

**Voluntary Report** – Voluntary - Public Distribution

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**Report Name:** Sudan Crisis Provides Further Blow to Egyptian Food Prices

**Country:** Egypt

**Post:** Cairo

**Report Category:** Agricultural Situation, Agriculture in the News, Livestock and Products, Poultry and Products

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**Report Highlights:**

The Sudan conflict has created a supply shortage in Egypt, causing food prices to soar. According to the Egyptian government, the situation will impact the beef supply and push prices higher. Egypt is looking into additional suppliers for cattle, including Somalia and Chad. Sudan's instability has hampered economic flows in and out of East Africa, since banking and customs procedures are centralized in Khartoum. Sudan is a major agriculture and livestock exporter, as well as a logistical hub for Africa. Egypt bought 110,000 head of live animals from Sudan in 2022. Egypt is predominantly a beef liver and premium cut market for the United States, thus the crisis is unlikely to provide new opportunities for US beef suppliers, but could have an indirect influence on U.S. poultry exports to Egypt.

## **Egypt's Food Prices is Expected to Take Another Hit as Result of Sudan Crisis**

The Sudan crisis is resulting in a supply deficit in Egypt, causing food prices to rise dramatically. In 2022, Egypt imported 110,000 head of live animals and 10,000 MT of beef from Sudan. Egypt is attempting to acquire cattle and other products from Somalia and Chad to compensate. Egypt-Sudan trade climbed by 18 percent in 2022, reaching \$1.4 billion. Sudan accounts for 13% of Egypt's overall African commerce: Egypt exported \$929 million in goods to Sudan, while Sudanese trade with Egypt totaled \$505 million. As a major trans-shipment point, the conflict is expected to disrupt the flow of third-country trade between Egypt and the rest of Africa.

Egypt's beef prices are skyrocketing, as the Government of Egypt "GOE" struggles to keep inflation under control as food and energy prices rise. The crisis is projected to put more pressure on consumer prices. One kilo of beef today costs between EGP 350 (\$12) and EGP 400 (\$13), compared to EGP 150 (\$5) and EGP 200 (\$7) a year ago. Egypt is primarily a beef liver and premium cut market for the US, so the crisis is not expected to create opportunities for US beef suppliers. However, opportunities for US chicken leg quarters continue to grow, as the GOE and Egyptian military seek more affordable sources of protein for their citizens in the face of a depreciating currency and related economic hardship.

**Attachments:**

No Attachments.