 2014 of the government's new subsidy program using smart cards in the New Valley governorate in Upper Egypt, many villagers continue their tradition of baking their own bread. This traditional way of baking has been passed down over many generations going back to Egypt's ancient civilization. To prepare this traditional bread, women must first mix flour and yeast and let it sit through the night. Once the dough is ready to bake it is cut in a circular shape and loaves are placed on special plates made out of materials from the surrounding environment, and left exposed to the sun to work its magic for one to two hours until each loaf is fully fermented. As soon as the fermentation process is finalized, loaves go into a special ovens made of clay and fueled by burning dried cattle dung.



US TRADE TO EGYPT INCREASES 20 PERCENT IN JUNE

For January to June 2015, the US exported about \$603 million in agricultural commodities and food products to Egypt, a month-to-month increase of 20 percent from May. Major categories include bulk commodities such as corn, soybeans, wheat, and cotton; followed by consumer oriented such as beef and beef products, dairy products, and tree nuts; and intermediate products such as animal feed, soybean meal, and vegetable oil.

	Jan - May 2015	Jan-June 2015	June 2015 Exports
Product	Value (\$000)	Value (\$000)	Value (\$000)
Agricultural Products	499,473	603,198	103,725
Bulk Total	236,512	272,627	36,115
Corn	50,946	85,374	34,428
Soybeans	117,581	117,581	0
Wheat	33,241	33,241	0
Cotton	30,887	32,545	1,658
Others	3,855	3,886	31
Consumer Oriented Total	110,750	129,676	18,926
Beef & Beef Products	55,728	70,072	14,344
Dairy Products	29,574	32,907	3,333
Tree Nuts	16,897	16,897	0
Prepared Food	2,495	2,647	152
Others	6,056	7,153	1,097
Intermediate Total	152,212	200,895	48,683
Feeds & Fodders	65,759	92,433	26,674
Soybean Meal	48,383	56,203	7,820
Distillers Grains	5,839	15,351	9,512
Vegetable Oils (ex. soybean)	19,309	22,306	2,997
Others	12,923	14,602	1,679

Source: GTIS

From January to June 2015, U.S. imports of Egyptian agricultural and food products were valued at \$56,600,000. Most of what Egypt exports that is agricultural in nature is value-added products including processed fruits and vegetables, spices and essential oils.

	Jan - May 2015	Jan-June 2015	June 2015 Imports
Product	Value (\$000)	Value (\$000)	Value (\$000)
Agricultural Products	44,944	56,600	11,656
Consumer-Oriented	33,395	42,038	8,643
Processed Fruits & Vegetables	15,550	20,139	4,589
Spices	9,947	11,248	1,301
Fruit & Vegetable Juices	3,301	4,562	1,261
Other Consumer Oriented	2,647	3,166	519
Cheese	1,092	1,539	447
Other Dairy Products	284	493	209
Snack Foods	248	381	133
Others	327	510	183
Intermediate Total	7,808	10,483	2,675
Essential Oils	2,802	4,155	1,353
Other Intermediate Products	3,349	4,163	814
Other Vegetable Oils	1,355	1,773	418
Planting Seeds	286	376	90
Others	16	16	0
Bulk Total	3,741	4,079	338
Other Bulk Commodities	2,100	2,106	6
Tea, Incl Herb	1,623	1,917	294
Others	18	55	37

Source: GTIS