

PNA DC-652

Supporting Egypt's Processed Foods Export Industry

An Industry
Rapid
Analysis (IRA)
of Market
Opportunities
in The Gulf

Dubai

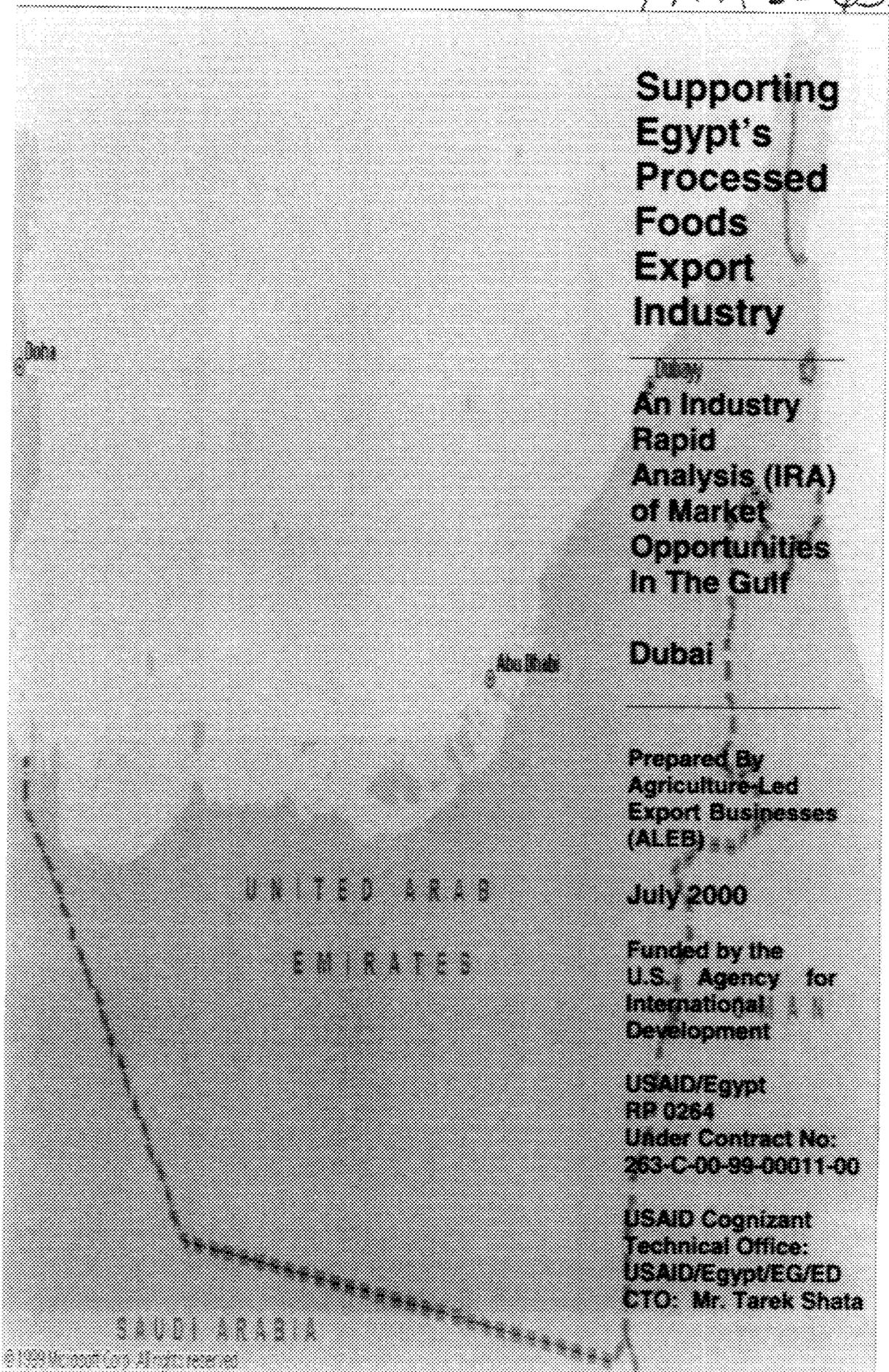
Prepared By
Agriculture-Led
Export Businesses
(ALEB)

July 2000

Funded by the
U.S. Agency for
International
Development

USAID/Egypt
RP 0264
Under Contract No:
253-C-00-99-00011-00

USAID Cognizant
Technical Office:
USAID/Egypt/EG/ED
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An Industry Rapid Analysis of Market Opportunities In The Gulf

Dubai

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ACKNOWLEDGEMENTS

The author wishes to thank the many importers with whom he met during the April 2000 market reconnaissance trip. These people were kind enough to take time out from their busy schedules to provide so many insights on various Gulf markets, that were not otherwise available through any previously published material. Interviews with these 50-plus importers constitute a large percentage of these five volumes. The author fully recommends that Egyptian exporters forge a close working relationship with any importers contacted in the Gulf in order to gain the best understanding of the market and to get feedback on products.

In addition to the 50-plus importers visited while in the Gulf, the author gratefully acknowledges the following Egyptian companies for providing the freight quotes cited throughout each of the five volumes on market opportunities in the Gulf. Their kind assistance contributed substantially to the transport information provided in each volume. These Cairo-based transport companies are:

- **East International Freight Forwarders**
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In addition to the many volumes on trade data collected throughout the Gulf, the author also wishes to acknowledge the U.S. Foreign Agriculture Service for their detailed Attaché Reports on Saudi Arabia, Bahrain, Kuwait, Qatar, and the United Arab Emirates as well as the staff members of the U.S. Embassies for their compilations of Country Commercial Guides for each of the countries visited. While these reports/guides mainly focus on the U.S. exporter, this valuable information also speaks to any Egyptian exporter interested in exporting to the Gulf Region.

A detailed list of all references used to compile these Gulf reports will be provided separately. All information contained in these reports can be accessed either via the internet directly or through the ALEB Project library, ARAC.

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Finally, the author acknowledges Microsoft Corp. for use of its MapPoint 2000 program to produce the graphics on the cover of each volume.

**INDUSTRY RAPID ANALYSIS OF EGYPTIAN PROCESSED FOOD PRODUCTS FOR:
UNITED ARAB EMIRATES (DUBAI)**

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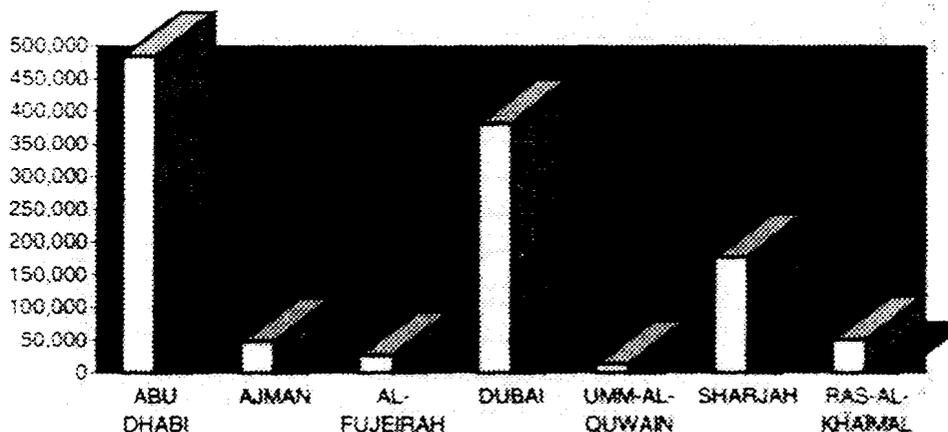
V. UNITED ARAB EMIRATES (DUBAI) – COUNTRY PROFILE

The United Arab Emirates is a federation of states comprised of 7 former Trucial States formed in 1972. The United Arab Emirates (UAE) consists of the states of Abu Dhabi, Ajman, Dubai, Fujairah, Ras Al Khaimah, Sharjah, and Umm Al Qaiwain.

Abu Dhabi is the largest of the 7 states, and is the major center for oil production. Dubai is the major commercial center and has one of the largest concentrations of food distributors in the Middle East.

The UAE has a population of approximately 2,344,402 inhabitants with 1,576,589 expatriate workers included in that number. The largest sector of the population falls between the ages of 15 and 64 years old, at least 64% of which are males. The population of the UAE is growing at a rate of 1.78% (1999). Approximately 1 million nationals and expatriates (1/3 of the population) are responsible for most of the value-added purchases in the UAE.

DEMOGRAPHICS OF POPULATION (Age: 15-Plus Years)
ECONOMICALLY DRIVEN



SOURCE: DUBAI CHAMBER OF COMMERCE 1998

The UAE retail market is estimated at about US\$2.5 billion per year. Nearly 85% of all foodstuffs sold through retail outlets are imported, consumer-ready products. Approximately, 50% of all retail sales occur in hypermarkets, with the remaining sales taking place in smaller grocery stores and convenience outlets.

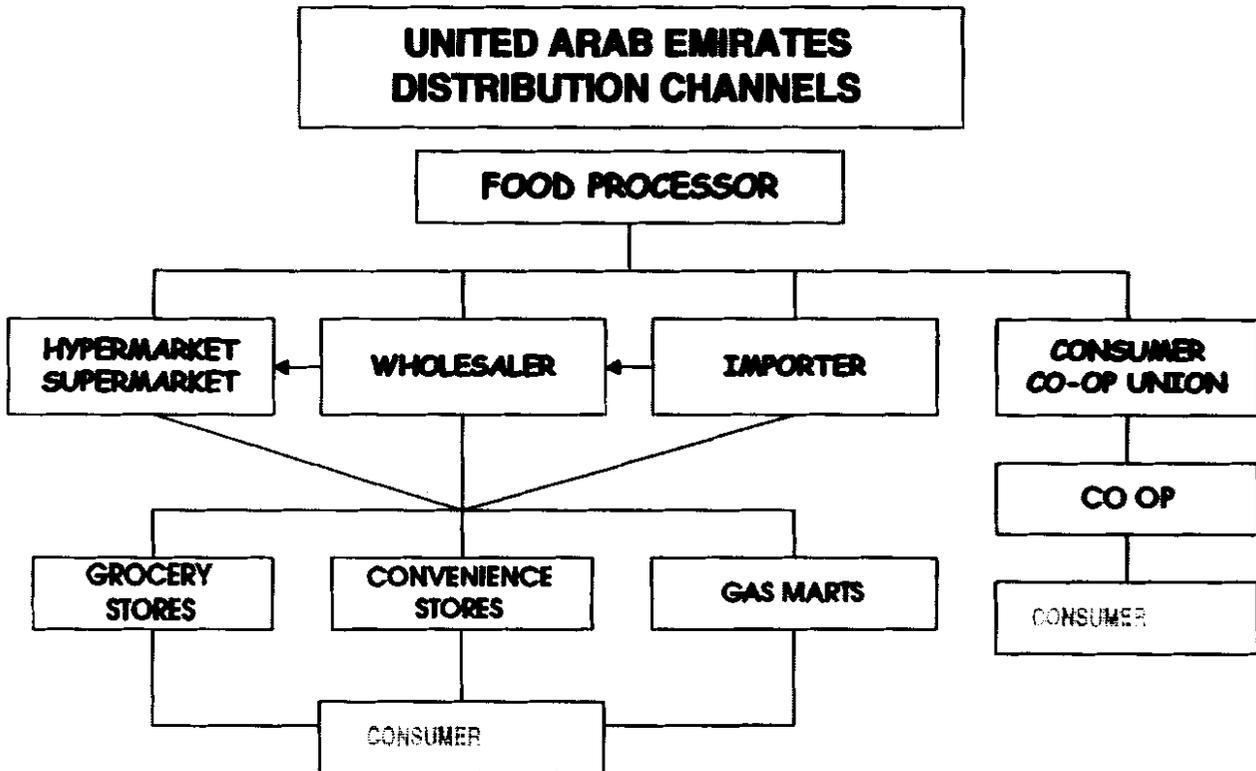
A very large portion of the ingredients found in foodstuffs produced in the UAE, are imported, due to the lack of substantial agriculture in the country. The requirements for the growing processed food industry would indicate a substantial market for bulk packed products like frozen vegetables and aseptic packed tomato products or fruit related foods. A large market exist for consumer ready packaged processed foods, both for domestic and re-export uses.

The labor force in the UAE was estimated at 1.3 million in 1997. Of the total population between the age of 15 and 64, 75% are non-nationals (1998). The service sector makes up about 60% of the total workforce, with 32% in industry and 8% in agriculture. The expatriate workers include mostly Asian and sub-Asian continent workers.

The standard of living in the UAE is one of the highest in the world, with an average per capita yearly income of approximately US\$17,400. With higher incomes, UAE consumers tend to buy higher quality food products -- primarily imported, prepared foods.

DISTRIBUTION CHANNELS:

The UAE's retail food sector is developing at a very fast pace -- a ten-fold increase in just 10 years. The changes in the retail food industry are mainly due to the construction of newer Western/EU-style super- and hypermarkets.



- Retail outlets have many different sources, including food processors, direct importers and larger retail stores that buy in bulk to reduce their costs.
- Consumer Cooperative Unions represent Co-Op stores by arranging for "private label" food products. Many times, these consumer unions will order foodstuff in large quantities and then have it labeled/packaged with different store brand names to reduce cost.
- Large importers represent international brand-name foodstuffs, which are distributed through almost every retail channel to the final consumers.
- Institutional food services, hotels, fast food chains, and military support services are supplied through many different channels. Wholesalers and Importers are normally the most direct supply channels for these buyers.

SUPERMARKETS & HYPERMARKETS:

Many older stores are now under renovations in an attempt to retain customers that are otherwise migrating to the larger hypermarkets to meet their shopping needs.

In one of the major hypermarkets in Dubai, this author counted over 300 customers in the fresh produce section alone at 21:00 hours. The entire market was crowded in every department, especially in the frozen foods section. The widest possible selection of a particular food item is available to the consumer on a 24-hour basis.

The main draw that these hypermarkets offer consumers is the convenience of access to many day-to-day needs such as foodstuffs, clothing, banks, pharmacies, florist, bakery products, shoe repair, automotive parts, luggage, and many other items and services that would require a consumer to shop at several different locations.

Wider selection is one factor that attracts consumers to these hypermarkets. In one hypermarket, 23 brands of ketchup were available, 15 meters of pasta displayed in one aisle, 20 meters of frozen vegetables from 11 different countries in one cold case, and 10 meters of fruit juices are displayed in one aisle. Many of these larger stores carry up to 35,000 line items, as opposed to the regular supermarket with 16,000 line items in their inventory.

The larger hypermarkets and superstores are usually located in major metropolitan centers where there is a larger population base. One of the largest hypermarkets in Dubai is located inside the City Centre Shopping Mall where customers can do all of their shopping in a convenient, completely enclosed atmosphere. These hypermarkets have also become a source of entertainment for families.

Consumers in the UAE have one of the world's highest income levels, which is reflected in their shopping habits in hypermarkets and superstores. The entire spectrum of ages has been influenced by the more modern shopping atmospheres offered by the new trend stores. One new offshoot of this higher disposable income, are the new ready-to-eat meals, which are available in the newer stores. Customers can pick up these pre-cooked or ready-to-eat meals in the store or simply call for home delivery.

What sets these larger chain stores apart from the smaller stores is their buying power through larger purchases. Many of these larger chains buy directly from manufacturers and bypass the wholesalers to reduce costs. It is important to note that many of these larger chains will consolidate a shipment to take advantage of freight costs when a full container of one item is not required. Should smaller quantities of a particular item be required, these stores will purchase from local importers or wholesalers to reduce shipping cost.

These larger retail stores also act as importers or wholesalers to smaller retail outlets to take advantage of the bulk price discounts that reduce overall cost. Larger importers normally deliver orders directly to the retailer using their own company's fleet of trucks.

Local importers or agents, especially in Dubai, have very efficient sales departments that actively pursue food distribution outlets in the UAE. One wholesaler visited in Dubai owns a large fleet of refrigerated trucks that is used to make deliveries. One advantage of these distributors is that they can provide quick service, or small orders on short notice, but usually at a premium.

Almost all stores, regardless of size, use exclusive agents to purchase major brand items like colas and internationally recognized products.

Marketing new products to Dubai's large super- or hypermarket chains is very difficult at best. The buyer for a large hypermarket chain store company repeated what had already been heard in Saudi Arabia concerning new product offers: "My first consideration is **PRICE**; if it isn't competitively priced, I won't proceed with an offer".

The second comments concerned the types of products of interest to the buyer:

"I only want to see **INNOVATIVE** products come into my office, I see the same products every day of the week that are produced by several different companies. If a product isn't **INNOVATIVE**, it won't compete for market shelf space in my stores. Store shelf space is expensive, so if a product isn't different, it will just sit on the shelf and lose money for my stores. We are in business to make a profit. Consumers are constantly looking for new products, and we are in business to provide what they want, or they will go to another store to buy it."

Yet another comment related to **packaging**:

"If a product isn't packaged properly, I won't even put it in my stores – it won't sell. Our customers are very sophisticated and have traveled extensively, which exposed them to products around the world that are attractively presented. When a product is poorly packaged, it won't sell when placed next to a product packaged in a high-tech package with quality graphics and printing."

The worst comment of the entire interview concerned overall **Egyptian packaging**:

Egyptian packaging is about 20 years behind every other product on the market. It is on a par with China. If a product isn't presented well, it won't sell well, and it surely won't be in my stores."

If a new product is to attempt entry into the hypermarket or superstore chains in Dubai and indeed the entire UAE, it **MUST** be:

1. Priced competitively;
2. An innovative product; and
3. Properly packaged with modern graphics and materials.

Unless these issues are addressed, Egyptian exporters should **NOT** waste a phone call or send brochures.

GROCERY STORES, CONVENIENCE STORES, & CO-OPS (STORES):

Some companies will say that their market focus is not on the larger chain stores, but on the smaller stores or *bakalas*. This might have been an alternative marketing strategy a few years ago, but with the trend toward larger stores in the UAE, the smaller neighborhood markets will eventually be reduced to a smaller and smaller customer base, except in outlying areas where the small grocery and convenience store still service these smaller consumer groups.

It is predicted that in the future, smaller markets will only be utilized for basic consumer needs – milk, bread, limited vegetable purchases, cigarettes, and other day-to-day

needs. All major shopping requirements will be filled at the larger stores that are more competitive in price.

Sales to small grocery stores are usually very difficult since a single individual or family owns most of these stores, which usually depend upon wholesalers for foodstuff supplies.

In addition to large hypermarkets (5), superstores (85) supermarkets (150), grocery stores (800), and convenience stores or *bakalas* (1,400), the UAE now has other new retail food outlets. There are a growing number of gas marts (30) that are beginning to take market share by providing convenience shopping with gas purchases.

CO-OP STORES:

Co-Op Stores (96) are responsible for up to 20% of all retail sales in the UAE. These stores traditionally service a local Arab clientele, who are members of the Co-Op, and other Arab expatriates with medium to low incomes. Co-Ops are represented by a Consumer Cooperative Union that orders private label products from producers for retail sales.

Co-Ops have a limited number of products on their line item list. Many of the line item products are privately labeled by the Co-Ops. Private label production for Co-Op stores offers an excellent avenue for entry into the UAE market by Egyptian food processors, provided they can meet quality standards and provide year round supplies of the required products.

While speaking to one of the largest Co-Op buyers in the UAE, the purchasing agent indicated that the Co-Op systems in the region had been traveling around the world looking for lower priced food products. Apparently, many large buyers/importers in the UAE are beginning to view China (People's Republic of China – PRC) as a new source of food products.

More than one UAE buyer/importer indicated that Egyptian prices were too high in most cases and the freight costs were prohibitive. Once again, buyers stated that freight costs were cheaper from Italy and the Far East than from Egypt. Freight costs MUST become more competitive in order for Egyptian products to compete in the global market place.

MARKETING A PRODUCT(S):

The UAE is heavily dependent upon imports to satisfy its domestic market and re-export needs. Most imports are ready for consumption requiring little, if any, further processing. It is important not to overlook the potential for products used in further processing, as new companies are springing up to produce food products in the UAE.

Exporters must be prepared to discuss prices on a C&F basis. The major competition comes from the EU and the Far East due to lower transport and product cost, wider varieties of foodstuffs, more innovative products, higher quality, better packaging, and lower freight costs. China (PRC) is exporting more poultry than in the past, as well as cheaper products such as apple based products, and dehydrated onions for example.

Many foreign governments actively promote their country's food industry. Some countries subsidize their food industries and assist with promotional activities. The

United States (US), for example, provides food promotion activities at consumer levels in supermarkets, and also through hotel, institution and restaurant promotion venues. The US government also provides "Catalog and Product Tasting" shows to promote American products to foodstuff buyers in the region. It is extremely important to involve the Egyptian government in promoting Egyptian food products. Promotion is costly for each company individually, but much more manageable on an industry wide level.

Some Egyptian food processors are their own worst enemy due to poor quality controls and sub-standard packaging. Poor quality controls allow contaminated foods to be shipped, which lowers the marketability of many companies due to the bad reputation that follows a bad shipment.

Poor quality packaging and labeling is another example of how Egyptian food processors reduce their ability to compete. When a poor quality package is displayed beside high-tech packaging the consumer immediately questions the quality of the product itself before thinking about price.

While questioning a customer (UAE national) in a supermarket in the UAE, concerning the rationale for choosing one brand over another of a frozen vegetable package, the buyer simply said "I don't trust something that looks like it is from a third world country." When questioned about the difference in price, the buyer said that his family's health was more important than saving a few *fi*ls."

It is important to remember that a company should NEVER think that its products have reached a level of superiority and cease trying to improve existing quality or packaging. A company has only to look at its competition and ask: "What are they doing to gain more sales that I'm NOT doing?"

IMPORT REGULATIONS AND STANDARDS:

A health certificate from the appropriate government agency attesting to the product's fitness for human consumption **MUST** accompany all imported processed foods. In addition, all poultry products are routinely checked for *salmonella*. Shipments will be rejected if *salmonella* is detected in more than 20% of tested samples. Baby foods and edible oils are also routinely analyzed.

There are no specific requirements for imported food samples. Samples for food shows and other promotional events are routinely exempt from local labeling and shelf-life requirements. Product samples must be clearly marked as "samples" **AND** accompanied by a statement claiming that they are not for sale.

The total costs of clearing an import shipment amount to about 4% of the shipment's value – these include a "commercial invoice legalization fees" and other document fees. The "commercial invoice legalization fee" has been levied since 1998 on all products imported into the UAE. These fees can be paid at the UAE Embassy/Consulate in Egypt or in the UAE when the products arrive. A shipment will **NOT** be released unless this fee(s) is paid. Generally this fee is the equivalent of about 1% of the shipment's value.

To avoid import rejection in UAE/Dubai, a processor (exporting company) **MUST** ensure that the:

1. Correct shelf life of the product is applied according to relevant Dubai legislation;

2. **Label complies with the requirements as per the legislation;**
3. **Product does NOT contain unpermitted ingredients or additives;**
4. **Microbiological and chemical standards are met and adhered to by the manufacturer;**
5. **Label information is in Arabic AND English; and**
6. **Production and Expiry dates are mechanically printed, embossed or ink-jetted onto the food container. (NOTE: Dates on stickers are NOT permitted.)**
 - Dates cannot be hand-written
 - Dates cannot be easily removed
 - Day, month, and year of production **MUST** be shown for products with less than six months' shelf life.
 - Month and year of production **AND** expiry are required for products with more than six months' shelf life.
 - Foods **CANNOT** be double-dated

LABELING (GULF STANDARD No. 9/1995):

Labeling standards are very strict in all GCC countries. The UAE labeling Standard SSUAE No. 9/1996 "Labelling of Prepackaged Foodstuffs" closely resembles standards set forth in the Gulf Standard No. 9/1995, consisting of approximately 10 pages, which was basically prepared by the State of Kuwait.

Labels **MUST** show the following information:

Production & Expiry dates	Names of all additives (if any)
Net contents (weight or volume)	Brand Name
Country of Origin	Name and address of manufacturer
Ingredients in descending order according to volume	Name of the food product (Product Name)
Conditions of storage (if applicable)	Method of preparation for consumption (if applicable)

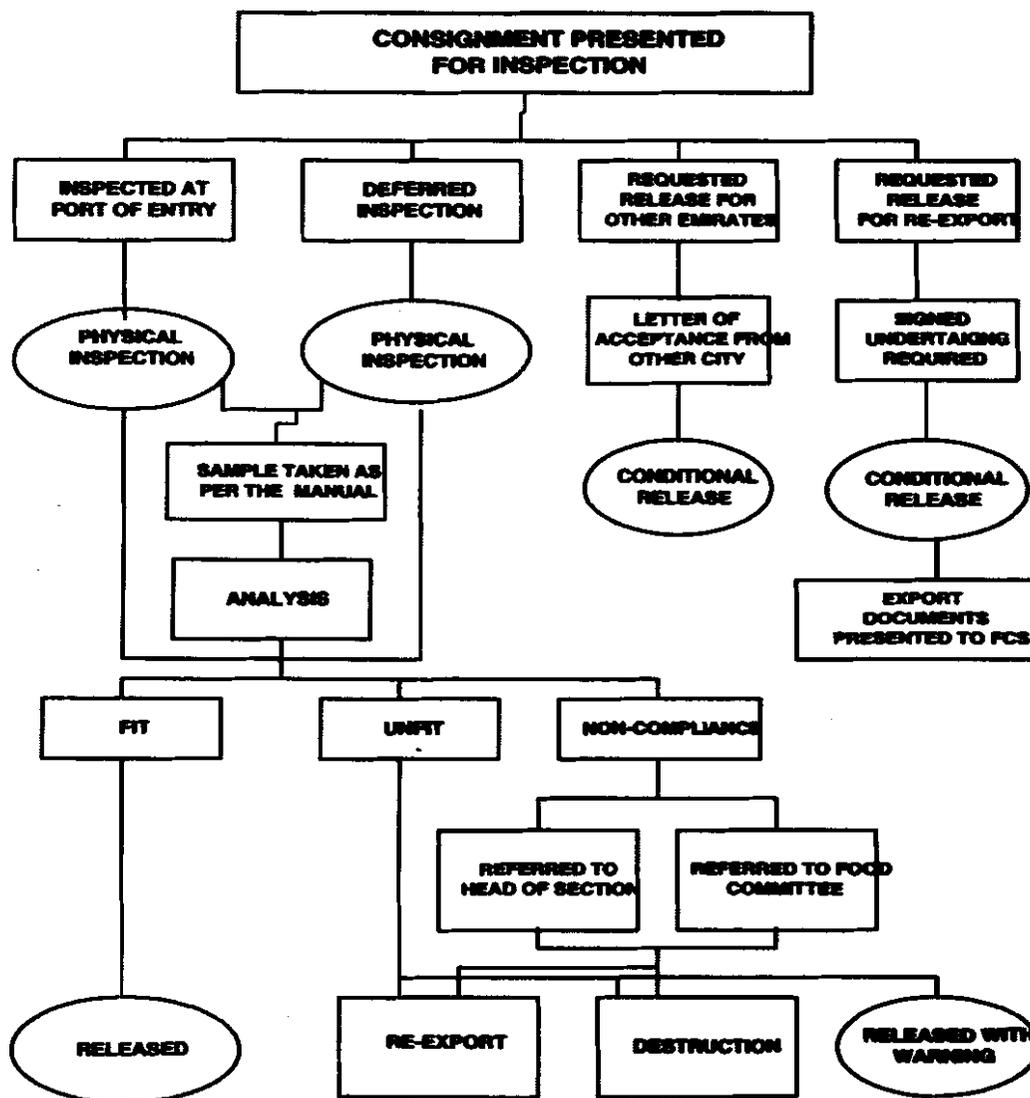
NOTE: For additional information on meeting import and/or Customs requirements in Dubai, please consult:

Requirements for Imported Foodstuffs, 1999, Food Control Section, Public Health Department: Dubai Municipality, Dubai, UAE.

A copy(ies) of the above booklet are available for photocopying only at ARAC/ALEB Library offices. Exporters may also wish to contact the Food Control Section of the Public Health Department of Dubai Municipality directly. (See also, Appendix entitled *Recommended Contacts for Exporting to the Gulf* attached to this report.)

CUSTOMS AND INSPECTION REQUIREMENTS:

Dubai ports are the primary entry points for most processed food shipments. Food shipments in the UAE/Dubai are generally off-loaded, cleared through customs and inspected by health officials within hours of arrival.



IMPORTED FOOD PROCEDURES & CONTROLS - DUBAI

In the UAE and Dubai, food products are regularly inspected at the time of import and at the point of sale. Fines are levied and products destroyed for severe violations. Imported and locally produced food products face the same food safety regulations and labeling requirements. Presently, there are no environmental laws that regulate food product packaging.

For Dubai – EVERY consignment of foodstuff arriving at any of the ports is physically inspected. There is no exception to this requirement.

Every consignment of baby foods and edible oils is sampled for analysis at the Central Laboratory. New-to-market products are also subject to a complete analysis and, if cleared, are subject to a random sampling process thereafter. The entire analysis process – sampling to results – normally takes five (5) to ten (10) days. While samples are analyzed, the entire shipment will be held and not released until the result of the analysis is known. Shipments are either held at the port of entry OR if a Dubai importer makes a special application, the consignment can be released to an importer's warehouse – only if the warehouse is located in Dubai.

SHIPMENTS TO BE RE-EXPORTED:

If a consignment of food is imported into Dubai for the purpose of re-exporting to a third country, then there is NO requirement for the foodstuffs to comply with labeling, shelf life, or compositional standards of the UAE. The foodstuffs MUST, however, be fit for human consumption. The consignment will only be released from the port of entry if the consignee provides written verification that the food products will not be sold in the UAE and that they are intended for re-export to a third party country.

Once the foodstuffs are re-exporting, the consignee must produce documented evidence of the re-export to Dubai's Food Control Section.

Costs. In addition to re-export documentation, the consignee must also deposit Dhs. 10,000 for every consignment, which is to be refunded on production of the re-export documents. Alternatively, the consignee can deposit Dhs. 50,000 with Dubai Municipality that will cover all re-export consignments for one (1) year. Provided that all re-export documentation is correct and timely, the deposit will be refunded at the end of the year.

OTHER CUSTOMS FEES:

A "commercial invoice legalization fee" has been levied since 1998 on all products imported into the UAE. These fees can be paid at the UAE Embassy/Consulate in Egypt or in the UAE when the products arrive. A shipment will NOT be released unless this fee(s) is paid. Generally this fee is the equivalent of about 1% of the shipment's value. Including this "commercial invoice legalization fee" plus other documentation clearance costs, an exporter can expect to pay about 4% of the shipment's value to clear customs in Dubai.

REJECTED SHIPMENTS:

Any foods that do not comply with labeling, shelf life, or composition standards, but that are still considered "fit for human consumption" will be rejected for importation into Dubai. These products must then be:

- 1) re-exported to the country of origin – Egypt;
- 2) re-exported to a third country – non-GCC; OR
- 3) destroyed under the supervision of Dubai Municipality's Food Control Section.

In cases of minor infractions, a shipment may be allowed entry on a one-time basis for limited sales – for example, to institutional users ONLY. Major infractions, such as tampering with production and expiry dates are severely punished, particularly those discovered after import. Such products are automatically banned from import, usually for several months, and the brand name and importer are often reported in the press.

TRANSPORTATION:

There are five (5) international and 36 smaller airports serving the UAE. Major seaports include the largest commercial facility located at Port Rashid in Dubai and Mina Jebel Ali, which serves as the hub of the Jebel Ali Free Zone Complex. There are smaller ports located in Abu Dhabi, Ras Al Khaimah, and Port Khalid in Sharjah, and another new port facility, Khor Fakkan, currently under construction in Sharjah. The Port of Fujairah is located in the State of Fujairah.

The Jebel Ali Free Zone provides the advantage of tax free importation/re-export, as long as the shipment is re-exported within six months, otherwise, a 4% tax is imposed.

Currently there are approximately 1,500 shipping agents in the UAE. Reports claim that up to as much as 70% of the imported foodstuffs shipped into the UAE are re-exported. These figures are based on government data, which may or may not be under-reported.

Since the fall of the Russian ruble in 1997, trade with the UAE has dropped off dramatically. Traders are now focusing on Africa as "the new market" to compensate for the loss of revenue. One shipping agency reported that at least 25% of their business has been going to Africa, 10 % to Russia, 10% to 15% to Gulf Cooperation Council (GCC) countries, and 50% to the United States.

The UAE is becoming a more attractive alternative for re-exporting/shipping to Africa, mainly due to the "sea-air freight system," which is ranked among the top three transport systems in the world. Approximately 5,000 tons are moved to Africa each month using this Sea-Air system. Many shipping agencies feel that Africa will become a huge market within the next five to ten years.

Direct sea shipments can take as long as 1 month to reach ports in Africa, but with the new "air transport" element involved from Dubai, it normally takes just an additional two days to deliver freight (over and above the 15 to 20 day shipping time). Shipping agencies have discovered that the Sea-Air system is cheaper in the long run and more reliable due to the problems with inland security issues associated with traditional shipments. Most of the Sea-Air shipments are sent through Sharjah's airport because the cost is lower than through the Dubai airport.

The UAE is also serviced by truck from other GCC countries. Since the total agricultural output of the UAE is approximately 3%, almost all food consumed MUST be imported.

The table below reflects quotes from four different Cairo-based freight agents. Notice the fluctuating prices for freight to Dubai, U.A.E. from Egypt. The quotes given are probably negotiable once a regular shipping schedule has been established. These prices are not guaranteed and in some cases, may be reduced given an advance notice of 10 or more days prior to shipment departure. Rates also tend to vary with seasons and availability of containers and trucks. From this listing of freight rates, it is clear that obtaining several quotes prior to deciding on a particular carrier or freight agent is more cost-effective when exporting to the Gulf and elsewhere.

FREIGHT ESTIMATES FROM CAIRO TO U.A.E., DUBAI – JULY 2000

Egypt to...	Container Small - Dry	Container Large - Dry	Container Small-Refrig.	Container Large-Refrig.	Truck Dry	Truck Refrig.
UAE - Dubai (1)	US\$475	US\$850	US\$2,300	US\$3,300	US\$2,800	US\$3,400
UAE - Dubai (2)	US\$400	US\$700	Not available	US\$2,900	US\$2,200	US\$2,700
UAE - Dubai (3)	US\$550	US\$750	US\$2,000	US\$2,550	US\$2,100	US\$2,800

Egypt to...	Container Small - Dry	Container Large - Dry	Container Small-Refrig.	Container Large-Refrig.	Truck Dry	Truck Refrig.
UAE - Dubai (4)	US\$1,400	US\$2,000	US\$2,200	US\$3,000	US\$2,800	US\$3,000

To help lower freight costs, an exporter should develop a strong working relationship with a shipper, give as much as advanced notice of shipments as possible, and consider freight consolidation (sharing a container) when a whole container is not needed. Shipping delivery dates in Dubai following departure from Egypt can range between 15 to 20 days depending on the final destination (4 to 5 days if by truck).

FREIGHT HANDLING SUGGESTIONS:

Due to the potential for claims caused by temperature damage to frozen or chilled products in transit, the Egyptian exporter should *place a temperature-recording device in each shipment to indicate transit condition. These temperature-monitoring devices can protect an exporter or shipper from false temperature related damage claims. To preserve the quality of the shipment, the exporter should also ensure a completely chilled shipping container or overland truck trailer before loading any shipment from Egypt destined for the Gulf.*

EXPORT OPPORTUNITIES:

According to 1999 ATO Dubai estimates, the consumer ready food product industry is expected to increase 5 – 10% annually in the UAE and throughout the GCC countries (not including Saudi Arabia). So based on market basket surveys, interviews with importers conducted by this author, and ATO Dubai's estimates, AND a thorough analysis of Dubai/UAE trade data, Egypt's best high value food product opportunities among those listed under *Commodity Reports* below include:

- **Juices**
- **Jams & Jellies**
- **Herbs & Spices**
- **Poultry Meat**
- **Frozen Vegetables**
- **Waters**

Other opportunities not discussed in the following *Commodity Reports* include:

- **Confectionary Products**
- **Honey**
- **Sauces**
- **Snack Foods**

COMMODITY SUMMARIES:

DEHYDRATED ONIONS & OTHER VEGETABLES

Imports of dehydrated onions and vegetable to Dubai amounted to about US\$253,138.31 (244,405 kg.) in 1997. Egyptian exports contributed approximately US\$2,014.65 (5,161

kg. or 2%) to the total imports of these products in that year, according to official Dubai statistical data.

India was the largest exporter to Dubai for this commodity with US\$93,807,89 (86,936 kg.), with Hong Kong exporting the second highest export totals, US\$70,102.82 (125,725 kg.) of exports.

India's per-kilo price was US\$1.08, while Hong Kong saw an average per-kilo price of US\$0.56, which was still higher than the Egyptian price of US\$0.39 per kilo.

Given that Egypt had a lower price per kilo (US\$0.39) price than all the other dehydrated onion/vegetable exporting countries, Egyptian products only comprised a mere 2% of this US\$253,138.00 market opportunity.

FRUIT JUICES - COMBINED

Dubai imported an estimated US\$4,273,301 of "Single Fruit Juices" in 1997 representing an increase of US\$607,401 over 1996 imports based on official Dubai statistical data. Data from the U.N. Food and Agriculture Organization (FAO) indicated that the UAE combined total for fruit juices imports reached an estimated US\$8,737,000 in 1998.

The most interesting aspect of the Dubai fruit juice industry is that this small emirate exported a large amount of fruit juices to neighboring GCC countries, in addition to Egypt and Libya. For example: From Dubai, Oman imported US\$1,890,000; Kuwait imported US\$646,901; Bahrain imported US\$107,292; Libya imported US\$110,236 and EGYPT imported US\$43,135 in 1997. The total exports from Dubai to these neighboring GCC countries and Egypt/Libya amounted to US\$2,797,564, almost 65% of Dubai's total imports. This established re-export market represents yet another opportunity for Egypt's juice processors

The largest "Single Fruit Juice" imports were Orange Juice, followed by Apple Juice and the category labeled "Single Juice or Vegetable."

Re-exports from Dubai amounted to an estimated US\$794,289 in 1997, to countries where Egypt could be exporting.

HERBS & SPICES - COMBINED

In 1997, imports of a variety of "Combined Spices" in Dubai reached US\$46,959,000.28 (34,115,926 kg.) in 1997. These spices include: Anise, Capsicum, Coriander, Cumin, Fennel, Pimento-Pepper, and Other Spices. Imports increased by US\$6,875,227 from 1996 imports according to official Dubai statistical data. India, Iran, and Guatemala are the dominant spice providers to this market.

Of these combined spices, in 1997 Egypt supplied 10,785 kg. of "Other Spices," 90 kg. of Cumin Seeds, 578 kg. of Coriander Seeds, and 7,135 kg. of Anise/Badian Seeds – or a mere 0.05% of the total Dubai spice imports.

Pimento-Pepper represented the largest category of spices, with an estimated US\$16,329,105 in 1997. Vietnam exported approximately US\$9,470,651 of Pimento – Pepper to Dubai in 1997, but this was offset by a decrease of US\$8,064,621 between 1996 and 1997. Pimento-Pepper imports increased by US\$9,470,650 between 1996 and 1997.

Re-Exports amounted to approximately US\$11,687,955 in 1997; data is not available to indicate the ultimate destinations of these Re-Exports.

According to FAO data, in 1998 Egypt imported a variety of combined spices (Allspice, Anise, Badian, Fennel, Cardamom, Nutmeg, Mace, Spices-NES, and Pimento) that totaled US\$4,573,000, a US\$717,000 increase over 1997's total imports of US\$3,856,000. During this same period Egypt's spice exports decreased by US\$374,000 (from US\$5,980,000 in 1998 to US\$5,606,000 in 1998). Unfortunately, FAO supplied neither import nor export destinations.

INFANT FOOD - COMBINED

Based on Dubai's official statistical data, Dubai imported an estimated US\$5,663,025 of Infant Foods (BOTH cereal and non-cereal-based) in 1997, an increase of US\$371,587 over 1996 imports.

Total imports for the UAE were reportedly US\$6,900.00 for 1998 according to FAO; however, FAO data for Dubai alone was not available for accurate comparison purposes.

Egypt exported only a mere US\$51,000 of baby food in 1998, an increase of US\$14,000 over 1996 exports, but also imported an estimated US\$16,104,000 the same year. Apparently, Egypt's baby food processors have established markets in their own country, but clearly opportunities to export to Dubai and the UAE.

JAMS & JELLIES - COMBINED

Jam and jelly imports to Dubai totaled approximately US\$3,443,348 in 1997. The Netherlands exported the largest quantities of jams and jellies to Dubai, with imports from that country amounting to US\$1,502,376 in 1997. Countries as far away as Guatemala, China and the Philippines all exported to Dubai in 1997.

Dubai Jams and Jellies Imports increase by US\$1,021,930 between 1997 and 1998, with very small amounts of direct exports.

The largest percentages of Jams and Jellies exports came from the European Continent. According to Egyptian CAPMAS data, Egypt did not export to Dubai in 1998; however, according to official Dubai statistical data, Egypt exported 87,732 kg. or US\$80,752.11 in jams and jellies to Dubai in 1997 – approximately 2% of Dubai's jam and jelly import market.

EDIBLE OILS - COMBINED

Dubai's total combined edible oil imports for 1997 amounted to approximately US\$19,042,603, which reflects a decrease of US\$2,376,138 from 1996 imports of US\$24,154,895. Of this amount – 11,117,114 kg. of Fixed Vegetables Oils, 7,010,183 kg. of Corn Oil; and 3,502,548 kg. of Sunflower/Safflower/Cotton Seed oils – Egypt supplied at mere 27,019 kg. of combined oils or 0.14% of the oil market in Dubai.

In 1997, Combined Edible Oil Imports decreased in Dubai by an estimated US\$5,112,293 for three separate categories.

1. Fixed Vegetable Oils & Fats decreased by US\$2,736,155;

2. Corn Oils (Maize) also saw a decrease in imports from 1997 of an estimated US\$2,174,683, while
3. Sunflower/Safflower Oils declined only by US\$201,455 for the same period.

The Edible Oil market in Dubai and other UAE emirates is a very organized business, with companies operating direct shipping tankers from the Far East directly to the region. So, competition in this market is very difficult if not impossible.

PASTA (MACARONI) - UNCOOKED

Total imports of pasta products to Dubai decreased by US\$452,697 to US\$5,533,248.76 in 1997 from the 1996 imports. The largest pasta/macaroni exporter to Dubai, Italy, saw exports of Combined Pasta products reach roughly US\$2,000,000. Also in 1997, Oriental style pastas from India, Indonesia, Thailand and Malaysia amounted to an estimated US\$732,000.

Data from FAO indicated that the UAE imported an estimated US\$6,800,000 of macaroni in 1998, which follows the same decrease in pasta/macaroni imports reported by official Dubai statistical data.

According to Dubai statistics, Re-Exports amounted to US\$1,501,266 for 1997, although export destinations are not available.

Dubai data indicated that Egypt imported approximately US\$100,000 of pasta from Dubai in 1997, but FAO data showed exports of mere US\$17,000.

As for market opportunities, Diabetic Pastas offer an excellent entrance to UAE markets given the high incidence of diabetes in the Gulf region.

POULTRY – MEAT & WHOLE FROZEN CHICKENS - COMBINED

In 1997, Dubai frozen (also includes chilled AND fresh) poultry imports declined by US\$8,839,729 according to Dubai External Trade Statistics. Based on FAO data, however, total poultry meat imports for the UAE amounted to US\$138,000,000, a decrease of US\$12,000,000 from 1996 imports.

Also according to FAO data, exports of poultry meats from the UAE totaled approximately US\$25,000,000 in 1997, but this figure could not be verified by Dubai External Trade Statistics.

Data from CAPMAS-Egypt indicates that Egypt imported \$55,000 of "Poultry Meats" in 1998, a decrease of \$280,000 over 1997 imports. Egypt exported an estimated \$1,257,000 in 1998, also a decrease from 1997 exports of \$2,009,000.

France and Denmark were the two largest exporters to Dubai in 1997, with a total combined export of US\$53,673,121, roughly 69% of the total imports for the year. China surprisingly exported an estimated US\$6,767,090, comprised primarily of boneless – skinless breast meats and boneless whole chickens.

TOMATO PASTE / PUREE

In 1997, Dubai imported an estimated US\$11,702,133 of "Tomatoes Prepared or Preserved Other Than By Vinegar," which represented an increase of US\$245,649 over

1996 imports. Dubai External Trade Statistics did not provide specific data on Tomato Paste, so it is necessary to include Tomato Paste in this category until more specific data can be obtained from the statistical gathering services of both Dubai and the UAE.

Italy was the largest exporter to Dubai with US\$4,009,115, followed by Greece with exports of US\$2,504,928, while Iran's exports to Dubai of US\$2,018,482 in 1997. Egypt exported an estimated US\$45,674.55 of Tomato Paste in 1997.

China was also a large exporter of Tomato Paste products to Dubai, with exports totaling US\$1,832,962. It is interesting that China's exports to Dubai exceeded those of Egypt, which has more of a geographic advantage.

Also in 1997, Re-Exports of "Tomatoes Prepared or Preserved Other Than By Vinegar" from Dubai reached US\$1,272,316 with destinations primarily in other GCC states.

VEGETABLES, FROZEN - COMBINED

In 1997, Dubai increased imports of Frozen Vegetables to \$4,775,890, an increase of US\$498,289 over 1996 imports.

This increase in imports is likely to continue, due to the changes occurring in traditional diets, which are more closely resembling Western eating habits. The influx of fast food restaurants is one of the biggest contributing factors to these changes in dietary habits.

The largest categories of imported vegetables were: Frozen Peas with imports of US\$1,703,171 and Mixed Vegetables with imports of US\$1,440,238. When combined, these two frozen vegetable categories amount to approximately 68% of total frozen vegetable imports for the year.

Exports from Dubai exceeded total imports by US\$48,616. However, there is no data to explain where the gap in data lies. Also in 1997, Re-Exports amounted to approximately US\$77,105 once again revealing another data discrepancy. Local production capabilities are unknown due to lack of supply data from the official reporting agencies in Dubai. Further investigation into the Frozen Data Gap will be needed to identify errors and omissions.

Egyptian exports to the UAE were an estimated US\$1,196,676 in 1999 according to CAPMAS-Egypt data. The Frozen Vegetable commodities that saw the largest exports from Egypt were Frozen Mixed Vegetables (US\$435,919), Frozen Potatoes (US\$315,460), and Potatoes Prepared or Preserved Not by Vinegar - Frozen (US\$112,055).

VEGETABLES, PICKLES – PACKED IN VINEGAR OR OTHERWISE PRESERVED

Dubai is an extremely large importer of pickled (preserved) vegetables, both with and without Vinegar.

In 1997, Dubai imported a combined total of US\$24,770,021 in: "Vegetables, Fruits, and Nuts Preserved in Vinegar" (US\$3,326,663) and "Other Vegetables Prepared or Preserved Otherwise Than By Vinegar" (US\$21,443,358). A total combined increase of an estimated US\$2,814,373.

In 1999, Egypt exported an estimated US\$124,393 of "Pickled Vegetables (By Vinegar)" and US\$30,889 of "Vegetables Packed in Brine" according to CAPMAS-Egypt

data. FAO data indicates that, in 1998, Egypt imported US\$120,000 of "Vegetables Prepared by Vinegar."

WATERS, BOTTLED - COMBINED

According to Dubai's official trade data (Dubai External Trade Statistics), Dubai's imports of "Natural or Artificial Bottled Waters" totaled approximately US\$1,780,309 in 1997 – an increase of US\$214,779 over 1996 imports. France was the largest supplier of these waters with total imports reaching US\$1,307,650.

Dubai exported approximately US\$7,383,561 of bottled waters in 1997 to other GCC countries.

Exports of Flavored Waters containing added sugar or other sweeteners amounted to approximately US\$14,500,000 in 1997, while Re-Exports totaled US\$1,258,412 also based on Dubai External Trade Statistics. This market for Flavored Waters is growing in all GCC countries, and offers Egypt excellent export opportunities.

Libya imported an estimated US\$3,867,125 of Flavored Waters in 1997. Given its geographic proximity to Egypt, Libya is another market that Egypt's bottled water and flavored water producers should explore.

DUBAI CODE INDEX

(Listed Alphabetically by Commodity Type)

OPPORTUNITY COMMODITIES	Dubai External Trade Statistics Research & Statistics Office, Department of Ports & Customs EXACT COMMODITY TITLE	Dubai Harmonized Coding System (HS) CODE NUMBER
Dehydrated/Dried Dates	Dates, Fresh or Dried [Dates, Figs, Pineapples, Avocados, Guavas, Mangoes and Mangosteens Fresh or Dried.]	080410
Dehydrated/Dried Grapes	Dried Grapes	080620
Dehydrated/Dried Onions	Dried Onions, Whole Cut, Sliced, Etc.	071220
Dehydrated/Dried Vegetables	Other [DRIED] Vegetables, Mixtures of Vegetables	071290
Infant Foods	Preparations For Infant Use, Put Up For Retail Sale	190110
Jams and Jellies	Jams, Fruit Jellies, Marmalades, Fruit Or Nut Puree and Fruit or Nut Pastes, Being Cooked Preparations Whether Or Not Containing Added Sugar Or Other Sweetening Matter	200700
Juice, Apple	Apple Juice	200970
Juice, Citrus – Other	Juice of Any Single Citrus Fruit Other Than Of Orange Or Grapefruit	200930
Juice, Fruit or Vegetable – General	Juice of Any Single Fruit or Vegetable N.E.S.	200980
Juice, Grape	Grape Juice (Including Grape Must)	200960
Juice, Grapefruit	Grapefruit Juice	200920
Juice, Orange	Orange Juice	200910
Juice, Pineapple	Pineapple Juice	200940
Juice, Tomato	Tomato Juice	200950
Macaroni (Pasta)	Uncooked Pasta, Not Stuffed Or Otherwise Prepared	190210
Oils, Maize (Corn)	Maize (Corn) Oil and Its Fractions	151520
Oils, Olive	Olive Oil and Its Fractions, Whether Or Not Refined, But Not Chemically Modified	150900

OPPORTUNITY COMMODITIES	Dubai External Trade Statistics Research & Statistics Office, Department of Ports & Customs EXACT COMMODITY TITLE	Dubai Harmonized Coding System (HS) CODE NUMBER
Oils, Sunflower	Sunflower-Seed, Safflower Oil And Fractions Thereof	151210
Oils, Vegetable	Other Fixed Vegetable Fats And Oils And Their Fractions	151590
Poultry, Frozen	Meat And Edible Offal Of The Poultry Of Heading No. 01.05, Fresh, Chilled, Or Frozen	020700
Spices, Anise	Seeds of Anise Or Badian	090910
Spices, Capsicum/Pimento	Fruits Of The Genus Capsicum Or Of The Genus Pimenta, Dried Or Crushed Or Ground	090420
Spices, Cardamoms	Cardamoms	090830
Spices, Coriander	Seeds of Coriander	090920
Spices, Cumin	Seeds of Cumin	090930
Spices, Fennel	Seeds of Fennel; Juniper Berries	090950
Spices, Other	Other Spices	091090
Spices, Pepper	Pepper Whether Or Not Crushed Or Ground	090410
Tomato Paste/Puree	Tomatoes Prepared Or Preserved Otherwise Than By Vinegar Or Acetic Acid	200200 [2002]
Vegetables, Pickled (in Vinegar)	Vegetables, Fruit, Nuts And Other Edible Plants, Prepared Or Preserved By Vinegar Or Acetic Acid	200100
Vegetables, Pickled (Other than Vinegar)	Other Vegetables Prepared Or Preserved Otherwise Than By Vinegar Or Acetic Acid, Not Frozen	200500
Vegetables-Frozen, Beans	Beans, Cooked/Uncooked, Frozen	071022
Vegetables-Frozen, Corn	Sweet Corn, Frozen	071040
Vegetables-Frozen, Mixed	Mixtures of Vegetables, Frozen	071090
Vegetables-Frozen, N.E.S	Frozen Vegetables N.E.S.	071080
Vegetables-Frozen, Peas	Peas, Cooked/Uncooked, Frozen	071021

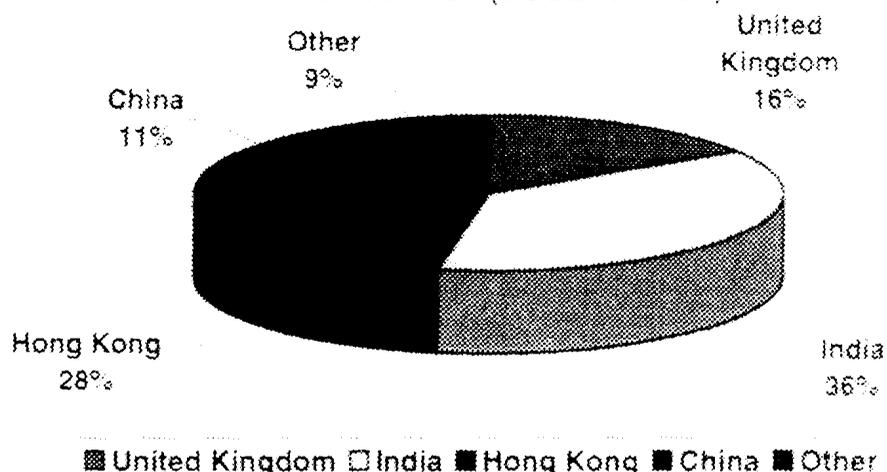
OPPORTUNITY COMMODITIES	Dubai External Trade Statistics Research & Statistics Office, Department of Ports & Customs EXACT COMMODITY TITLE	Dubai Harmonized Coding System (HS) CODE NUMBER
Vegetables-Frozen, Potatoes Vegetables-Frozen, Spinach	Potatoes, Cooked/Uncooked, Frozen Spinach, New Zealand Spinach And Orache Spinach (Garden Spinach)	071010 071030
Waters, Flavored (with Sugar)	Waters, Including Mineral Waters & Aerated Waters, Containing Added Sugar or Other Sweetening Matter or Flavored, & Other Non-Alcoholic Beverages, Not Including Fruit or Vegetable Juices of Heading No. 20.09	220200
Waters, Artificial Natural or (WITHOUT Sugar)	Waters, Including Natural Or Artificial Mineral Waters & Aerated Water Not Containing Added Sugar or Other Sweetening Matter.	220100

NOTES

- **Market Basket Surveys:** As you scroll through the tables entitled *Market Basket Survey Averages*, you will notice that products are listed more than once. A repeated "product" listing reflects one of two things – either:
 1. The product size is different; or
 2. If a Product AND Country of Origin are listed more than once, a brand name, which is NOT listed to protect the identity of the producer, may be different.

DUBAI (U.A.E.) – DEHYDRATED ONIONS & VEGETABLES

DUBAI - DEHYDRATED MIXTURES OF VEGETABLES / IMPORTS 1997 (CODE: 071290)



SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

DUBAI – OTHER [DRIED] VEGETABLES, MIXTURES OF VEGETABLES / IMPORTS 1997 (CODE: 071290)

COUNTRY OF EXPORT	WEIGHT (Kg.)	VALUE (Dhrms)	VALUE (USD)	S/Kg.
Australia	422	2,260	\$636.62	\$1.51
Austria	356	8,235	\$2,319.72	\$6.52
Bahrain	1,391	24,586	\$6,926.63	\$4.98
Canada	144	303	\$85.35	\$0.59
China	10,539	97,604	\$27,494.08	\$2.61
Hong Kong	125,725	248,865	\$70,102.82	\$0.56
India	86,836	333,018	\$93,807.89	\$1.08
Japan	379	13,244	\$3,730.70	\$9.84
Pakistan	412	4,848	\$1,365.63	\$3.31
United Kingdom	12,476	141,108	\$39,748.73	\$3.19
USA	564	17,418	\$4,906.48	\$8.70
TOTAL – 1997:	244,405	898,641		

MARKET ANALYSIS:

According to 1997 Dubai Research and Statistics reports, imports of "Other Vegetables, Mixtures of Vegetables" reached 244,405 kilograms valued at US\$253,138.31 for the 12 largest exporters of these products. Under the above classification, Egypt exported ONLY US\$2,014.65 (6,161 kilograms) worth of products, while Hong Kong and India were the largest exporters – shipping over 125,725 kilograms (valued at US\$70,102.82) and 86,836 kilograms (valued at US\$93,807.89) worth of dehydrated products respectively.

In 1997, Dubai imported US\$314,016 worth of dehydrated onions and vegetables combined. However, Dubai import and export data for 1998 was unavailable at the time

of this report writing. The U.N. Food and Agriculture Organization (FAOSTAT) reports that "Dehydrated Vegetable" imports reaching 448 Mt. and valued at US\$322,000 (448 Mt) were imported into the UAE in 1998. However, FAO did not report export trade data for 1998.

Egyptian exporters reported through CAPMAS-Egypt that a total of \$16,868,000 worth of dehydrated vegetables was exported in 1998. This amount reflects a US\$3,387,000 increase over 1997 exports valued at US\$13,481,000.

DUBAI - DRIED ONIONS, WHOLE, SLICED, OTHER / IMPORTS 1997 (CODE: 071220)				
COUNTRY OF EXPORT	WEIGHT (Kg.)	VALUE (Dhms)	VALUE (USD)	\$/Kg.
CHINA	1,375	13,725	\$3,866.20	\$2.81
FRANCE	2,370	32,070	\$9,033.80	\$3.81
UNITED KINGDOM	6,016	97,756	\$27,536.90	\$4.58
INDIA	6,272	45,705	\$12,874.65	\$2.05
USA	2,583	26,863	\$7,567.04	\$2.93
TOTAL	18,616	216,119	\$60,878.59	\$3.27

SHELF LIFE (EXPIRY PERIOD):

Dehydrated food products are not subject to expiry dating regulations as per the GCC Standard No. 150/1993.

OPPORTUNITIES:

Given the number of exporters of dehydrated products to Dubai, if Egyptian transport rates are competitive, and with aggressive marketing and follow-up with importers, Egyptian exporters should be able to capture a share of this market from Hong Kong and India.

Unfortunately, due to the lack of 1998 and 1999 data from the UAE, exact imports cannot forecast until August 2000 when updated information will become available.

ADDITIONAL OPPORTUNITIES FOR DRIED PRODUCTS:

As a side note, the following dried fruit products offer a \$53,471,493 (1997) market potential in Dubai. Based on this 1997 data, the nature of Dubai's dried fruit market offers Egyptian dehydrated exporters an opportunity to seize market share away from countries like India, Iran, and Thailand.

DUBAI - FRUIT DRIED (OTHER THAN CODE 0801 TO 0806) / IMPORTS 1997				
COUNTRY OF EXPORT	WEIGHT (Kg.)	VALUE (Dhrms)	VALUE (USD)	\$/Kg.
Egypt	16,433	11,836	\$3,334.08	\$0.20
France	3,680	50,468	\$14,216.34	\$3.86
India	1,314,610	3,501,228	\$986,261.41	\$0.75
Iran	170,826	579,634	\$163,277.18	\$0.96
Myanmar (Burma)	44,220	57,777	\$16,275.21	\$0.37
Pakistan	42,008	306,716	\$86,398.87	\$2.06
Philippines	6,171	44,419	\$12,512.39	\$2.03
Sri Lanka	404,905	867,595	\$244,392.96	\$0.60
Thailand	2,735,970	3,552,654	\$1,000,747.61	\$0.37
Turkey	64,624	382,365	\$107,708.45	\$1.67
USA	43,357	280,408	\$81,805.07	\$1.89
TOTAL	4,846,804	9,645,100	\$2,716,829.58	\$0.56

SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

DUBAI - DRIED DATES AND OTHER FRUITS / IMPORTS 1997 (CODE: 080410)				
COUNTRY OF EXPORT	WEIGHT (Kg.)	VALUE (Dhrms)	VALUE (USD)	\$/Kg.
Algeria	50,491	426,758	\$120,213.52	\$2.38
Egypt	25,084	78,482	\$22,107.61	\$0.88
France	11,520	78,199	\$22,027.89	\$1.91
Iran	196,041,183	133,433,831	\$37,586,994.65	\$0.19
Iraq	695,428	289,386	\$81,517.18	\$0.12
Jordan	9,444	96,530	\$27,191.55	\$2.88
Pakistan	21,215	49,354	\$13,902.54	\$0.66
Saudi Arabia	18,571	201,933	\$56,882.54	\$3.43
Tunisia	240,946	2,437,357	\$686,579.44	\$2.85
USA	1,875	41,226	\$11,612.96	\$6.19
TOTAL	197,113,757	137,133,056	\$38,629,029.86	\$0.20

SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

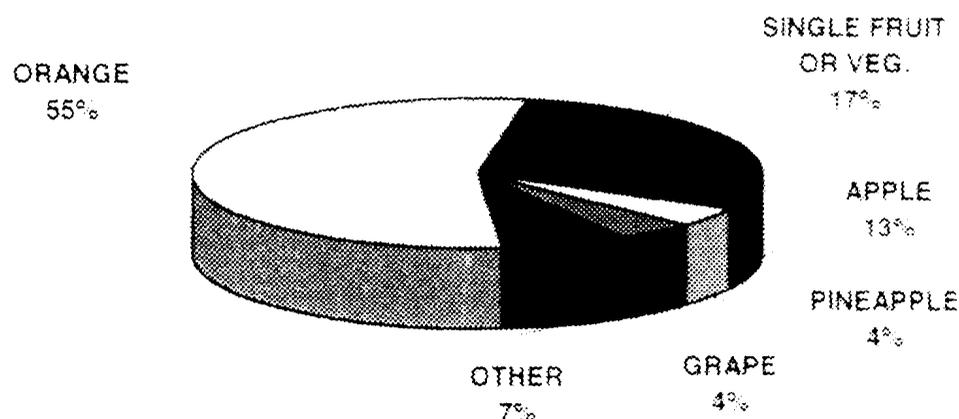
DUBAI - DRIED GRAPES / IMPORTS 1997 (CODE: 080620)				
COUNTRY OF EXPORT	WEIGHT (Kg.)	VALUE (Dhrms)	VALUE (USD)	\$/Kg.
Afghanistan	40,410	76,750	\$21,619.72	\$0.54
Australia	21,630	117,005	\$32,959.15	\$1.52
Cyprus	7,200	55,838	\$15,729.01	\$2.18
Egypt	492	1,582	\$448.45	\$0.91
Greece	996	11,262	\$3,172.39	\$3.19
India	50,354	185,252	\$52,183.66	\$1.04

COUNTRY OF EXPORT	WEIGHT (Kg.)	VALUE (Dhms)	VALUE (USD)	\$/Kg.
Iran	16,170,694	40,887,198	\$11,517,520.56	\$0.71
Netherlands	148	2,345	\$660.56	\$4.46
Pakistan	21,206	103,853	\$29,254.37	\$1.38
South Africa	1,875	17,214	\$4,849.01	\$2.59
Switzerland	357	4,345	\$1,223.94	\$3.43
Taiwan	122,040	414,022	\$116,625.92	\$0.96
Turkey	1,237	12,312	\$3,468.17	\$2.80
United Kingdom	15,318	164,838	\$46,433.24	\$3.03
USA	110,459	991,077	\$279,176.62	\$2.53
Yemen	60	747	\$210.42	\$3.51
TOTAL	16,564,476	43,045,650	\$12,125,535.21	\$0.73

SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

DUBAI (U.A.E.) – FRUIT JUICES

DUBAI - FRUIT JUICES, SINGLE / IMPORTS 1997 (CODES: 200910 - 200920 - 200930 - 200940 - 200950 - 200960 - 200970 - 200980)



■ SINGLE FRUIT OR VEG. ■ APPLE □ PINEAPPLE ■ GRAPE ■ OTHER □ ORANGE

SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

DUBAI - FRUIT JUICES, SINGLE / IMPORTS 1997 (CODES: 200910 - 200920 - 200930 - 200940 - 200950 - 200960 - 200970 - 200980)

COMMODITY JUICES	WEIGHT (Kg.)	VALUE (Dhrms)	VALUE (USD)	\$/Kg.
APPLE	593,135	1,906,164	\$536,947.61	\$0.91
GRAPE	229,014	672,510	\$189,439.44	\$0.83
GRAPEFRUIT	93,093	242,338	\$68,264.23	\$0.73
ORANGE	1,966,548	8,229,044	\$2,318,040.56	\$1.18
PINEAPPLE	219,560	661,695	\$186,390.14	\$0.85
SINGLE CITRUS	237,387	632,234	\$178,094.08	\$0.75
SINGLE FRUIT OR VEG.	956,697	2,624,616	\$739,328.45	\$0.77
TOMATO	90,253	201,630	\$56,797.18	\$0.63
TOTAL	4,385,675	15,170,221		

SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

MARKET ANALYSIS:

There was a \$607,401 increase in imports for fruit juices into Dubai (UAE) between 1996 & 1997 according to Dubai Trade Statistics. FAO Data indicated that the UAE imported \$8,737,000 in 1996, 1997, 1998, these numbers are very suspect due to the uniformity of the numbers across the board.

The juice with the largest gain in one year was HS Code 200910, Orange Juice, with a total importation of \$654,261 between 1996 & 1997.

Re-exports from Dubai (UAE) amounted to \$794,289 in 1997, \$43,135 of which was exported to Egypt. The largest importers in 1997 of fruit juice from Dubai (UAE) were) Kuwait (\$646,901), Bahrain (\$107,292), and Libya (\$110,236).

With this amount of exports originating from Dubai (UAE), Egyptian fruit juice exporters should actively pursue these markets – Oman, Kuwait, Bahrain, and Libya – which are in their own backyard.

DUBAI - FRUIT JUICES, SINGLE / EXPORTS 1997				
(CODE: 200920 - 200930 - 200940 - 200950 - 200960 - 200970 - 200980)				
COMMODITY JUICES	WEIGHT (Kg.)	VALUE (Dhms.)	VALUE (USD)	\$/Kg.
GRAPEFRUIT	140,650	338,790	\$95,433.80	\$0.68
SINGLE CITRUS	273,724	853,963	\$240,558.59	\$0.88
PINEAPPLE	243,454	722,416	\$203,497.46	\$0.84
TOMATO	73,056	183,631	\$51,727.04	\$0.71
GRAPE	192,857	691,950	\$194,915.49	\$1.01
APPLE	873,520	2,943,514	\$829,158.87	\$0.95
SINGLE FRUIT OR VEG.	1,397,697	3,529,099	\$994,112.39	\$0.71
Total	3,194,958	9,263,383	\$2,609,403.68	\$0.82

SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

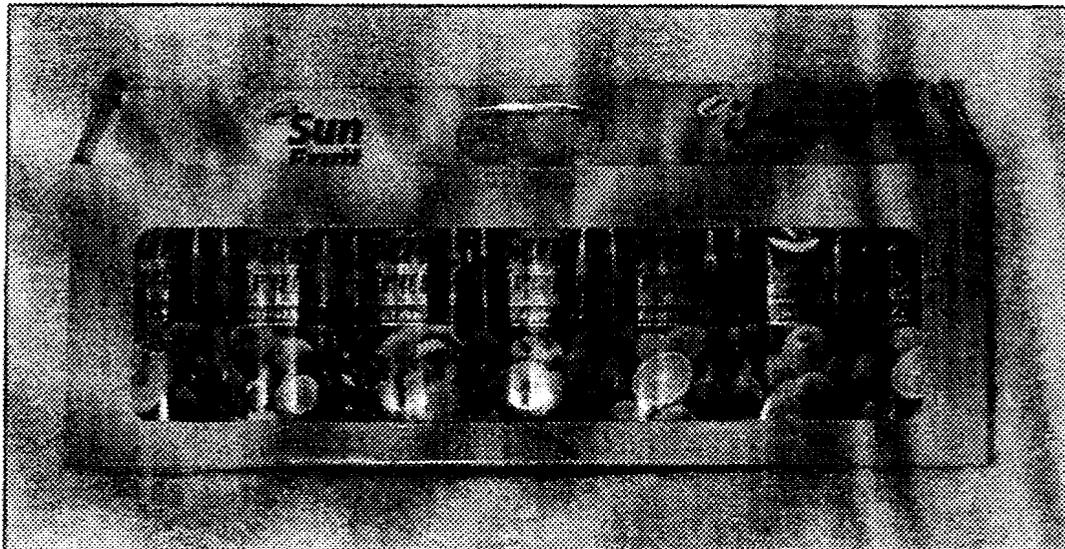
DUBAI - JUICE, ORANGE / IMPORTS 1997 (CODE: 200910)				
FRUIT JUICES & VEGETABLE JUICES, UNFERMENTED & NOT CONTAINING ADDED SPIRIT, WHETHER OR NOT CONTAINING ADDED SUGAR OR OTHER SWEETENING MATTER				
COUNTRY OF EXPORT	WEIGHT (Kg.)	VALUE (Dhms.)	VALUE (USD)	\$/Kg.
Australia	50,334	153,603	\$43,268.45	\$0.86
Brazil	183,070	919,327	\$2,589.65	\$0.01
Canada	183,070	919,327	\$258,965.35	\$1.41
Cyprus	271,097	674,178	\$189,909.30	\$0.70
Egypt	0	0	\$0.00	\$0.00
Malta	173,557	369,398	\$104,055.77	\$0.60
Netherlands	91,023	526,450	\$148,295.77	\$1.63
Other	270,409	505,619	\$142,427.89	\$0.53
Pakistan	91,023	526,450	\$148,295.77	\$1.63
South Africa	59,536	181,912	\$51,242.82	\$0.86
USA	768,157	4,392,357	\$1,237,283.66	\$1.61
Yemen	58,674	133,353	\$37,564.23	\$0.64
TOTAL	1,966,546	8,229,044	\$2,318,040.56	\$1.18

SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

EGYPT - FRUIT JUICES, INDIVIDUAL - 1999 EXPORTS TO U.A.E.				
HTS CODE	HTS DESCRIPTION	Quantity (Kg)	Dollar Value	\$/Kg.
2009110000	JUICE - Orange, Frozen.	4,000	2,754.11	\$0.69
2009190000	JUICE - Orange, Not Frozen	1,600	1,100.29	\$0.69
2009400000	JUICE - Pineapple	2,400	1,651.70	\$0.69
2009700000	JUICE - Apple	3,800	2,616.70	\$0.69
2009800010	JUICE - Mango	59,630	19,543.50	\$0.33
2009800020	JUICE - Guava	9,130	7,122.89	\$0.78
2009900000	JUICE - Mixtures of	18,210	13,623.99	\$0.75
	TOTAL:	98,770	48,413.19	\$0.49

SOURCE: CAPMAS - EGYPT

Most of the juices observed during market basket surveys were packed in Tetra-Pak cartons, which were sometimes bulk-wrapped in packs of 18 for 330 ml. Sizes (\$7.88) and packs of 4 1-liter cartons (\$5.44). Single 330 ml. Tetra-Pak juices retailed for approximately \$0.43 and single 1-liter cartons sold for \$1.39.



A SIX-PACK CASE OF 330 ML. JUICES AVAILABLE IN THE GULF

Packaging like this will enhance any product. Not only will this packaging idea make the product more attractive to the consumer because of its convenience, but it will in effect raise sales potential because bulk packaging.

This type packaging is what is needed to not only impress a consumer, but it is this type of innovative products that importers are asking for.

DUBAI SUPERMARKET SURVEY AVERAGES - APRIL 2000

Products	Size	Avg. Price (U.Dh.)	AVG. Price US\$ (Rate: 3.55)	Country of Origin
Juice - Apple	330 ml./6 pak	10.00	\$2.82	Saudi Arabia
Juice - Apple	1 lit.	4.62	\$1.30	U.A.E.
Juice - Apple	1 lit.	4.63	\$1.31	South Africa
Juice - Apple	1 lit.	4.15	\$1.17	UAE (Sharjah)
Juice - Apple	1 lit.	4.15	\$1.17	South Africa
Juice - Apple	1 lit.	7.75	\$2.18	United Kingdom
Juice/Drinks - Vegetable	473 ml.	2.75	\$0.77	United States
Juice - Fruit Cocktail	1 lit.	4.62	\$1.30	U.A.E.
Juice - Fruit Cocktail	1 lit.	4.15	\$1.17	UAE (Sharjah)
Juice - Fruit Cocktail	1 lit.	3.75	\$1.06	South Africa
Juice - Grape	1 lit.	7.75	\$2.18	United Kingdom
Juice - Grape	330 ml./6 pak	10.00	\$2.82	Saudi Arabia
Juice - Grape (Hanepoot)	1 lit.	4.70	\$1.32	South Africa
Juice - Grapefruit	1 lit.	4.62	\$1.30	U.A.E.

Products	Size	Avg. Price (U.Dh.)	Avg. Price US\$ (Rate: 3.65)	Country of Origin
Juice - Grapefruit	1 lt.	3.95	\$1.11	UAE (Sharjah)
Juice - Grapefruit Ruby	1.89 lt. (Retail)	22.75	\$6.41	United States
Red w/ Calcium	1 lt.	4.70	\$1.32	South Africa
Juice - Guava	1 lt.	4.63	\$1.30	South Africa
Juice - Litchi	1 lt.	4.62	\$1.30	UAE
Juice - Mango	1 lt.	4.50	\$1.27	South Africa
Juice - Mango	1 lt.	4.15	\$1.17	UAE (Sharjah)
Juice - Mango	1 lt.	4.15	\$1.17	South Africa
Juice - Orange	390 ml/6 pak	10.00	\$2.82	Saudi Arabia
Juice - Orange	1 lt.	4.62	\$1.30	UAE
Juice - Orange	1 lt.	4.63	\$1.30	South Africa
Juice - Pear	1 lt.	4.62	\$1.30	UAE
Juice - Pineapple	1 lt.	4.25	\$1.20	UAE (Sharjah)
Juice - Pineapple	1 lt.	4.25	\$1.20	UAE (Dubai)
Juice - Pineapple	1 lt.	4.15	\$1.17	South Africa
Juice - Pineapple	1 lt.	4.15	\$1.17	UAE (Sharjah)
Juice - Orange	1 lt.	7.75	\$2.18	United Kingdom
Juice - Orange	1.89 lt. (Retail)	22.75	\$6.41	United States
Juice - Orange, Fresh	2.0 lt.	7.50	\$2.11	UAE
Juice - Orange, Fresh	2.0 lt.	5.90	\$1.66	UAE
Juice - Peach	1 lt.	4.63	\$1.30	South Africa
Juice - Pear	1 lt.	4.63	\$1.30	South Africa
Juice - Pineapple	1 lt.	4.62	\$1.30	UAE
Juice - Pineapple	1 lt.	4.25	\$1.20	UAE (Sharjah)
Juice - Pineapple	1 lt.	4.25	\$1.20	UAE (Dubai)
Juice - Pineapple	1 lt.	4.15	\$1.17	South Africa
Juice - Pineapple	390 ml/6 pak	10.00	\$2.82	Saudi Arabia
Juice - Pink Lemonade	1.89 lt. (Retail)	22.75	\$6.41	United States
Juice - Red Currant	1 lt.	4.63	\$1.30	South Africa
Juice - Tomato	1 lt.	4.62	\$1.30	UAE
Juice - Tomato	1 lt.	4.15	\$1.17	UAE (Sharjah)
Juice - Tomato	1 lt.	4.15	\$1.17	South Africa
Juice - Tomato/Cocktail	473 ml	7.75	\$2.18	United States
Juice (Bottled) - Apple	1 lt.	3.75	\$1.06	Germany
Juice (Bottled) - Grape	1 lt.	3.75	\$1.06	Germany
Juice Concentrates - Fruit Cocktail	1 lt.	12.95	\$3.65	Denmark
Juice Concentrates - Lemon	1 lt.	12.95	\$3.65	Denmark
Juice Concentrates - Orange	1 lt.	12.95	\$3.65	Denmark
Juice Concentrates - Peach	60 cl.	13.50	\$3.80	Lebanon
Juice Concentrates - Red	1 lt.	12.95	\$3.65	Denmark
Juice Concentrates - Rose	60 cl.	13.50	\$3.80	Lebanon
Juice Concentrates - Strawberry	1 lt.	12.95	\$3.65	Denmark
Juice Concentrates - Strawberry	60 cl.	13.50	\$3.80	Lebanon

Products	Size	Avg. Price (U.Dh.)	AVG. Price US\$ (Rate: 3.55)	Country of Origin
Juice Concentrates - Vanilla	60 cl.	13.50	\$3.80	Lebanon
Juice Drinks - Mango Cocktail	407 ml. Bottle	3.25	\$0.92	United States
Juice Drinks - Peach Iced Tea	407 ml. Bottle	3.25	\$0.92	United States
Juice Drinks - Pineapple Passion	1 lit.	3.00	\$0.85	United States
Juice Drinks - Pink Lemonade	407 ml. Bottle	3.25	\$0.92	United States
Juice Drinks - Strawberry/Kiwi	407 ml. Bottle	3.25	\$0.92	United States
Juice Drinks - Watermelon-Kiwi	1 lit.	3.00	\$0.85	United States

SOURCE: ALEB - Dubai: UAE Market Basket Surveys, April 2000.



Glass bottles occupy a large portion of the shelf space in the hypermarkets and grocery stores in Dubai.

Bottled juices are primarily mixed juice drinks, containing less than 10% fruit juice, as opposed to the nectars or pure juices in Tetra Pak cartons.

Sparkling juices are finding their way into more upscale markets to satisfy the more sophisticated consumer. Many of these sparkling juices are single juice offerings, as opposed to the blended "fruit punch" or "tropical blend" juices.

There is a marked distinction between the juice and nectar products offered in most stores. Fruit nectars are usually packaged distinctively to distinguish them from the lower priced "single strength" juices.

Fruit juice concentrates are also popular with consumers because of their convenience. These fruit drink concentrates cost on average \$3.64 per liter.

Other types of convenience juices that are making an impact on the GCC markets are the premium single strength refrigerated juices from the US. These juices can cost as

much as \$6.00 for a 1.8 liter carton of fruit juices such as, grapefruit, orange, or pink lemonade. These juices seemed to sell quite well, despite the cost, according to one stock clerk in Dubai.

SHELF LIFE (EXPIRY PERIOD):

Fruit Juices must comply with expiry dating regulations as per the GCC Standard No. 150/1993. Expiry periods for Fruit Juices are 18 Months for suitable containers. Exports of dried fruit juices carry an expiry period of 18 months packaged in a suitable container.

Baby Fruit Juices have an expiry date of 12 months when packaged in tightly sealed glass containers & sterilized. As "baby food products," baby juices are subject to intense scrutiny and testing with EACH shipment to Dubai.

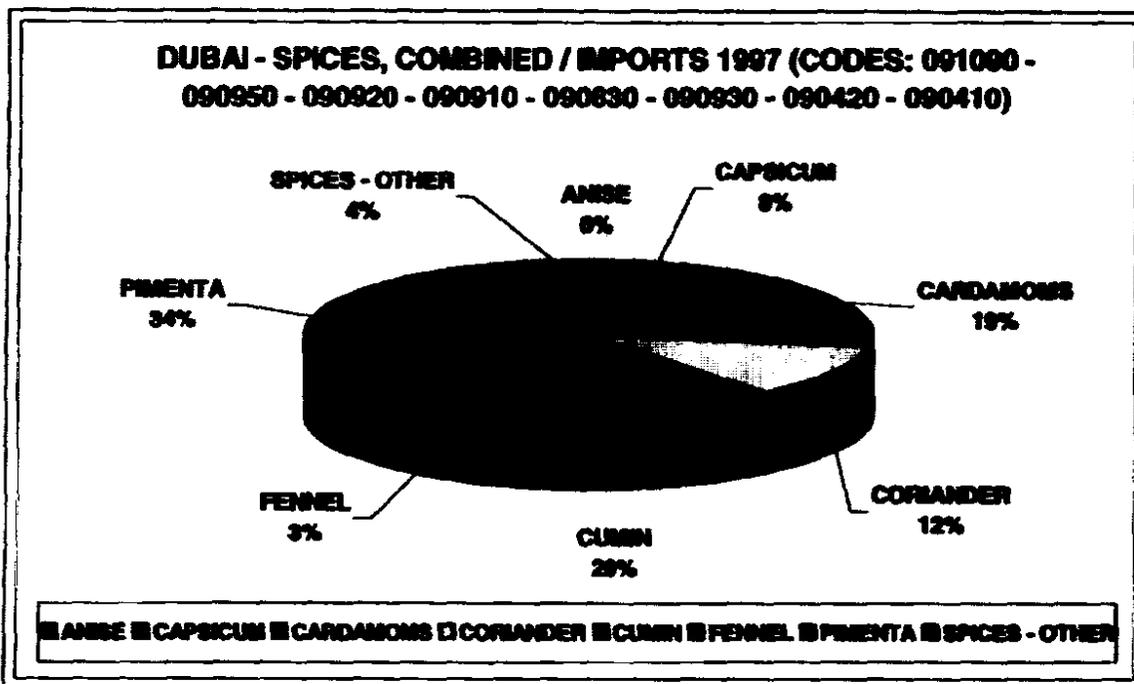
OPPORTUNITIES:

Dubai is estimated to import \$8,000,000 to \$9,000,000 in fruit juices per year. Almost \$714,000 was exported from Dubai in 1997 alone, not accounting for the other Emirates.

Dubai also re-exported an estimated \$2,754,429 of Fruit Juices into the Gulf Region and Libya in 1997 according to Dubai Trade Statistics.

All of these opportunities are in close proximity to Egypt, transportation cost are one reason why exports are low, but better marketing and sales can provide higher volumes of exports which will drive down transportation cost.

DUBAI (U.A.E.) – HERBS & SPICES COMBINED



SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

**DUBAI – SPICES, COMBINED / IMPORTS 1997
(CODES:091090 – 090950 – 090920 – 090830 – 090910 – 090930 – 090420 – 090410)**

COMMODITY	WEIGHT (Kg.)	VALUE (Dirhms)	VALUE (USD)	\$/Kg.
ANISE	27,762	133,979	\$37,740.56	\$1.36
CAPSICUM	3,979,800	12,790,366	\$3,602,920.00	\$0.91
CARDAMOMS	2,251,220	32,674,249	\$9,204,013.80	\$4.09
CORIANDER	8,442,689	19,696,853	\$5,548,408.00	\$0.66
CUMIN	11,033,796	33,259,397	\$9,368,844.00	\$0.85
FENNEL	1,685,207	4,328,297	\$1,218,571.00	\$0.72
PIMENTO, PEPPER	5,052,571	48,793,799	\$16,329,105.92	\$3.23
SPICES - OTHER	1,642,881	6,308,388	\$1,649,402.00	\$1.00
TOTAL – 1997:	34,115,926	167,159,855	\$46,959,006.28	\$1.38

MARKET ANALYSIS:

The combined list of spices in the previous tables, indicated that there was a \$46,959,006 market for spices in 1997. There was an overall \$6,875,227 increase in spice imports from 1996 to 1997.

Pimento from Vietnam gained an amazing \$9,470,651 between 1996 and 1997. To offset this gain, there was a decrease of \$8,064,621 in imports of Cumin between 1996 and 1997.

Re-Exports for 1998 were approximately \$11,687,955. Unfortunately there was no data available to determine the ultimate destinations of these spices. Exports data was also not available for any of the above listed spices.

Overall, the spice categories listed above experienced a \$717,000 increase in imports to Egypt between 1997 and 1998; the category labeled "Pimento - Allspice" saw the most significant change with a decrease of \$280,000. At the same time, Egypt's exports decreased by \$374,000 between 1997 and 1998 for the spice categories listed above. As a basis for comparison, however, Egyptian CAPMAS data for spices was not available for this report.

SOURCE: FAO DATA

EGYPT SPICE EXPORTS FOR 1997 - 1998				
SPICE CATEGORY	1998 EXPORTS	1997 EXPORTS	INCREASE	DECREASE
NUTMEG - MACE -				
CARDAMOMS	N/A	N/A		N/A
ANISE - BADIAN - FENNEL	\$5,520,000.00	\$5,908,000.00	N/A	\$288,000.00
SPICES - NES	\$71,000.00	\$91,000.00	N/A	\$20,000.00
PIMENTO - ALLSPICE	\$15,000.00	\$81,000.00	N/A	\$66,000.00
TOTAL	\$5,606,000.00	\$5,980,000.00	N/A	\$374,000.00

EGYPT SPICE IMPORTS FOR 1997 - 1998				
SPICE CATEGORY	1998 IMPORTS	1997 IMPORTS	INCREASE	DECREASE
NUTMEG - MACE -				
CARDAMOM	\$688,000.00	\$981,000.00	N/A	\$273,000.00
ANISE - BADIAN - FENNEL	\$3,111,000.00	\$2,061,000.00	\$1,050,000.00	N/A
SPICES - NES	\$589,000.00	\$379,000.00	\$220,000.00	N/A
PIMENTO - ALLSPICE	\$175,000.00	\$455,000.00	N/A	\$280,000.00
TOTAL	\$4,573,000.00	\$3,866,000.00	\$1,270,000.00	\$553,000.00

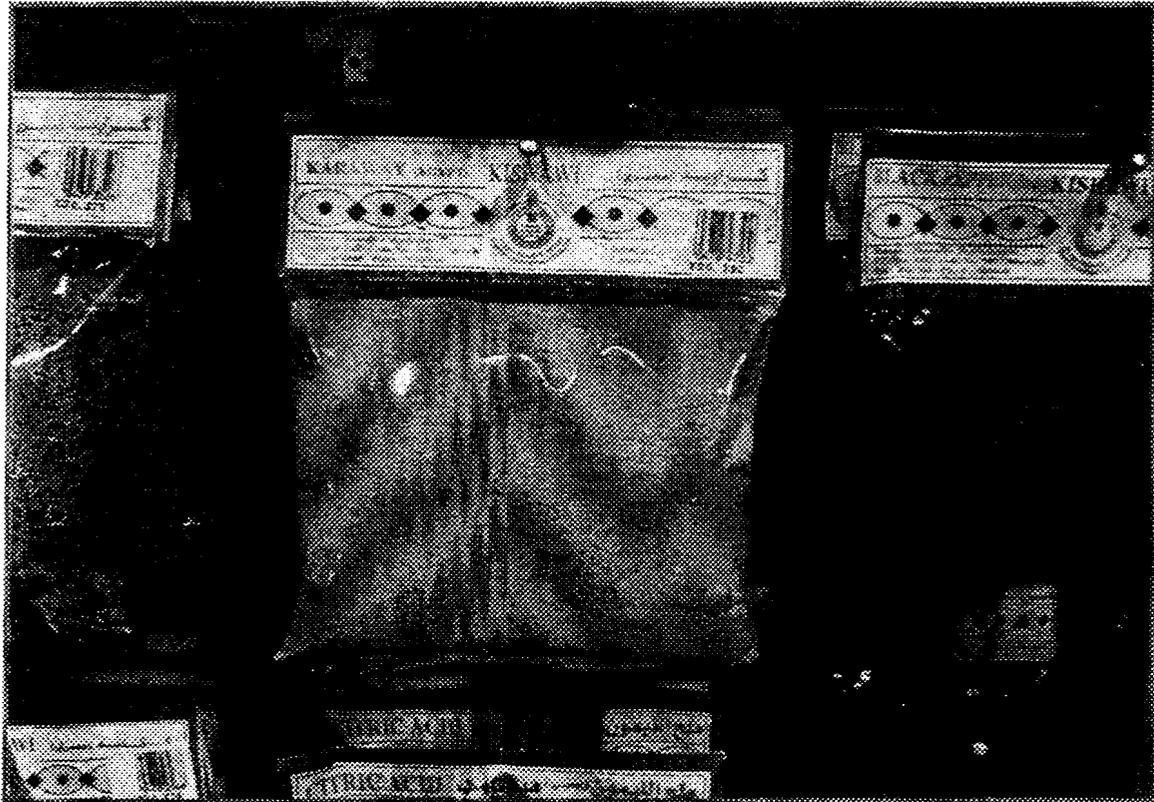
1998: According to FAO reports, Egypt imported and exported the following spices in 1997 and

1998. FAO reports that the UAE imported \$2,500,000 of Cardamom and exported \$3,000,000 in 1998. Pepper imports for the same period were \$14,599,000, with \$6,000,000 in exports. Pimento/Allspice imports were \$4,200,000 with only \$240,000 in exports for

SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

DUBAI - SPICES, COMBINED / IMPORTS 1998				
(CODES: 081090 - 090950 - 090920 - 090830 - 090910 - 090930 - 090420 - 90410)	COMMODITY	WEIGHT (kg)	VALUE (Dirhms)	VALUE (USD)
	ANISE	195,895	468,214	\$131,891.27
	CAPSICUM	3,896,105	14,447,077	\$4,069,599.15
	CARDAMOMS	1,677,841	23,420,242	\$6,597,251.27
	CORIANDER	6,686,524	10,664,108	\$3,003,974.08
	CUMIN	18,908,648	61,888,802	\$17,433,465.35
	FENNEL	335,827	1,147,573	\$323,260.00
	PIMENTO, PEPPER	5,052,571	24,347,515	\$6,868,454.93
	SPICES - OTHER	2,000,712	5,919,885	\$1,665,883.10
	TOTAL - 1998:	38,753,923	142,287,416	\$40,063,779.15
				\$1.03

Based on Dubai trade statistics, cumin experienced the largest drop in imports for a particular spice with an \$8,064,621 decrease in imports between 1996 and 1997. India, Iran and Guatemala were the largest exporters of spice to the UAE in 1997. Guatemala exported an estimated \$7,932,000 of cardamoms in 1997 to the UAE alone, while Vietnam supplied over \$13,447,732 of pimento (ground) in 1997 to Dubai.



EGYPTIAN CARAWAY SEEDS



PHOTOS COURTESY OF SULTAN CENTER

The packaging shown in the photo above, could be improved by offering the consumer a Zip-Loc® style bag to make it more convenient to reseal the package after each use.

The peg-board with hanging bags adds a nice touch to the display pictured at left. This type of display presentation allows the product to sell itself.

Products were easy to identify given the open design of the plastic pouch. Labeling is well done, but could be more colorful. Spices are sold both pre-packaged and by bulk sales.

Larger quantity bags are displayed on the bottom shelf, which offers the consumer a choice over the bulk sales bins located adjacent to this excellent display.

Bulk sales were the traditional method of purchasing spices before the introduction of the Supermarket retailing systems now in place in the Gulf.

DUBAI MARKET BASKET SURVEY AVERAGES – APRIL 2000

Products	Size	AVG. Price (U.Dh.)	AVG. Price (US\$) Rate: 3.55	Country of Origin
Herbs/Spices - Cardamom	100 gm.	4.25	\$1.20	UAE (Dubai; UK packed)
Herbs/Spices - Cardamom	200 gm.	10.00	\$2.82	UAE (Dubai; UK packed)
Herbs/Spices - Coriander	53 gm.	11.75	\$3.31	United States
Herbs/Spices - Coriander	200 gm.	1.20	\$0.39	UAE (Dubai; UK packed)
Herbs/Spices - Cumin	53 gm.	12.25	\$3.45	United States
Herbs/Spices - Cumin	200 gm.	3.38	\$0.96	UAE (Dubai; UK packed)
Herbs/Spices - Cumin/Powder	147 gm.	3.95	\$1.11	France/UAE (Dubai)
Herbs/Spices - Garlic Powder	151 gm.	5.75	\$1.62	France/UAE (Dubai)
Herbs/Spices - Garlic Powder	200 gm.	1.42	\$0.40	UAE (Dubai; UK packed)
Herbs/Spices - Marjoram	124 gm.	3.95	\$1.11	UAE (Dubai)
Herbs/Spices - Mixed Spices	200 gm.	3.16	\$0.89	UAE (Dubai; UK packed)
Herbs/Spices - Thyme	129 gm.	4.25	\$1.20	UAE (Dubai)

SOURCE: ALEB - Dubai, UAE Market Basket Surveys, April 2000.

SHELF LIFE (EXPIRY PERIOD):

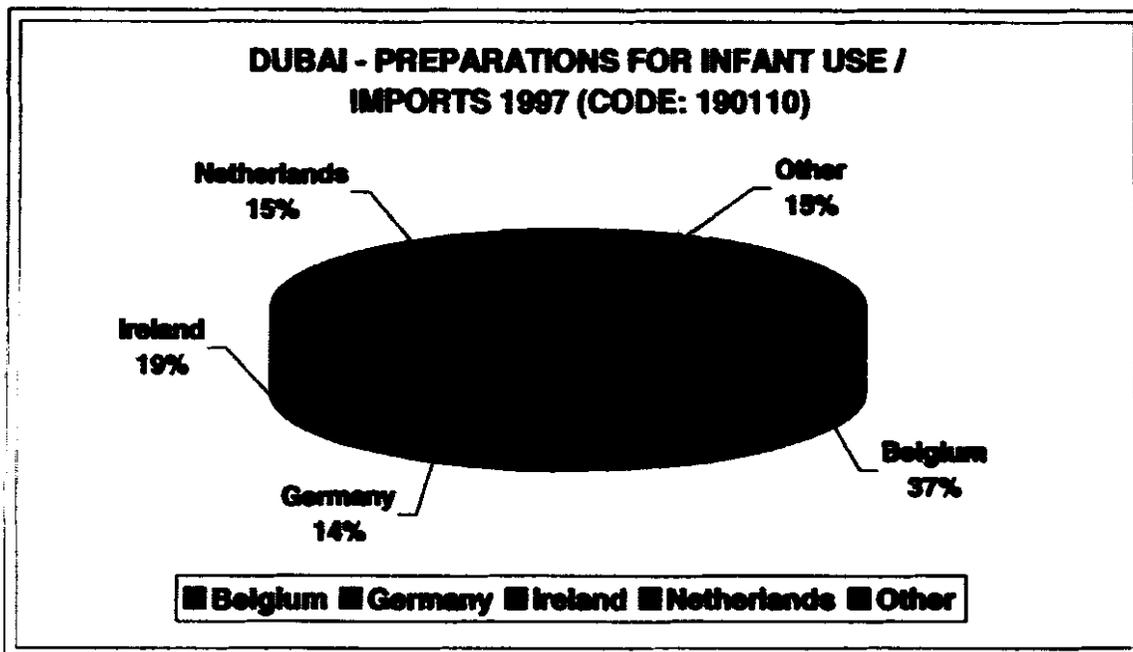
Herbs & Spices are exempt from expiry dating regulations as per GCC Standard 150/1993.

OPPORTUNITIES:

Opportunities for herb and spice exports to Dubai, U.A.E. are quite good, with estimated imports in 1997 of \$47,000,000 of selected spices. Pimento from Vietnam gained an amazing \$9,470,651 between 1996 and 1997; this offers an excellent opportunity for Egyptian spice growers.

With Egypt's good climates, available lands, water resources, and abundant low cost labor, there are ample opportunities for production to meet export requirements not only for the U.A.E., but the rest of the Gulf States.

DUBAI (U.A.E.) – INFANT FOODS



SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

DUBAI - PREPARATIONS FOR INFANT USE, PUT UP FOR RETAIL SALE / IMPORTS 1997 (CODE: 190110)				
COUNTR OF EXPORT	WEIGHT (Kg.)	VALUE (Dirhms)	VALUE (USD)	Kg/\$
Belgium	447,616	7,419,976	\$2,090,134.08	\$4.67
Germany	144,244	2,756,005	\$776,339.44	\$5.38
Netherlands	185,189	3,114,548	\$877,337.46	\$4.74
Ireland	169,519	3,788,278	\$1,067,120.56	\$6.29
Other	225,220	3,024,932	\$852,093.52	\$3.78
Total – 1997:	1,171,788	20,103,739	\$5,663,025.07	\$4.83
Total – 1996:	1,130,101	18,784,602	\$5,291,437.18	\$4.68

MARKET ANALYSIS:

Dubai imported an estimated \$5,663,025 of cereal-based infant foods in 1997, an increase of \$371,587 over 1996 imports. At the time of this report, detailed 1998 Dubai trade data was not yet available.

Data from the U.N. Food and Agriculture Organization (FAO) indicates that imported infant foods to the UAE in 1998 amounted to an estimated \$6,900,000 (1,500 Mt.). Data from FAO for 1997 and 1996 are the same.

Egypt exported a total of \$51,000 (10 Mt.) in Infant Foods in 1998, an increase of \$14,000 over 1997 exports according to FAO data. However, in 1998, Egypt imported \$16,104,000 (150 Mt.) in infant foods, representing a decrease of \$4,141,000 according to FAO data.

DUBAI MARKET BASKET SURVEY AVERAGES - APRIL 2000

Products	Size	Avg. Price (U.Dh.)	AVG. Price US\$ (Rate: 3.55)	Country of Origin
Cereal-based Baby Food - WHEAT	400 gr.	10.75	\$3.03	Saudi Arabia (Jeddah)
Cereal-based Baby Foods - BANANA	200 gm. box	8.65	\$2.43	Germany (Friedrichsdorf)
Cereal-based Baby Foods - BANANA	200 gr.-box	9.25	\$2.61	Germany (Friedrichsdorf)
Cereal-based Baby Foods - CARROT & RICE	200 gr.-box	\$9.93	\$2.79	Germany (Friedrichsdorf)
Cereal-based Baby Foods - HONEY	200 gr.-box	9.25	\$2.61	Germany (Friedrichsdorf)
Cereal-based Baby Foods - MIXED FRUIT	300 gm. Box	11.75	\$3.31	Germany
Cereal-based Baby Foods - MIXED FRUIT	200 gr.-box	9.25	\$2.61	Germany (Friedrichsdorf)
Cereal-based Baby Foods - MIXED VEGGIE	200 gm. box	9.45	\$2.66	Germany (Friedrichsdorf)
Cereal-based Baby Foods - MIXED VEGGIE	200 gm. Box	11.50	\$3.24	Germany (Friedrichsdorf)
Cereal-based Baby Foods - ORANGE	200 gm. Box	8.80	\$2.48	Germany (Friedrichsdorf)
Cereal-based Baby Foods - RICE	100 gr.-box	8.95	\$2.52	United Kingdom
Cereal-based Baby Foods - RICE	300 gm. Box	9.90	\$2.79	Germany
Cereal-based Baby Foods - RICE	200 gr.-box	9.25	\$2.61	Germany (Friedrichsdorf)
Cereal-based Baby Foods - RICE	400 gr.	11.62	\$3.27	Saudi Arabia (Jeddah)
Cereal-based Baby Foods - WHEAT	1 kg.	24.00	\$6.76	Saudi Arabia (Jeddah)
Cereal-based Baby Foods - WHEAT & 4 FRUITS	400 gr.	12.35	\$3.48	Saudi Arabia (Jeddah)
Cereal-based Baby Foods - WHEAT & 4 VEG.	400 gr.	12.22	\$3.44	Saudi Arabia (Jeddah)
Cereal-based Baby Foods - WHEAT & BANANA	400 gr.	11.31	\$3.19	Saudi Arabia (Jeddah)
Cereal-based Baby Foods - WHEAT & CHOCOLATE	400 gm.	10.75	\$3.03	Saudi Arabia (Jeddah)
Cereal-based Baby Foods - WHEAT & CHOCOLATE	400 gr.	11.95	\$3.37	Saudi Arabia (Jeddah)
Cereal-based Baby Foods - WHEAT & HONEY	400 gm.	10.75	\$3.03	Saudi Arabia (Jeddah)

SOURCE: ALEB - Dubai, UAE Market Basket Surveys, April 2000.

SHELF LIFE (EXPIRY PERIOD):

Infant foods must comply with expiry dating regulations as per the GCC Standard No. 150/1993. Expiry periods for infant foods are 12 months for carton containers lined with

aluminum foils and 18 months for metallic containers packed under vacuum or in the presence of an inert gas.

CONSTRAINTS TO TRADE:

Due to the limited amount of foodstuffs produced locally, imported foods are exempt from any duties. However, a "commercial invoice legalization fee" has been levied since 1998 on all products imported into the UAE. These fees can be paid at the UAE Embassy/Consulate in Egypt or in the UAE when the products arrive. A shipment will NOT be released unless this fee(s) is paid. Generally this fee is the equivalent of about 1% of the shipment's value. Including this "commercial invoice legalization fee" plus other documentation clearance costs, an exporter can expect to pay about 4% of the shipment's value to clear customs in Dubai.

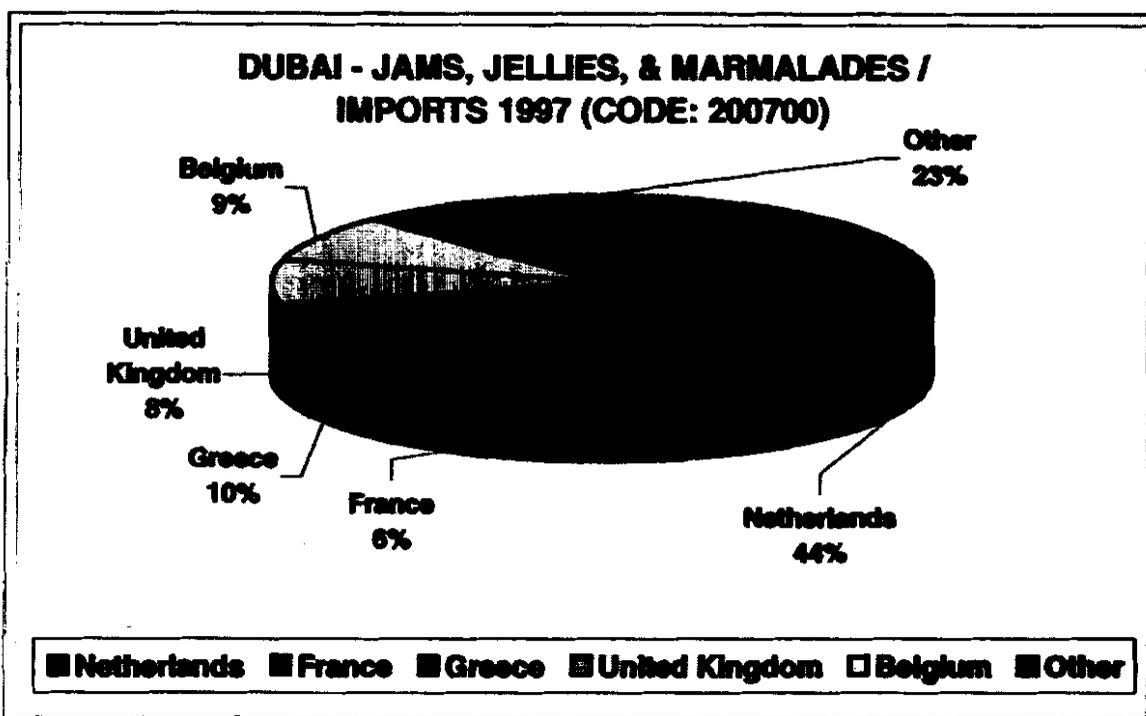
OPPORTUNITIES:

Organic infant foods, especially vegetable and fruit based products are gaining popularity in the Gulf States. Prices can range as much as 2 to 3 times higher than standard prices for similar non-organic foods.

Special cereal formulations for specific dietary problems such as diarrhea symptoms are available in Egypt, but were not found on Dubai's supermarket shelves. Due to the high instances of diabetes in the Gulf, special formulations of infant foods might be a potential export product. The UAE imported an estimated \$6,900,000 in 1998 in cereal based Infant Foods.

According to the data available, Egypt did not export many infant food products to the UAE or Dubai in 1998. Based on FAO data, Egypt only exported approximately \$51,000 worth of infant foods in 1998. More aggressive marketing would make UAE importers aware of the high quality infant foods available from Egypt.

DUBAI (U.A.E.) - JAMS, JELLIES & MARMALADES



SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

**DUBAI - JAMS, FRUIT JELLIES, MARMALADES, FRUIT OR NUT PUREE BEING
COOKED PREPARATIONS WHETHER OR NOT CONTAINING ADDED SUGAR /
IMPORTS 1997 (CODE: 200700)**

COUNTRY OF EXPORT	WEIGHT (Kg.)	VALUE (Dirhms.)	VALUE (USD)	\$/Kg.
Belgium	142,507	1,044,885	\$294,333.80	\$2.07
China	119,737	427,964	\$120,553.24	\$1.01
Egypt	87,732	286,670	\$80,752.11	\$0.92
France	26,691	754,692	\$212,589.30	\$7.96
Greece	428,891	1,209,799	\$340,788.45	\$0.79
Guatemala	20,000	522,190	\$147,095.77	\$7.35
India	208,608	602,459	\$169,706.76	\$0.81
Netherlands	1,027,760	5,333,435	\$1,502,376.06	\$1.46
Pakistan	104,829	510,144	\$143,702.54	\$1.37
Philippines	16,297	62,217	\$17,525.92	\$1.08
United Kingdom	122,109	1,023,979	\$288,444.79	\$2.36
USA	66,966	445,453	\$125,479.72	\$1.87
TOTAL - 1997:	2,372,127	12,223,887	\$3,443,348.46	\$1.45

MARKET ANALYSIS:

The above table highlights the 12 largest exporters of jams and jellies to Dubai in 1997. Based on Dubai External Trade Statistics and the above table, between 1997 and 1998, jam and jelly imports in Dubai, United Arab Emirates (UAE) continued to increase steadily from \$3,443,348 in 1997 to \$4,465,278 in 1998, an increase of \$1,021,930. Re-exports from Dubai reached only \$294,976 in 1998 with negligible exports.

The largest portion of imported jams and jellies originate from the European Union (EU), with a growing market presence by Greece, Guatemala, Pakistan, India, and China. While Egypt is geographically positioned to take advantage of this market, it only managed to capture 2% of this market in 1997.

Jams and jellies occupy as much as four (4) meters of shelf space on average in Dubai hypermarkets, superstores, and a few grocery stores. These shelves are also being shared by honey, a favorite with Dubai consumers that commanded an approximate equal share in imports in 1998 with a value of \$3,349,218. Re-Exports of honey for 1998 totaled \$369,189, but destinations were not yet available from Dubai External Trade Statistics office at the time of this report.



Shelf space positioning is very competitive for jams and jellies in Dubai. Entry into the entire UAE retail market requires "Buy In", "Greens Fees", or "Bar Code Fees" for every new item vying for market share. Exporters generally pay these "entry" fees to Dubai/UAE importers.

Some importers will pay initial entry fees (to be reimbursed by the exporter) if there is a special attraction to a new product, but this is rare according to some importers in Dubai.

Bar code fees can amount to Dh. 1,000 per product. Many exporters mistakenly believe that the Dh. 1,000 fee covers all products from their respective companies, but this is not the case.

Promotional fee payments are also expected by importers to enter new products into retail markets. These promotional

fees can include items such as billboard or newspaper advertisements, "T"-shirts, "buy-1-get-1-free" and "gift with purchase" (e.g. a jar of jam sold as part of a corn oil package) offers. In the case of large multi-national corporations or products, promotional fees can also include sponsorship of sporting events.

Any exporter planning to enter Gulf Cooperation Council (GCC) markets must allocate a portion of the company budget for "Shelving Fees" and "Promotional Fees." Be prepared to offer these fees when making quotes on products being exported into these sophisticated markets.

Consumers in the UAE are very conscious of quality and price when purchasing jams and jellies. Some EU brands have enjoyed a very established presence in the GCC and have a recognizable market share through consistent quality and reputation.

Packaging is very important when competing in this very sophisticated market. When a new product is placed on the shelf, it can become "lost" in a pile of other products if it isn't distinctive in design or label graphics.

DUBAI MARKET BASKET SURVEY AVERAGES – APRIL 2000

Products	Size	Avg. Price (U.Dh.)	AVG. Price US\$ (Rate: 3.55)	Country of Origin
Jams/Jellies – Apple	450 gm.	4.95	\$1.39	Holland
Jams/Jellies – Apricot	340 gm.	5.95	\$1.68	United Kingdom
Jams/Jellies – Apricot	340 gm.	7.00	\$1.97	United Kingdom
Jams/Jellies - Apricot	450 gm.	3.70	\$1.04	Switzerland
Jams/Jellies - Apricot	450 gm.	3.88	\$1.09	Holland (from U.K.)
Jams/Jellies - Apricot	450 gm.	4.65	\$1.31	Holland
Jams/Jellies - Apricot	340 gm.	7.25	\$2.04	Switzerland
Jams/Jellies - Apricot	450 gm.	7.50	\$2.11	Switzerland
Jams/Jellies - Apricot	454 gm.	6.95	\$1.96	United Kingdom
Jams/Jellies - Apricot	464 gm.	3.80	\$1.07	Saudi Arabia (Jeddah)
Jams/Jellies - Blackcurrant	454 gm.	6.95	\$1.96	United Kingdom
Jams/Jellies - Cherry	340 gm.	5.95	\$1.68	United Kingdom
Jams/Jellies - Cherry	340 gm.	7.25	\$2.04	Switzerland
Jams/Jellies - Cherry	450 gm.	3.70	\$1.04	Switzerland
Jams/Jellies - Cherry	450 gm.	4.73	\$1.33	Holland
Jams/Jellies - Cherry	464 gm.	4.85	\$1.37	Saudi Arabia (Jeddah)
Jams/Jellies - Mango	450 gm.	3.80	\$1.07	Holland (from U.K.)
Jams/Jellies - Mango	450 gm.	4.95	\$1.39	Holland
Jams/Jellies - Mixed Fruit	340 gm.	7.00	\$1.97	United Kingdom
Jams/Jellies - Mixed Fruit	340 gm.	7.25	\$2.04	Switzerland
Jams/Jellies - Mixed Fruit	450 gm.	3.70	\$1.04	Switzerland
Jams/Jellies - Mixed Fruit	450 gm.	3.88	\$1.09	Holland (from U.K.)
Jams/Jellies - Mixed Fruit	450 gm.	4.65	\$1.31	Holland
Jams/Jellies - Mixed Fruit	450 gm.	7.50	\$2.11	Switzerland
Jams/Jellies - Mixed Fruit	464 gm.	3.80	\$1.07	Saudi Arabia (Jeddah)
Jams/Jellies - Orange Marmalade	340 gm.	5.95	\$1.68	United Kingdom
Jams/Jellies - Orange Marmalade	340 gm.	7.00	\$1.97	United Kingdom
Jams/Jellies - Orange Marmalade	450 gm.	3.70	\$1.04	Switzerland
Jams/Jellies - Orange Marmalade	450 gm.	3.88	\$1.09	Holland (from U.K.)
Jams/Jellies - Orange Marmalade	450 gm.	4.23	\$1.19	Holland

Dubai imported \$3,443,348 in jams and jellies in 1998, an increase of \$1,021,930 over 1997 imports. The jams and jellies market should continue to grow an estimated 3% per year based on past import data and projected population growth.

OPPORTUNITIES:

Infant foods must comply with expiry dating regulations as per the GCC Standard No. 150/1993. Expiry periods for jams and jellies/marmalades are 24 months for metallic or glass containers, and 12 months for tightly sealed plastic or aluminum foil containers.

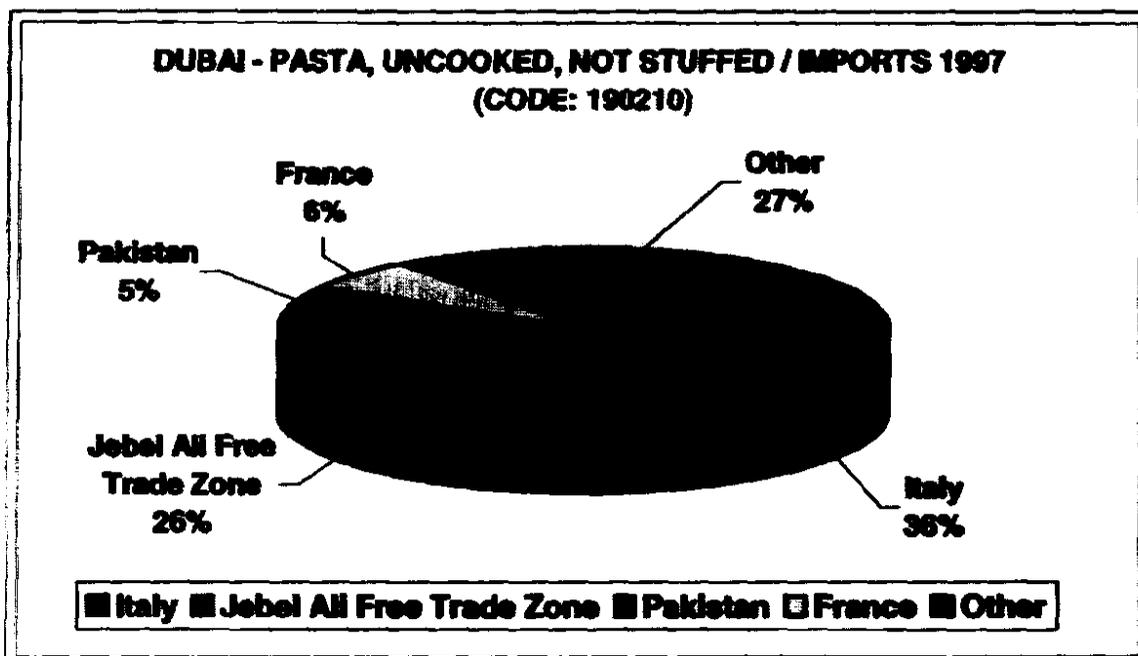
SHELF LIFE (EXPIRY PERIOD):

SOURCE: Dubai, UAE Market Basket Surveys, April 2000.

Products	Size	Avg. Price (U.Dh.)	AVG. Price US\$ (Rate: 3.85)	Country of Origin
Jams/Jellies - Orange Marmalade	450 gm.	7.50	\$2.11	Switzerland
Jams/Jellies - Orange Marmalade	464 gm.	3.80	\$1.07	Saudi Arabia (Jeddah)
Jams/Jellies - Pineapple	450 gm.	3.70	\$1.04	Switzerland
Jams/Jellies - Pineapple	450 gm.	3.88	\$1.09	Holland (from U.K.)
Jams/Jellies - Pineapple	450 gm.	7.50	\$2.11	Switzerland
Jams/Jellies - Pineapple	464 gm.	3.80	\$1.07	Saudi Arabia (Jeddah)
Jams/Jellies - Plum	454 gm.	6.95	\$1.96	United Kingdom
Jams/Jellies - Raspberry	340 gm.	5.95	\$1.68	United Kingdom
Jams/Jellies - Raspberry	340 gm.	7.00	\$1.97	United Kingdom
Jams/Jellies - Raspberry	454 gm.	6.95	\$1.98	United Kingdom
Jams/Jellies - Strawberry	340 gm.	7.00	\$1.97	United Kingdom
Jams/Jellies - Strawberry	450 gm.	3.70	\$1.04	Switzerland
Jams/Jellies - Strawberry	450 gm.	3.90	\$1.10	Holland (from U.K.)
Jams/Jellies - Strawberry	450 gm.	4.65	\$1.31	Holland
Jams/Jellies - Strawberry	450 gm.	7.50	\$2.11	Switzerland
Jams/Jellies - Strawberry	454 gm.	6.95	\$1.98	United Kingdom
Jams/Jellies - Strawberry	464 gm.	3.80	\$1.07	Saudi Arabia (Jeddah)
Jams/Preserves - Apricot	400 gm.	6.55	\$1.85	France
Jams/Preserves - Blueberry	400 gm.	6.55	\$1.85	France
Jams/Preserves - Raspberry	400 gm.	6.55	\$1.85	France
Jams/Preserves - Strawberry	400 gm.	6.55	\$1.85	France
Jellies - Black Currant	340 gm.	6.75	\$1.90	Switzerland
Jellies - Raspberry	340 gm.	6.75	\$1.90	Switzerland

With the high incidences of diabetes in the Gulf Region, diabetic jam and jelly products (without refined sugars) will sell very well in this area.

DUBAI (U.A.E.) – MACARON/PASTA, UNCOOKED



SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

DUBAI - PASTA, UNCOOKED, NOT STUFFED / IMPORTS 1997 (CODE: 190210)				
COUNTRY OF EXPORT	WEIGHT (Kg.)	VALUE (Dhms)	VALUE (USD)	\$/Kg.
Egypt	0	0	0	0
France	376,588	1,253,501	\$353,098.87	\$0.94
Indonesia	135,267	370,020	\$104,230.99	\$0.77
Italy	2,482,067	7,007,189	\$1,973,856.06	\$0.80
Jebel Ali Free Trade Zone	2,169,780	5,052,241	\$1,423,166.48	\$0.66
Malaysia	146,977	697,418	\$196,455.77	\$1.34
Other	526,514	3,728,643	\$1,050,322	\$1.99
Pakistan	449,275	1,026,583	\$289,178.31	\$0.64
Thailand	120,722	507,438	\$142,940.28	\$1.18
TOTAL - 1997:	6,407,190	19,643,033	\$5,533,248.76	\$0.86
TOTAL - 1996:	6,957,538	21,250,109	\$5,985,946.20	\$1.18

MARKET ANALYSIS:

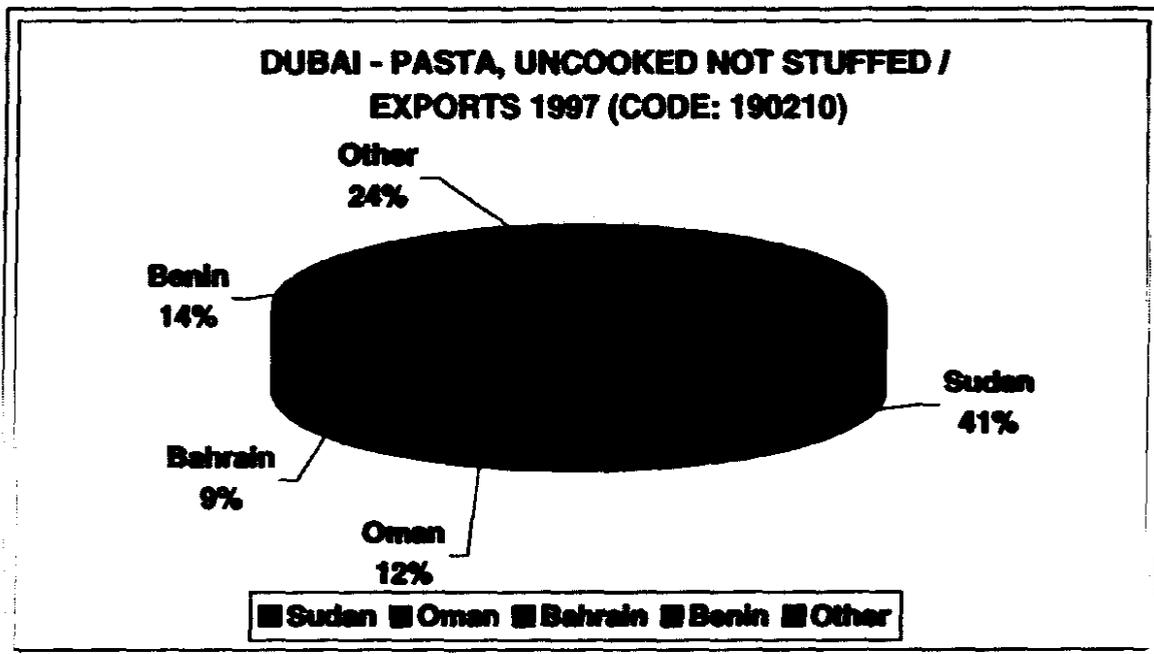
There was a \$452,697 decrease in "Uncooked, Not Stuffed Pasta" imports between 1996 and 1997. Imports to Dubai of macaroni/pasta decreased by \$19,836 in all categories between 1996 and 1997.

U.N. Food and Agriculture Organization (FAO) data indicated that the UAE imported \$6,800,000 in macaroni in 1998, a decrease from the \$7,000,000 imports logged in 1997. Also according to FAO reports, the UAE exported and estimated \$337,000 in 1998.

Based on Dubai's External Trade Statistics, re-exports of macaroni/pasta amounted to \$1,501,266 in 1997; however, specific importing countries were not available at time of this report's compilation.

Exports amounted to \$1,261,052 in 1997, with Egypt receiving almost \$100,000 of Pasta from Dubai, which was almost 1/3 of the total amount (\$282,000) of pastas imported into Egypt according to FAO data. It is interesting to note that the imported an estimated \$517,792 in macaroni/pasta products in 1997. This might indicate a potential export opportunity for pasta products in COMESA countries.

Egyptian CAPMAS data on macaroni/pasta exports was not available as a basis for comparison, but FAO reports indicated that Egypt exported and estimated \$17,000 in pasta in 1997, an increase of \$17,000 over 1996 exports.



SOURCE: DUBAI EXTERNAL TRADE STATISTICS

PASTA - UNCOOKED, NOT STUFFED / EXPORTS 1997 (CODE: 190210)				
DESTINATION	WEIGHT (Kg.)	VALUE (Dirhms)	VALUE (USD)	\$/Kg.
Bahrain	155,975	387,833	\$108,248.73	\$0.70
Bangladesh	88,600	321,738	\$90,630.42	\$1.02
Benin	98,100	642,380	\$180,952.11	\$1.84
Comoros	120,000	52,200	\$14,704.23	\$0.12
Egypt	166,700	352,200	\$99,211.27	\$0.60
Iran	5,565	7,915	\$2,229.58	\$0.40
Lebanon	45,473	196,419	\$38,427.89	\$0.85
Oman	146,686	534,076	\$150,443.94	\$1.03
Pakistan	146,686	534,076	\$150,443.94	\$1.03
Sudan	865,959	1,838,163	\$517,792.39	\$0.60
Senegal	1,633	4,900	\$1,380.28	\$0.85
Turkmenistan	12,157	38,844	\$10,941.97	\$0.90
Tanzania	350	4,200	\$1,183.10	\$3.38
Yemen	66,250	124,790	\$35,152.11	\$0.53
Total - 1997:	1,920,134	4,979,734	\$1,402,741.97	\$0.73

The above table reflects 1997 exports only as Dubai External Trade Statistics export data for 1996 was unavailable.

Hypermarkets and supermarkets in Dubai have one of the widest selections of pasta anywhere in the Gulf outside Saudi Arabia. Macaroni/pasta aisles as long as 15 Meters were common in larger stores. Every imaginable style of pasta was available. As might be expected, Italian pastas were dominant in every store visited on Market Basket Surveys.



Oriental noodles (pastas without egg) from Asia, usually made from rice and other grains were also included in the pasta/macaroni data collected by FAO and Dubai External Trade Statistics. It is estimated that \$732,803 of these oriental style pastas came from the Far East or the Asian sub-continent.

Asian expatriates are probably the largest consumers of pastas without eggs; oriental noodles made with various grains including rice are staples in the Oriental diet.

The product to the left "Bean Thread Noodles" was manufactured in China (PRC) from Soy Beans.

Other similar types of noodles are made from rice and other grains not typically found in the Gulf region.

DUBAI SUPERMARKET SURVEY AVERAGES - APRIL 2000

Products	Size	AVG. Price (U.Dh.)	AVG. Price (US\$) Rate: 3.55	Country of Origin
Macaroni/Pasta -- Fettucini, Fusilli, Penne, Rigatoni, Spaghetti, Vermicelli, et al.	500 gm.	3.75	\$1.06	Italy
Macaroni/Pasta -- Fettucini, Fusilli, Penne, Rigatoni, Spaghetti, Vermicelli, et al.	500 gm.	4.50	\$1.27	Italy
Macaroni/Pasta -- Fettucini, Fusilli, Penne, Rigatoni, Spaghetti, Vermicelli, et al.	500 gm.	3.65	\$1.03	Italy
Macaroni/Pasta -- Fettucini, Fusilli, Penne, Rigatoni, Spaghetti, Vermicelli, et al.	500 gm.	2.75	\$0.77	Italy
Macaroni/Pasta -- Fettucini, Fusilli, Penne, Rigatoni, Spaghetti, Vermicelli, et al.	500 gm.	2.50	\$0.70	Italy
Macaroni/Pasta -- Fettucini, Fresh (Refrig.)	454 gm.	16.50	\$4.65	Italy
Macaroni/Pasta -- Ravioli, Fresh (Refrig.)	454 gm.	19.95	\$5.62	Italy
Macaroni/Pasta -- Tortellini, Fresh (Refrig.)	454 gm.	19.50	\$5.49	Italy

SOURCE: ALEB - Dubai, UAE Market Basket Surveys, April 2000.

SHELF LIFE (EXPIRY PERIOD):

The Expiry Standards for Pasta/Macaroni is set forth in GCC Standard No. 150/1993. The expiry period for Pasta products is 24 months when packed in cardboard containers or plastic bags.

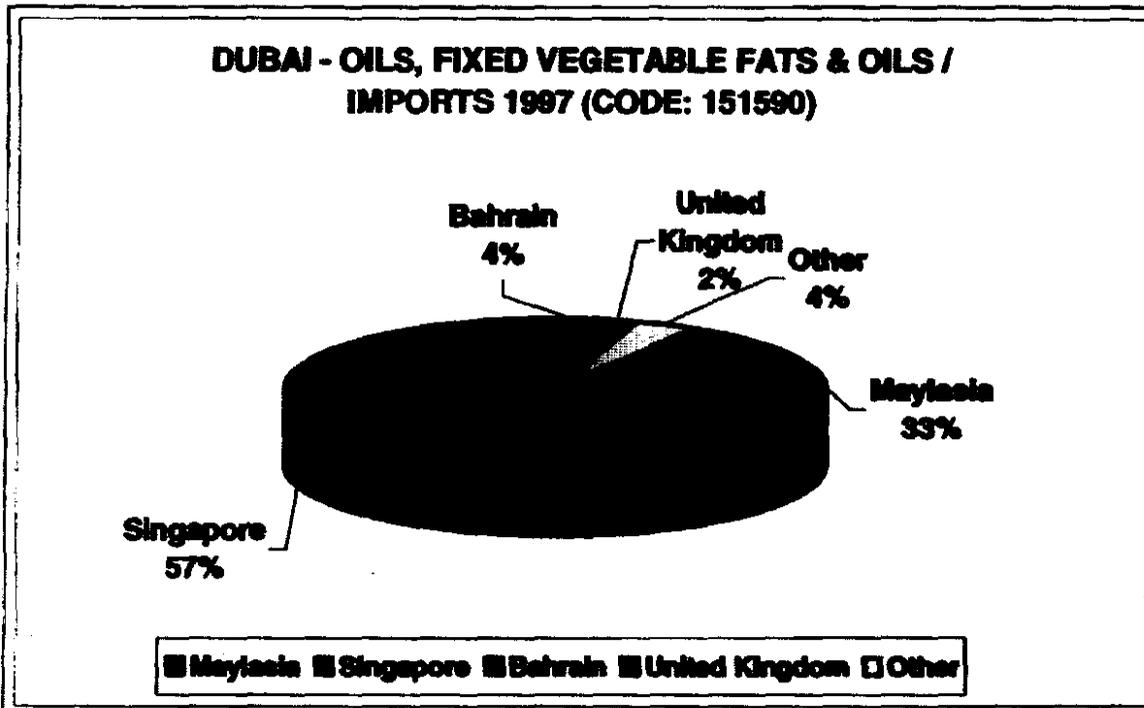
OPPORTUNITIES:

Due to the high incidence of diabetes in the Gulf area, diabetic pasta products (without sugar) have a great market potential. During the Gulf market reconnaissance trip visits to importers, diabetic products were requested on a regular basis.

Another product that might have some opportunities in the Gulf is refrigerated fresh pasta for deli case sales. Due to the large expatriate community in Dubai, there is a ready-made market for these types of products. "Fresh Pastas" (Refrigerated) have a high price point due to lower shelf life. In the Market Basket Survey data collected above, refrigerated "Fresh pastas" sell for \$4.65 for 454 grams, while traditional "dry" pastas sell for an average of \$1.03 for 500 Grams.

Pasta recipes printed directly on packages or printed on attached small cards will attract consumers' attention and increase sales. Advertising cold pasta salads as an alternative to hot meals might increase sales in a country where the temperatures can reach 65° centigrade.

DUBAI (U.A.E.) - EDIBLE OILS



SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

DUBAI - OILS, OTHER - FIXED VEGETABLE FATS & OILS & FRACTIONS / IMPORTS 1997 (CODE: 151590)				
COUNTRY OF EXPORT	WEIGHT (Kg.)	VALUE (Dirhms)	VALUE (USD)	\$/Kg.
Bahrain	263,167	1,151,633	\$324,403.66	\$1.23
Belgium	110,271	414,458	\$116,748.73	\$1.06
Denmark	9,802	55,072	\$15,513.24	\$1.58
Egypt	567	1,347	\$379.44	\$0.67
Jebel Ali Free Zone	64,726	177,345	\$49,956.34	\$0.77
Malaysia	4,045,473	9,823,701	\$2,767,239.72	\$0.68
Netherlands	18,042	90,100	\$25,380.28	\$1.41
Singapore	6,422,685	17,339,436	\$4,884,348.17	\$0.76
United Kingdom	96,746	538,426	\$151,105.92	\$1.56
USA	82,583	367,802	\$103,606.20	\$1.25
Yemen	3,052	12,685	\$3,573.24	\$1.17
TOTAL - 1997:	11,117,114	29,970,005	\$8,442,254.93	\$0.76
TOTAL - 1996:	13,986,567	39,683,356	\$11,178,410.14	\$0.80

MARKET ANALYSIS:

Singapore and Malaysia are the largest exporters of Fixed Vegetable Oils into Dubai with a combined total of \$7,651,587, which is 90% of all Oils in this category. Between 1997 and 1998, there was a \$2,736,155 decrease in exports for this category.

Very organized companies, some of which have their own vessels for importation from the Far East and other regions, dominate the edible oil market. A company in Dubai is presently planning to construct a \$50,000,000 vegetable oil production facility complete with offshore unloading facilities for ships importing from outside the region.

Total imports of all edible oils combined in Dubai are approximately \$19,042,603. Exports of all Edible Oils increased by \$1,523,574 between 1996 and 1997.

According to Dubai trade data, imports of sunflower and safflower oils declined by \$201,455 between 1996 and 1997.

DUBAI - SUNFLOWER-SEED, SAFFLOWER OR COTTON SEED & FRACTIONS / IMPORTS 1997 (CODE: 151210)			
COUNTRY OF EXPORT	WEIGHT (kg.)	VALUE (Dhms)	VALUE (USD) \$/kg.
Belgium	272,746	906,569	\$0.94
Cyprus	119,664	425,077	\$1.00
Egypt	26,452	112,868	\$1.20
France	995,033	4,069,011	\$1.16
India	8,398	12,903	\$0.43
Malaysia	696,634	1,835,577	\$0.74
Netherlands	961,998	2,989,670	\$0.88
Singapore	351,853	1,134,337	\$0.91
Spain	14,442	56,697	\$1.11
Turkey	15,004	47,478	\$0.89
United Kingdom	1,050	8,247	\$2.21
USA	39,286	47,478	\$0.34
TOTAL - 1997:	3,502,548	11,665,912	\$0.94
TOTAL - 1996:	3,242,595	12,381,076	\$1.07

Corn oils imports declined by \$2,174,683 between 1996 and 1997. Singapore, however, remained the top exporter of this commodity into Dubai.

DUBAI - MAZE (CORN) OIL & ITS FRACTIONS / IMPORTS 1997 (CODE: 151520)			
COUNTRY OF EXPORT	WEIGHT (kg.)	VALUE (Dhms)	VALUE (USD) \$/kg.
Bahrain	413,346	1,982,825	\$1.95
Belgium	270,647	1,320,206	\$1.37
France	260,415	1,266,768	\$1.37
Malaysia	476,452	1,971,968	\$1.17
Netherlands	885,092	4,788,693	\$1.52
Singapore	1,680,116	5,858,726	\$0.99
South Korea	31,466	134,107	\$1.20
USA	3,012,649	8,644,031	\$0.81
TOTAL - 1997:	7,010,183	25,965,324	\$1.04
TOTAL - 1996:	8,457,117	33,685,449	\$1.12



PASTA PACKAGED WITH OIL

Some oil products in the Gulf as well as Egypt are adding inducements to entice consumers.

One oil company co-packed their product with a pasta product to attract consumers.

Notice the attractive packaging of the bottle of Corn Oil at the right. Eye-catching packaging, and high-resolution graphics can make a product much more noticeable to the average consumer.



NOTE HIGH QUALITY GRAPHICS

Co-packing is a method of introducing new products to consumers that might not be familiar with a new or foreign brand. Co Packing is usually successful with an established brand named product, much more effective than having two new companies collaborate on a new Co Pack marketing scheme.

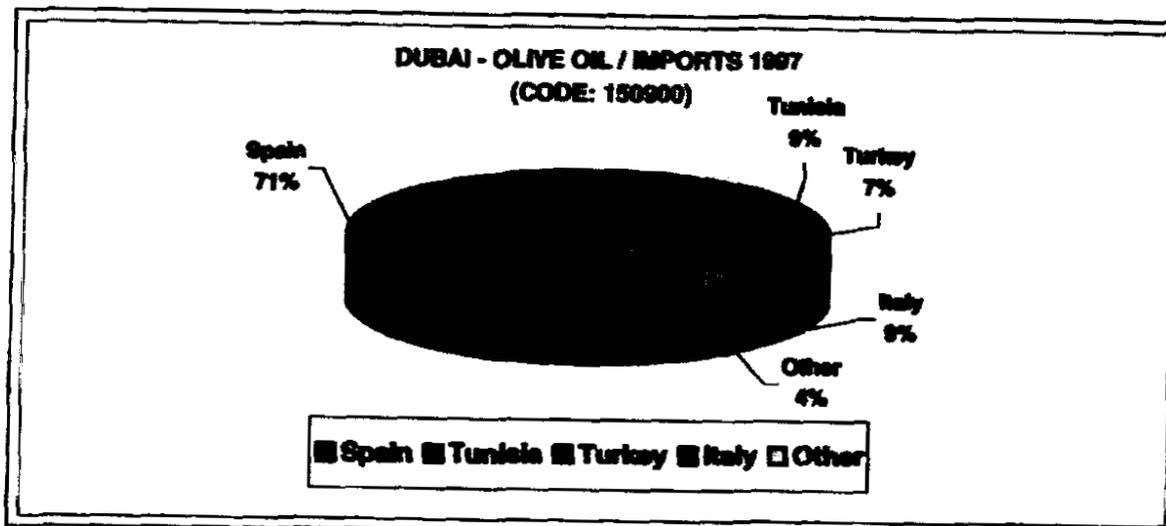
Co-pack agreements must be beneficial to both companies. Both companies' products must gain some advantage by being associated with the other product. Attractive bundling materials will also give the consumer the impression that these products are of high quality, as opposed to two products that are simply taped together. Contacting importers concerning the idea of co-packing might be a method to make a new product more attractive.

DUBAI MARKET BASKET SURVEY AVERAGES - APRIL 2000

Products	Size	Avg. Price (U.Dh.)	AVG. Price US\$ (Rate: 3.55)	Country of Origin
Oil, Corn	2.0 lit.	12.95	\$3.65	Bahrain
Oil, Corn	2.4 lit.	14.23	\$4.01	Bahrain
Oil, Corn	2.4 lit.	16.95	\$4.77	United States
Oil, Corn	2.5 lit.	7.25	\$2.04	UAE (Dubai)
Oil, Corn	2.5 lit.	16.00	\$4.51	Saudi Arabia
Oil, Corn	3 lit.	18.95	\$5.34	France
Oil, Corn	3.0 lit. x 2	18.95	\$5.34	Saudi Arabia
Oil, Corn	4 lit.	19.75	\$5.56	Saudi Arabia
Oil, Corn	6 lit.	35.00	\$9.86	Bahrain
Oil, Olive	500 ml	20.95	\$5.90	Italy
Oil, Olive	500 ml	7.95	\$2.24	United States
Oil, Olive	500 ml	8.75	\$2.46	Spain
Oil, Olive	500 ml	15.50	\$4.37	Spain
Oil, Olive	500 ml	14.95	\$4.21	United Kingdom
Oil, Olive	500 ml. X 2	10.00	\$2.82	Spain
Oil, Olive	750 ml	19.75	\$5.56	Spain

Products	Size	Avg. Price (U.Dh.)	AVG. Price US\$ (Rate: 3.55)	Country of Origin
Oil, Olive	1 lit.	31.95	\$9.00	France
Oil, Olive	1 lit.	25.95	\$7.31	France
Oil, Olive	1 lit.	15.75	\$4.44	Tunisia
Oil, Olive	1 lit.	17.45	\$4.92	Spain
Oil, Olive	1 lit.	29.25	\$8.24	France
Oil, Olive	4.5 lit.	74.95	\$21.11	Tunisia
Oil, Olive	4.6 lit.	51.00	\$14.37	Italy
Oil, Olive	5 lit.	85.50	\$24.08	Spain
Oil, Olive - Extra Virgin	1 lit.	19.95	\$5.62	Tunisia
Oil, Olive - Extra Virgin	750 ml.	19.45	\$5.48	Spain
Oil, Olive - Light	750 ml.	16.75	\$4.72	Italy
Oil, Olive (Co-Pack w/ Jam)	2 lit.	20.75	\$5.85	Tunisia
Oil, Olive (Light)	750 ml.	13.00	\$3.66	Italy
Oil, Olive w/ Pepper	0.25 lit.	29.90	\$8.42	Tunisia
Oil, Sunflower	2.7 lit.	12.90	\$3.63	France
Oil, Vegetable	2.5 lit.	15.95	\$4.49	UAE (Dubai)

SOURCE: ALEB - Dubai, UAE Market Basket Surveys, April 2000.



DUBAI - OLIVE OIL AND ITS FRACTIONS / IMPORTS 1997 (CODE: 150900)				
COUNTRY OF EXPORT	WEIGHT (Kg.)	VALUE (Dirhms)	VALUE (USD)	\$/Kg.
Egypt	0	0	0	\$0.00
France	34,567	414,999	\$116,901.13	\$3.38
Italy	156,495	1,545,534	\$435,361.69	\$2.78
South Africa (Sample)	83	2,748	\$774.08	\$0.00
Spain	1,109,363	12,001,039	\$3,380,574.37	\$3.05
Tunisia	162,551	1,442,752	\$406,409.01	\$2.50
Turkey	157,147	1,240,910	\$349,552.11	\$2.22
United Kingdom	15,277	228,292	\$64,307.61	\$4.21
USA	4,086	47,240	\$13,307.04	\$3.26
TOTAL - 1997;	1,639,569.00	16,923,514.00	\$4,767,187.04	\$2.91
TOTAL - 1998:	1,880,801.00	12,714,896.00	\$3,581,660.85	\$2.13

Olive oil imports in increased by \$817,775 between 1996 and 1997, but declined in 1998. Because of the more sophisticated consumers in the UAE, more gourmet food items are beginning to appear on market shelves. Imported virgin olive oils sell for as much as \$9.00 per liter.

Many of these imported olive oils are packaged in uniquely shaped bottles that will quickly attract the consumer's attention. Locally packaged olive oils, produced in Spain, France, Italy, and Tunisia are priced at \$4.21 for 2 liters, and \$21.11 for 4.5 liters.

According to U.N. Food and Agriculture Organization (FAO) data, Egypt imported \$4,600,000 worth of olive oil in 1998, while exporting \$163,000. However, production figures were not available on olive oils in Egypt.

Some brands of olive oils are private labeled in Spain and Italy and then imported directly to the stores in the UAE. Private labeling is very popular with co-op stores and could be used as an avenue of approach by Egypt's local olive oil producers.

Unfiltered olive oils are used primarily in hotel and institutional food preparation due to the lower unit price. Some imported olive oils are lower in cost due to the practice of adulterating products with vegetable oils to reduce cost.

Egyptian olive oil producers should indicate that their export products are 100% pure to ensure the importer and the final consumer of the higher quality.



SHELF LIFE (EXPIRY PERIOD):

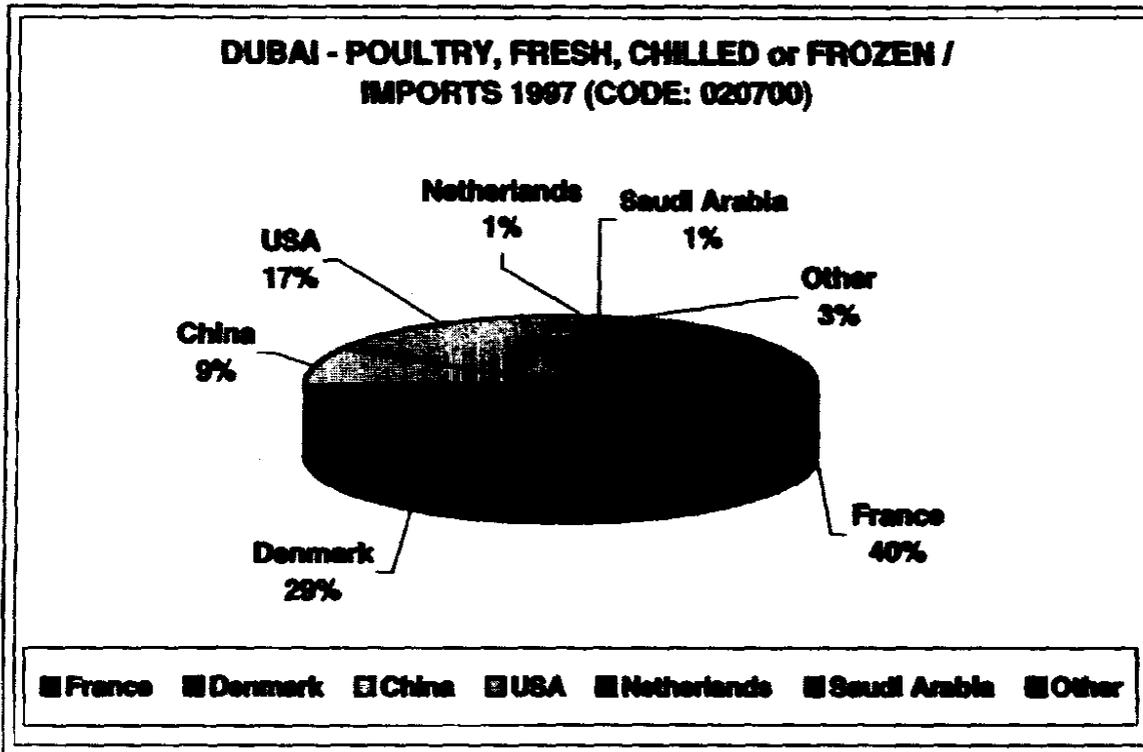
Edible oils must comply with expiry dating regulations as per GCC Standard No. 150/1993. The expiry period for edible oils is 12 months packaged in metal, glass, or plastic containers.

OPPORTUNITIES:

The UAE imported an estimated \$16,592,000 of edible oils in 1997, including Olive Oils. Good packaging and innovative ideas using co-products can make Egyptian olive oils competitive in the UAE and other GCC markets.

One Egyptian company has already won an International award for its olive oils, so it is possible for every producer to market high quality products with attention to detail and aggressive marketing.

DUBAI (U.A.E.) – POULTRY



SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

MARKET ANALYSIS:

In 1997, according to Dubai's External Trade Statistics, imports of chicken meats into Dubai alone declined by \$8,839,729 over 1996 imports of \$86,409,514. Egypt contributed just 0.05% of the chicken meat products, which Dubai imported in 1997. However, U.N. Food and Agriculture Organization (FAO) data indicates that the entire United Arab Emirates (UAE) imported an estimated \$138,000,000 in poultry/chicken meats (111,000 Mt.) in 1998, down from the \$150,000,000 imported in 1997. Interestingly, while the metric tonnage of poultry imports increased from 100,000 Mt. in 1997 to 111,000 Mt. in 1998, the value of these imports decreased.

Exports of poultry meats in 1998 reached approximately \$25,000,000 according to FAO data. While FAO data did not show a change in exports from 1997, it indicated an increase over total imports in 1996, which were valued at \$15,336,000 that year.

According to Egyptian CAPMAS data, Egypt imported \$55,000 of "Poultry Meats" in 1998, a decrease of \$280,000 over 1997 imports. Egypt exported an estimated \$1,257,000 in 1998, also a decrease from 1997 exports of \$2,000,000.

Based on FAO data, in 1998, Egypt imported an estimated \$15,000 of "Chicken Meats," a decrease of \$53,000 from 1997 imports, which reached \$68,000. Egypt exports of chicken meat reached approximately \$1,184,000 in 1998, a decrease of \$763,000 from 1997 export totals. Of those total exports in 1997, Egypt only exported a reported \$40,000 worth of poultry meats to Dubai as per Dubai's External Trade Statistics.

According to U.S. Foreign Agricultural Service (FAS) reports, importation of poultry meats into the UAE reached an estimated 110,000 to 120,000 metric tons in 1998. Up to 75% of all imported poultry meats come in as whole frozen chickens, with the remainder

as chicken parts -- mainly legs, drumsticks, thighs, breast meats and whole boneless chickens.

**DUBAI - MEAT & EDIBLE OFFAL OF POULTRY, FRESH, CHILLED or FROZEN /
IMPORTS 1997 (CODE: 020700)**

COUNTRY OF EXPORT	WEIGHT (Kg.)	VALUE (Dhrrms)	VALUE (USD)	\$/Kg.
Argentina	177,211	952,373	\$268,274.08	\$1.51
Belgium	58,741	337,336	\$95,024.23	\$1.62
Brazil	376,706	2,417,972	\$681,118.87	\$1.81
China	3,431,642	24,023,172	\$6,767,090.70	\$1.97
Denmark	14,284,537	80,956,068	\$22,804,528.20	\$1.60
Egypt	7,172	142,314	\$40,088.45	\$5.59
France	19,764,144	109,583,515	\$30,868,595.77	\$1.56
Germany	144,622	791,918	\$223,075.49	\$1.54
Hungary	63,353	523,746	\$147,534.08	\$2.33
India	136,824	728,696	\$205,266.48	\$1.50
Italy	21,830	141,670	\$39,907.04	\$1.83
Jordan	13,023	199,732	\$56,262.54	\$4.32
Netherlands	645,428	3,164,224	\$891,330.70	\$1.38
Others	51,783	269,288	\$75,855.77	\$1.46
Saudi Arabia	183,549	1,886,730	\$531,473.24	\$2.90
Singapore	48,719	604,894	\$170,392.68	\$3.50
South Africa	10,814	89,666	\$25,258.03	\$2.34
Taiwan	8,282	193,129	\$54,402.54	\$6.57
United Kingdom	121,461	755,944	\$212,941.97	\$1.75
USA	9,755,911	47,610,350	\$13,411,388.20	\$1.37
TOTAL - 1997:	49,305,752	275,372,737	\$77,569,785.07	\$1.57
TOTAL - 1996:	56,632,604	306,753,776	\$86,409,514.36	\$1.53



FROZEN BRAZILIAN CHICKEN PARTS

According to FAS reports, France is the largest exporter of chicken to Dubai. France exported 29,000 Mt. in 1998, with Brazil, the second-largest exporter, sending 27,000 Mt. the same year. Denmark, the third-largest exporter of chicken meat, exported 25,000 Mt. in 1998. Saudi Arabia also exported an estimated 13,000 Mt. to the UAE, this primarily because the Saudi Arabian grown birds cannot compete with imports from Brazil and the European Union (EU), due to higher production costs. Brazil and Brazilian chicken is the most expensive, followed by France and Denmark according to FAS reports.

The UAE receives the bulk of its whole frozen chickens from Brazil, France, Denmark and the United States (US). French and US chicken are considered to be of lower quality than Brazilian chicken by consumers, but preferred by hotels, fast food restaurants, and institutional kitchens because of the lower price. Fast food restaurants and *shwarma* shops prefer Chinese boneless chicken imports because of the lower unit cost.

Chinese chicken products are usually bulk packed in a 2.5-kilogram plastic bag. One importer in Dubai told of visiting six Chinese poultry plants in China, and only finding 1 out of 6 that marginally met his requirements for food safety. Regardless of the poultry meat's country of export, it must still meet the same standards for Halal processing and *salmonella* testing procedures as any other meat/poultry product entering the UAE.

An interview with a chef in Dubai indicated that he liked French whole birds and Chinese boneless chicken breast because of the lower unit cost. One complaint concerned the appearance of the chicken after cooking – the chicken had a wrinkled skin due to water and fat loss during cooking, making presentation difficult. This chef also complained that French chicken more mess due to spattering during rotisserie cooking operations.

Catering food services utilize an estimated 60% of total imports, with the remainder being consumed by retail customers. Expatriate workers from Asian countries prefer leg quarter cuts, and drumsticks, packaged in 2 pound trays, due to lower cost, while US and EU expatriates prefer breast meats – both "bone-in" and boneless.

FAS reports that leg quarters packed in 10 and 20 Kg. boxes are re-exported to the former Soviet states.

According to FAS, local production reached approximately 24,000 Mt. for 1999. The UAE and Saudi Arabian poultry producers are planning to increase local production in the near future to take market share from imports. These new facilities will be more costly to operate, but there is a growing market for locally produced poultry. Local processors are producing more value-added products to add to their inventories. Items like formed and breaded chicken products along with boneless/skinless breast meats account for approximately 10% of the local production according to FAS reports.

DUBAI MARKET BASKET SURVEY AVERAGES – APRIL 2000

Products	Size	AVG. Price (U.Dh.)	AVG. Price (US\$) Rate: 3.55	Country of Origin
Chicken-Frozen, Breaded Motzah	9-11 pcs./550 gm.	9.95	\$2.80	Brazil
Chicken-Frozen, Burgers	6 pcs./336 gm.	5.25	\$1.48	Brazil
Chicken-Frozen, Burgers	900 gm.	14.50	\$4.08	UAE
Chicken-Frozen, Drumsticks	900 gm.	18.75	\$5.28	Brazil
Chicken-Frozen, Franks	400 gm.	2.95	\$0.83	UAE (Sharjah)
Chicken-Frozen, Franks	400 gm.	4.15	\$1.17	Belgium
Chicken-Frozen, Gizzards	450 gm.	4.50	\$1.27	Brazil
Chicken-Frozen, Nuggets	375 gm.	8.95	\$2.52	Brazil
Chicken-Frozen, Balls	15 pcs./375 gm.	6.50	\$1.83	U.A.E.
Chicken-Frozen, Breasts	2 kg.	11.75	\$3.31	France
Chicken-Frozen, Breasts	1 kg.	6.50	\$1.83	UAE

Products	Size	AVG. Price (U.Dh.)	AVG. Price (US\$) Rate: 3.55	Country of Origin
(boneless, skinless)				
Chicken-Frozen, Cutlets	360 gm.	10.95	\$3.08	Belgium
Chicken-Frozen, Drumsticks	900 gm.	9.95	\$2.80	Brazil
Chicken-Frozen, Drumsticks	907 gm.	8.95	\$2.52	Brazil
Chicken-Frozen, Fillets Breaded	450 gm.	9.95	\$2.80	Brazil
Chicken-Frozen, Lasagna	650 gm.	19.50	\$5.49	Brazil
Chicken-Frozen, Legs Whole	2 kg.	8.95	\$2.52	UAE (Dubai)
Chicken-Frozen, Legs Whole	900 gm.	11.82	\$3.32	Chile
Chicken-Frozen, Nuggets	250 gm.	6.50	\$1.83	Brazil
Chicken-Frozen, Nuggets	270 gm.	7.72	\$2.18	Belgium
Chicken-Frozen, Nuggets-Tandoori	250 gm.	6.25	\$1.76	Brazil
Chicken-Frozen, Nuggets-Tandoori	270 gm.	6.25	\$1.76	Saudi Arabia
Chicken-Frozen, Panee (Au Gratin)	600 gm.	19.50	\$5.49	Brazil
Chicken-Frozen, Thighs	450 gm.	6.95	\$1.96	Brazil
Chicken-Frozen, Thighs	900 gm.	10.75	\$3.03	Brazil
Chicken-Frozen, Thighs (boneless)	450 gm.	7.50	\$2.11	France
Chicken-Frozen, Whole	800 gm.	4.20	\$1.18	France
Chicken-Frozen, Whole	1000 gm.	4.73	\$1.33	Brazil
Chicken-Frozen, Whole	1100 gm.	5.75	\$1.62	France
Chicken-Frozen, Whole	1100 gm.	7.85	\$2.21	Brazil
Chicken-Frozen, Whole	1200 gm.	7.45	\$2.09	Brazil
Chicken-Frozen, Whole	1300 gm.	6.75	\$1.90	France
Chicken-Frozen, Whole	1300 gm.	8.38	\$2.36	Brazil
Chicken-Frozen, Whole	1500 gm.	9.85	\$2.77	Saudi Arabia
Chicken-Frozen, Whole	1500 gm.	10.10	\$2.84	Brazil
Chicken-Frozen, Whole	1600 gm.	10.80	\$3.04	Brazil
Chicken-Frozen, Wings	900 gm.	8.25	\$2.32	Brazil

SOURCE: ALEB - Dubai, UAE Market Basket Surveys, April 2000.

SHELF LIFE (EXPIRY PERIOD):

GCC Standard 150/1993 sets the standards for expiry dates for poultry products as well as other foodstuff products.

The above-mentioned standards specify that all frozen poultry shall be maintained at a temperature not exceeding -18 degrees centigrade.

Expiry dates for frozen poultry products in plastic containers is 12 months from slaughtering. The standard also states that the product will not arrive in port more than 4 months from the date of slaughter.

In addition to the shelf life or expiry date limitations, the following information and certification process must be met to export poultry into the Dubai/UAE.

1. **FROZEN CHICKENS:** All frozen poultry must comply with GCC Standard 150/1993, which regulates the Halal slaughter of poultry products and salmonella limits for poultry products.
2. **HALAL CERTIFICATION:** Any meat or meat products being exporting into the UAE, must comply with GCC Standard 150/1993 (Animal Slaughtering Requirements According To Islamic Law), which is satisfied by obtaining a Certificate Of Islamic Slaughter.

When certification is required for Halal, the processor can obtain the appropriate certification through a UAE approved Islamic center(s), embassy or consulate. These and other import documents must be notarized by the UAE embassy or consulate:

- Commercial Invoice
- Health Certificate from the Country of Origin (Manufacture)
- Halal Slaughter Certificate for all meat and meat products
- Certificate of Origin
- Bill of Lading
- Packing List

OPPORTUNITIES:

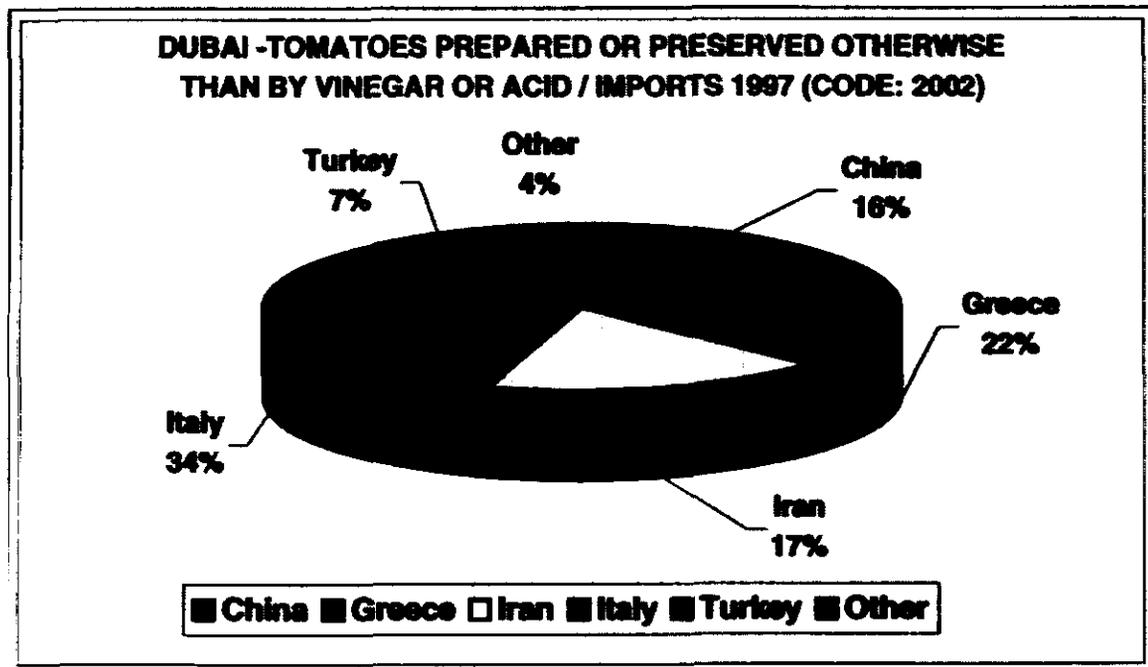
Dubai imported an estimated \$77,569,785 in poultry in 1997, while the UAE imported an estimated \$138,000,000 in 1998 according to FAO reports. It is very difficult to compete directly with Brazil, France, Denmark, and the US on frozen chickens, but there are potential export opportunities with value-added poultry products.

Egyptian poultry processors can compete in the value-added market, since a number of Egyptian processors produce excellent quality breaded and formed poultry products. "Chicken nugget" products alone are not enough, because new innovative products using chicken meat as a base can also help gain market share in the UAE and other Gulf States.

Heat-and-Eat microwaveable chicken-based meals also have a large sale potential in the UAE since the population is comprised of primarily of younger people that are becoming more mobile and time-conscious. Younger families with higher disposable incomes are the prime targets for these new convenience foods.

Private labeling for supermarkets and wholesalers offers yet another potential point of entry for Egypt's poultry processors. By using private labeling options to produce specific products for large importers, a producer can reduce costs by allowing the importers to handle market entry fees, promotion fees, advertising, and importation problems.

DUBAI (UAE) – TOMATO PASTE



SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

DUBAI - TOMATOES PREPARED OR PRESERVED OTHERWISE THAN BY VINEGAR OR ACETIC ACID / IMPORTS 1997 (CODE: 2002)

COUNTRY OF EXPORT	WEIGHT (Kg.)	VALUE (Dhms)	VALUE (USD)	\$/Kg.
Bahrain	35,300	142,289	\$40,081.41	\$1.14
China	2,346,512	6,507,016	\$1,832,962.25	\$0.78
Egypt	38,560	162,145	\$45,674.65	\$1.18
Greece	1,971,047	8,892,497	\$2,504,928.73	\$1.27
Iran	3,077,344	7,165,612	\$2,018,482.25	\$0.66
Italy	5,910,309	14,232,359	\$4,009,115.21	\$0.68
Jordan	40,006	123,982	\$34,924.51	\$0.87
South Korea	10,125	61,223	\$17,245.92	\$1.70
Thailand	49,533	143,838	\$40,517.75	\$0.82
Turkey	750,400	2,865,139	\$807,061.41	\$1.06
United Kingdom	85,977	467,744	\$131,758.87	\$1.37
USA	98,559	458,643	\$129,195.21	\$1.31
Other	106,082	320,088	\$90,165.00	\$0.85
TOTAL - 1997:	14,529,754	41,542,575	\$11,702,133.17	\$0.81
TOTAL - 1996:	14,208,952	40,670,516	\$11,456,483.38	\$0.81

MARKET ANALYSIS:

According to the most recent Dubai External Trade Statistics, the category, which theoretically includes "tomato paste/puree" products, is labeled "Tomatoes Prepared or Preserved Otherwise than by Vinegar." Since no other similarly labeled category exists for tomato products in Dubai's trade data, we will assume that the category Code 2002 as listed above also includes tomato paste products. In any event, in 1997, imports of these products increased \$245,649 over 1996 imports. Dubai re-exports amounted to approximately \$1,272,316, with exports reaching \$266,921, with the largest markets in Oman, Qatar, and Sudan.

The U.N. Food and Agriculture Organization (FAO) data indicated that the UAE imported \$7,000,000 worth of tomato paste in 1998, an increase of approximately \$2,100,000 over 1997 imports. Exports as reported by FAO data reached an estimated \$2,000,000.

FAO reported that Egypt imported an estimated \$34,000 of tomato paste in 1998, a decrease of \$203,000 from 1997.

Egyptian CAPMAS data did not provide tomato paste information, but placed export figures for ketchup at \$9,383 and tomato sauce at \$1,314 for 1999.

DUBAI MARKET BASKET SURVEY AVERAGES – APRIL 2000

Products	Size	AVG. Price (U.Dh.)	AVG. Price (US\$) Rate: 3.55	Country of Origin
Tomato Paste - Cans	170 gm.	2.25	\$0.63	United States
Tomato Paste – Puree	142 gm. Tube	4.15	\$1.17	Italy
Tomato Paste-Tetra Pak (Pourable)	380 gm.	4.75	\$1.34	Egypt
Tomato Paste-Tetra Pak	135 gm.	1.00	\$0.28	Bahrain
Tomato Paste – Tetra Pak	135 gm.	1.00	\$0.28	Saudi Arabia

SOURCE: ALBB - Dubai, UAE Market Basket Surveys, April 2000



TOMATE PUREE (PASTE) IN A TUBE FROM ITALY - 142 GRAMS

The packaging above was noticed in more than one Gulf supermarket. It is probably popular with consumers given the high product concentration and ease of use. A key feature is its reseal-ability. It is this **innovative product design** that supermarket buyers are looking for to stock their shelves. Innovative products have a better chance of entering a new market than a product that is just a carbon copy of every other product already on the market.

Without new innovative products to offer, the only competitive edge a company has is price. Unless a company has the advantage of price point superiority, developing new products is essential to compete in a new market place.

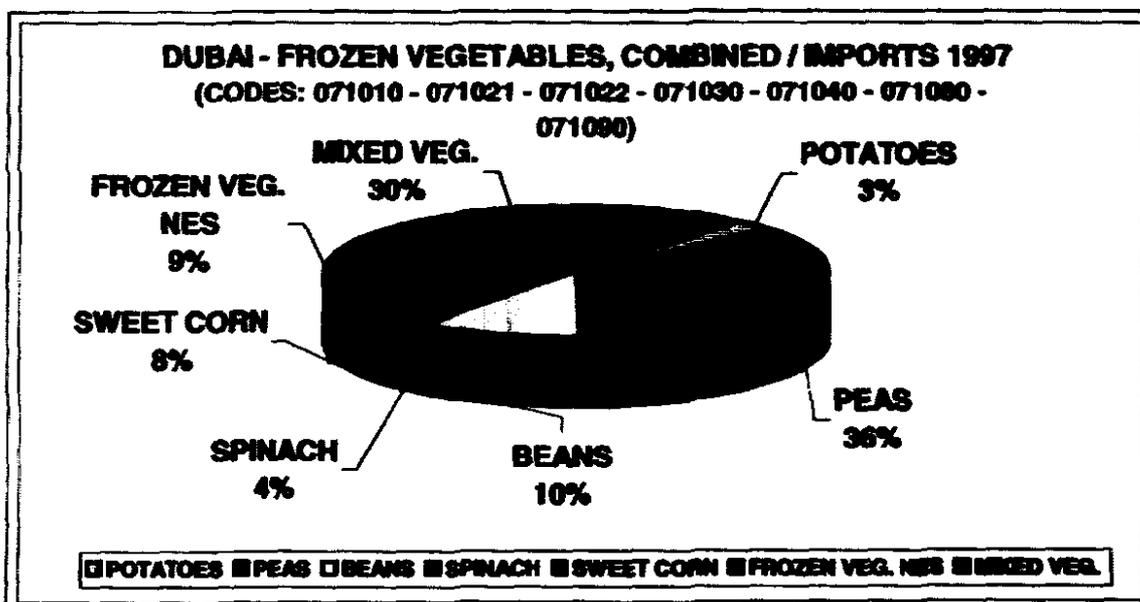
SHELF LIFE (EXPIRY PERIOD):

The expiry standard for tomato paste as set forth in the GCC Standard No. 150/1993 is 12 months for product stored in metallic containers, and 18 months for product stored in glass containers. Products must reach the port in the UAE no later than 4 months from the date of manufacture.

OPPORTUNITIES:

With a \$2,000,000 market potential for tomato paste in the UAE, there are ample opportunities for exports. Although potentially high transportation costs remain a factor to precluding exports to the UAE, aggressive marketing and innovative packaging designs can increase sales.

DUBAI (U.A.E.) - FROZEN VEGETABLES



SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

DUBAI - FROZEN VEGETABLES, COMBINED / IMPORTS 1997 (CODES: 071010 - 071021 - 071022 - 071030 - 071040 - 071080 - 071090)				
COMMODITY	WEIGHT (Kg.)	VALUE (Dhms)	VALUE (USD)	\$/Kg.
BEANS	470,579	1,722,669	\$485,258.87	\$1.03
FROZEN VEG. NES	333,070	1,500,482	\$422,870.99	\$1.27
LEGUMINOUS VEG.	7,639	33,353	\$9,395.21	\$1.23
MIXED VEG.	1,317,068	5,112,845	\$1,440,238.03	\$1.09
PEAS	1,605,100	6,046,258	\$1,703,171.27	\$1.06
POTATOES	173,874	493,500	\$139,014.06	\$0.80
SPINACH	204,736	696,125	\$196,091.55	\$0.96
SWEET CORN	235,464	1,349,175	\$380,049.30	\$1.61
TOTAL - 1997:	4,347,530	16,954,407	\$4,775,889.30	\$1.10
TOTAL - 1996:	3,363,493	15,185,514	\$4,277,609.58	\$1.27

MARKET ANALYSIS:

According to Dubai External Trade Statistics, in 1997, imports of frozen vegetables amounted to \$4,775,889.30, an increase of \$498,280 over 1996 imports for the above products.

Based on FAO data, \$4,300,000 worth of frozen vegetables was imported into the United Arab Emirates (UAE) as a whole in 1998 -- a decrease of \$475,000 from 1997 imports.

Data from CAPMAS-Egypt shows that Egypt exported the following frozen vegetables in 1999; however, 1996 data was not available at the time of this report writing for comparison purposes.

Frozen vegetables imported into Dubai (UAE) were \$48,616 less than total exports, while only \$77,105 of all frozen vegetables were re-exported (1997). Only a small portion of the local produce is used for frozen vegetable production.

EGYPT EXPORTS TO UNITED ARAB EMIRATES - 1999 (CAPMAS)

HTS CODE	HTS DESCRIPTION	Quantity (Kg.)	US\$ Value	\$/Kg.
0710100000	POTATOES, FROZEN	400,945	315,450.91	\$0.79
0710210000	PEAS, FROZEN	51,718	42,005.51	\$0.81
0710220010	HARICOT, FROZEN (Green Beans)	18,510	11,788.06	\$0.71
0710290000	OTHER LEGUMINOUS, VEG. FROZEN	7,100	6,215.03	\$0.88
0710300000	SPINACH, FROZEN	44,957	25,358.79	\$0.56
0710800010	MOLOHKIA FROZEN	140,361	100,588.43	\$0.72
0710800030	ARTICHOKES, FROZEN	5,245	9,886.86	\$1.89
0710800030	ARTICHOKES, FROZEN	5,245	9,886.86	\$1.89
0710800090	VEGS. -OTHER, FROZEN	152,235	127,499.62	\$0.84
0710900000	VEGS. -MIXTURES OF, FROZEN	622,504	435,919.28	\$0.69
	POTAT.PREP OR PRS.NOT BY			
2004100000	VINEGAR, FROZEN	210,500	113,055.63	\$0.53
	TOTALS	1,857,320	1,196,676.00	\$0.64

Consumers in the UAE are more sophisticated and time conscious than in the past, which lends itself to the convenience of frozen vegetables. Western style foods are being adopted by consumers in the UAE that normally includes more vegetables. Most consumers don't want to prepare fresh vegetables for cooking due to the time involved and the waste resulting from preparation.

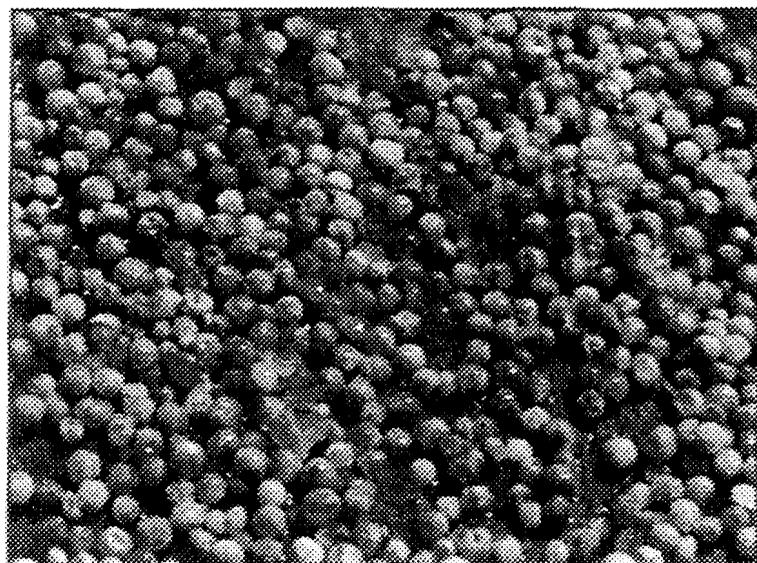
With 50% of all retail sales taking place in hypermarkets, superstores, and supermarkets, more frozen vegetable varieties are becoming increasingly more available than in the past. Smaller stores (convenience & gas stops) usually do not have facilities for frozen vegetables, but as more consumers demand these convenience foods, these stores will have to change their marketing methods to make these products available.

Frozen vegetables are now imported from as far away as Australia, the United States (US), Canada, South Africa, and many countries in the European Union (EU). Consumers in the UAE have one of the highest per capita incomes in the world, and can demand higher quality imported vegetables. One appeal of imported vegetables is product safety, which these higher income consumers are willing to pay for.

Peas account for almost 37% of the entire frozen food market in the UAE and Dubai, \$1,703,171 in 1997. Egypt only exported \$2,825 of the total imports for peas that year.

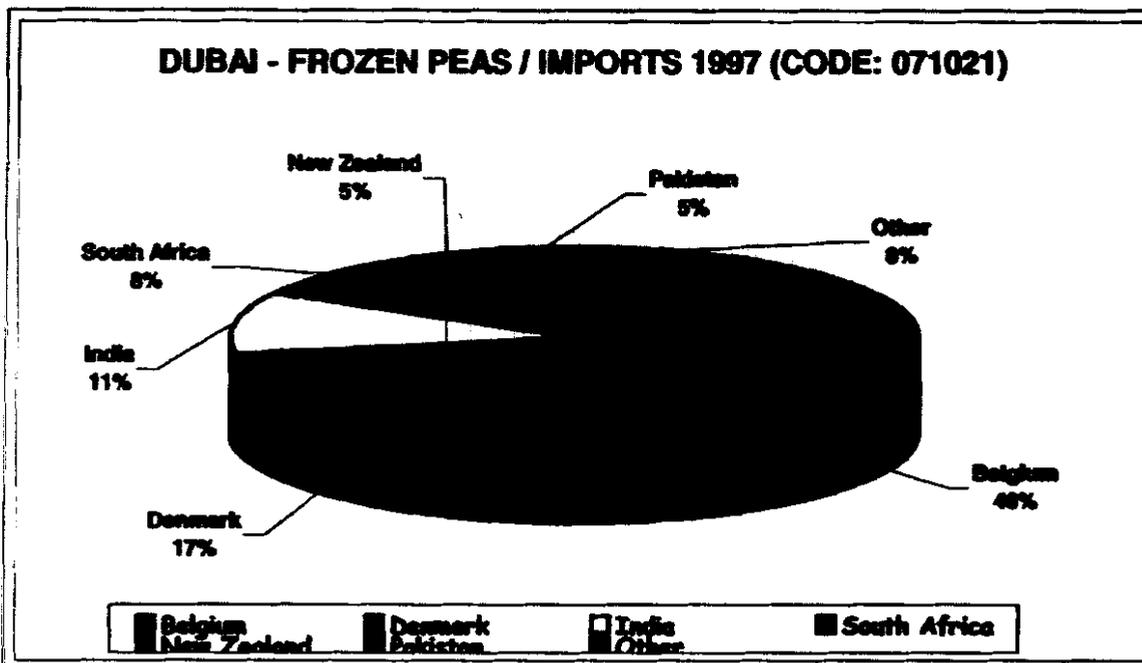
In 1999, Egypt only exported \$42,005 of frozen peas to Dubai or 0.2% of the total number of vegetables imported.

The photo at the right might explain why Egypt has trouble exporting more



peas. One importer interviewed in the Gulf explained that the reasons Egyptian peas

won't sell as well as imports from other countries include: Poor processing (No IQF freezing equipment and the caliber is not consistent), poor quality inputs (tough, tasteless, wrong variety,) and to top it all off, poor packaging. Given these criticisms, it is clear why Egypt has difficulty gaining more market share in Dubai.



SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

DUBAI - PEAS, FROZEN / IMPORTS 1997 (CODE: 071021)

COUNTRY OF EXPORT	WEIGHT (Kg.)	VALUE (Dhms)	VALUE (USD)	\$/Kg.
Belgium	809,308	2,827,127	\$796,373.80	\$0.98
Canada	969	6,455	\$1,818.31	\$1.88
Denmark	160,009	1,019,777	\$287,261.13	\$1.80
Egypt	2,751	10,031	\$2,825.63	\$1.03
France	1,149	6,818	\$1,920.56	\$1.67
Germany	9,102	55,635	\$15,671.83	\$1.72
India	246,363	673,622	\$189,752.68	\$0.77
Netherlands	27,109	138,813	\$39,102.25	\$1.44
New Zealand	68,208	289,762	\$81,623.10	\$1.20
Pakistan	98,339	276,340	\$77,842.25	\$0.79
South Africa	73,381	505,615	\$142,426.76	\$1.94
Turkey	31,680	81,962	\$23,087.89	\$0.73
United Kingdom	63,000	88,512	\$24,932.96	\$0.40
USA	13,732	65,789	\$18,532.11	\$1.35
TOTAL - 1997:	1,605,100	6,046,268	\$1,703,171.27	\$1.06

DUBAI MARKET BASKET SURVEY AVERAGES - APRIL 2000

Products	Size	AVG. Price (U.Dh.)	AVG. Price (US\$) Rate: 3.55	Country of Origin
Vegs.-Frozen, Artichokes	400 gm.	5.95	\$1.68	Egypt
Vegs.-Frozen, Artichokes	400 gm.	6.55	\$1.85	Egypt
Vegs.-Frozen, Broccoli	450 gm.	7.75	\$2.18	Belgium

Products	Size	AVG. Price (U.Dh.)	AVG. Price (US\$) Rate: 3.55	Country of Origin
Vegs.-Frozen, Brussels Sprouts	900 gm.	9.85	\$2.77	Belgium
Vegs.-Frozen, Carrots-Baby	1 kg.	7.20	\$2.03	France
Vegs.-Frozen, Cauliflower	1 kg.	7.80	\$2.20	France
Vegs.-Frozen, Colcaccia	400 gm.	2.50	\$0.70	Egypt
Vegs.-Frozen, Corn Kernal	1 kg.	7.90	\$2.23	France
Vegs.-Frozen, French Fries	.75 kg.	6.50	\$1.83	Canada
Vegs.-Frozen, French Fries	1 kg.	6.95	\$1.96	Kuwait
Vegs.-Frozen, French Fries	1.5 kg.	12.50	\$3.52	Canada
Vegs.-Frozen, French Fries	2 kg.	14.95	\$4.21	Canada
Vegs.-Frozen, French Fries	2.5 kg.	11.90	\$3.18	Denmark
Vegs.-Frozen, French Fries	2.5 kg.	11.50	\$3.24	Saudi Arabia
Vegs.-Frozen, French Fries	2.5 kg.	12.75	\$3.59	Egypt
Vegs.-Frozen, French Fries	2.5 kg.	14.40	\$4.06	Kuwait
Vegs.-Frozen, French Fries	750 gm.	6.50	\$1.83	Canada
Vegs.-Frozen, French Fries	907 gm.	10.75	\$3.03	United Kingdom
Vegs.-Frozen, French Fries/Golden Longs	2.5 kg.	11.25	\$3.17	Canada
Vegs.-Frozen, French Fries-Pommes	1 kg.	12.75	\$3.59	Egypt
Vegs.-Frozen, French Fries-Roasted Potatoes	750 gm.	12.45	\$3.51	United Kingdom
Vegs.-Frozen, Green Beans	400 gm.	1.95	\$0.55	Egypt
Vegs.-Frozen, Green Beans	400 gm.	2.20	\$0.62	Egypt
Vegs.-Frozen, Green Beans	450 gm.	4.50	\$1.27	Belgium
Vegs.-Frozen, Green Beans	900 gm.	8.50	\$2.39	Belgium
Vegs.-Frozen, Mixed	2.5 kg.	6.75	\$1.90	Denmark
Vegs.-Frozen, Mixed	400 gm.	2.10	\$0.59	Egypt
Vegs.-Frozen, Mixed	400 gm.	4.20	\$1.18	Belgium
Vegs.-Frozen, Mixed	400 gm. X 6	9.50	\$2.68	Egypt
Vegs.-Frozen, Mixed	450 gm.	3.45	\$0.97	New Zealand
Vegs.-Frozen, Mixed	450 gm.	4.40	\$1.24	Greece/USA
Vegs.-Frozen, Mixed	900 gm.	9.10	\$2.56	United Kingdom
Vegs.-Frozen, Molokhia	400 gm.	2.15	\$0.61	Egypt
Vegs.-Frozen, Molokhia	400 gm.	2.55	\$0.72	Egypt
Vegs.-Frozen, Molokhia	500 gm.	1.75	\$0.49	UAE (Dubai)
Vegs.-Frozen, Okra	400 gm.	2.90	\$0.82	Egypt
Vegs.-Frozen, Okra WHOLE	400 gm.	3.75	\$1.06	Egypt
Vegs.-Frozen, Peas	1 kg.	5.95	\$1.68	France
Vegs.-Frozen, Peas	400 gm.	2.20	\$0.62	Egypt
Vegs.-Frozen, Peas	400 gm.	2.32	\$0.65	Egypt
Vegs.-Frozen, Peas	450 gm.	3.75	\$1.06	Belgium
Vegs.-Frozen, Peas	900 gm.	6.45	\$1.82	New Zealand
Vegs.-Frozen, Peas	900 gm.	7.50	\$2.11	Belgium
Vegs.-Frozen, Peas & Carrots	454 gm.	3.50	\$0.99	Canada
Vegs.-Frozen, Peas & Carrots	900 gm.	7.65	\$2.15	Belgium
Vegs.-Frozen, Spinach	1 kg.	6.50	\$1.83	France
Vegs.-Frozen, Spinach	400 gm.	1.90	\$0.54	Egypt
Vegs.-Frozen, Spinach	400 gm.	2.35	\$0.66	Egypt
Vegs.-Frozen, Spinach	450 gm.	4.80	\$1.35	Belgium

SOURCE: ALEB - Dubai, UAE Market Basket Surveys, April 2000.

Note the large difference in price of EU frozen vegetables as compared to the Egyptian brands. Price does NOT appear to be the sole factor in determining UAE consumers' preferences as there is a clear demand for more expensive frozen vegetable products from the EU and elsewhere. So, quality and packaging clearly play deciding roles in what UAE consumers will buy. Consumers in the UAE will pay for quality as they would prefer NOT to waste their money on sub-standard products.

Freight rates are higher from Egypt than from Italy, which only compounds the problems of exporting Egyptian products. With the combination of lower quality products, poor quality packaging and higher freight costs, Egyptian processors must overcome these formidable problems if they are to ever compete successfully in Gulf and world markets.

In the not too distant future, Egypt will have to compete within its own borders for market share, so now is the time for Egypt's exporters to correct any problems and plan for the future.

SHELF LIFE (EXPIRY PERIOD):

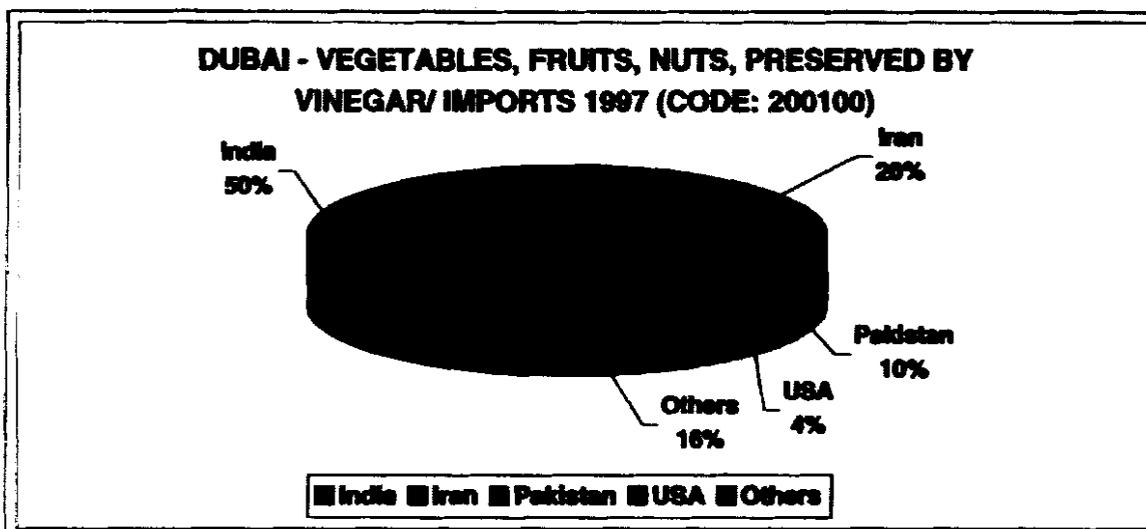
Frozen Vegetables must comply with expiry dating regulations as per the GCC Standard No. 150/1993. The expiry period for frozen vegetables is 18 months packaged in suitable containers.

OPPORTUNITIES:

Dubai (UAE) will import an estimated \$5,000,000 in frozen vegetables next year. Egyptian processors have an excellent opportunity to take some of the market share, provided they can improve quality by and provide better packaging.

Peas can be an area for excellent sales opportunities, provided quality is raised to meet world standards. It isn't simply enough to just put peas in a bag, as it is plain to see, quality and packaging make a difference.

DUBAI (U.A.E.) – VEGETABLES, PRESERVED (PICKLES)



SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

DUBAI – VEGETABLES, FRUITS, NUTS PRESERVED BY VINEGAR / IMPORTS 1997 (CODE: 200100)				
COUNTRY OF EXPORT	WEIGHT (Kg.)	VALUE (Dirhms)	VALUE (USD)	\$/Kg.
India	1,882,771	5,852,130	\$1,648,487.32	\$0.88
Iran	943,339	2,398,876	\$675,739.72	\$0.72
Pakistan	207,892	1,133,244	\$319,223.66	\$1.54
USA	120,293	498,032	\$140,290.70	\$1.17
Others	468,026	1,927,375	\$542,922.54	\$1.16
Total – 1997:	3,622,321	11,809,657	\$3,326,663.94	\$0.92
Total – 1996:	3,200,494	9,883,885	\$2,784,192.96	\$0.86

MARKET ANALYSIS:

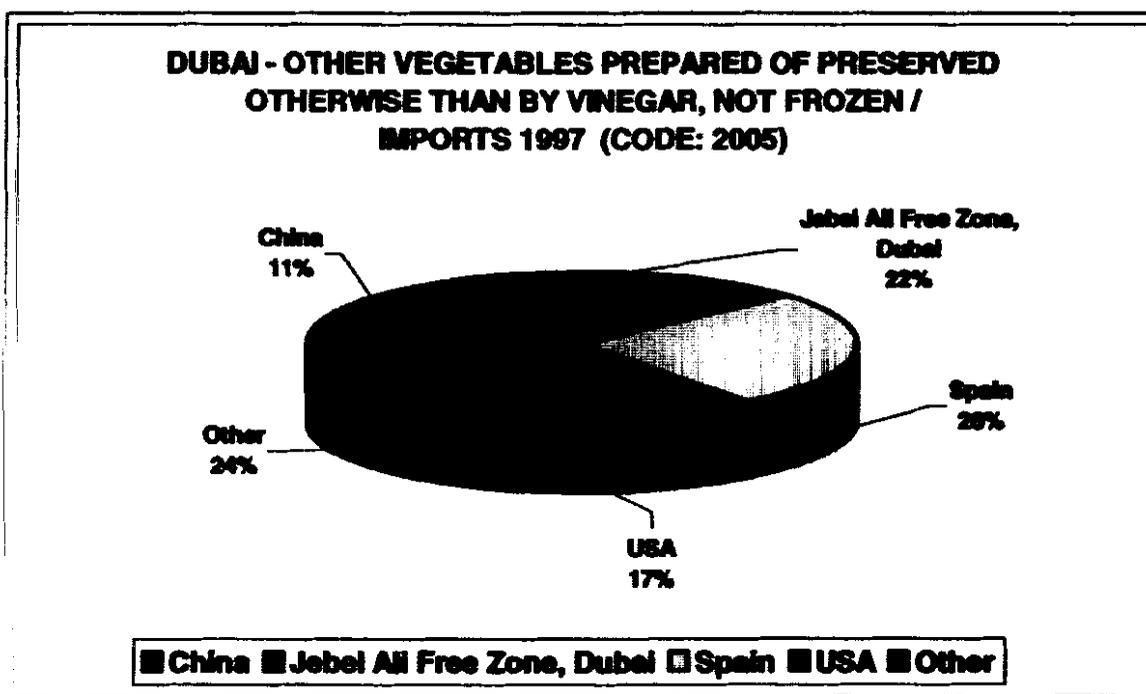
According to Dubai External Trade Statistics, Imports of "Other vegetables prepared or preserved otherwise than by vinegar" in 1997 grew to \$21,443,358 an increase of over \$2,271,903 when compared to 1996 import data. Exports of these products reached approximately \$253,555, while re-exports amounted to \$1,135,757 for 1997. Imports of Vegetables Preserved by Vinegar to Dubai reached \$3,326,663 in 1997, an increase of \$542,470 over 1996 imports.

Data from the U.N. Food and Agriculture Organization (FAO) indicates that the UAE imported an estimated \$7,966,000 of "Vegetables Prepared (NES)" in 1998. These FAO reports also indicate that the UAE exported an estimated \$4,701,000 of Vegetables Prepared (NES) in 1998

Based on CAPMAS-Egypt data, Egypt exported \$124,393 of Pickled Vegetables (by vinegar) and \$30,889 of Brine packed Pickled Vegetables in 1999. FAO data shows that Egypt imported \$120,000 of "Vegetables Preserved by Vinegar" in 1998, an increase of \$46,000 over 1997 imports.

Egypt exported an estimated \$1,147,000 in Vegetables Preserved in Vinegar in 1998, a decrease of \$156,000 according to CAPMAS reports.

DUBAI - OTHER VEGETABLES PREPARED OR PRESERVED OTHERWISE THAN BY VINEGAR OR ACETIC ACID, NOT FROZEN / IMPORTS 1997 (CODE: 2005)				
COUNTRY OF EXPORT	WEIGHT (Kg.)	VALUE (Dhms)	VALUE (USD)	\$/Kg.
Belgium	123,067	1,574,604	\$443,550.42	\$3.60
Canada	68,767	374,386	\$105,460.85	\$1.53
China	3,733,320	7,403,767	\$2,085,568.17	\$0.56
Egypt	125,641	426,718	\$120,202.25	\$0.96
Germany	169,684	1,146,996	\$323,097.46	\$1.90
Italy	6,068,292	8,906,885	\$2,508,981.69	\$0.41
Jebel Ali Free Zone, Dubai	5,041,850	14,584,333	\$4,108,262.82	\$0.81
Malaysia	502,164	1,290,781	\$363,600.28	\$0.72
Netherlands	75,732	711,591	\$200,448.17	\$2.65
Spain	4,572,738	17,711,327	\$4,989,106.20	\$1.09
Thailand	320,467	1,162,368	\$327,427.61	\$1.02
USA	1,494,032	11,412,081	\$3,214,670.70	\$2.15
Others	2,330,451	9,418,084	\$2,652,981.41	\$1.14
TOTAL - 1997:	24,626,205	76,123,921	\$21,443,358.03	\$0.87
TOTAL - 1996:	21,867,049	68,058,664	\$19,171,454.65	\$0.88



SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

Data from FAO indicates that the exports of Vegetables Prepared (NES) reached a total of \$4,701,000 in 1998. Export data for 1997 was not available.

Brine packed mixed vegetables, bottled/preserved artichoke parts, olives and tomatoes (sun-dried) packed in oil, make up the bulk of this category. Vine leaves also occupy the same shelf space with these preserved vegetables, and seem to be well represented from several countries, with the United States remaining the largest supplier.

Pickled vegetables are sold both bottled and in bulk, through deli cases.

Olives seemed to be the largest shareholder in this "preserved vegetables" group, with Spain supplying almost 4.5 million kilograms (\$4,989,106) in 1997.



Bulk, deli service olives were available, even in smaller stores. Almost every consumer observed purchasing olives, also purchased pickled vegetables at the same time from deli cases.

Vegetables packed in vinegar are becoming more popular, primarily due to the gradual change over to the Western style eating habits being adopted by the consumers in the UAE.

Western style pickles, dill-type vinegar preparations, sweet pickles, vegetables and fruits packed in sugar and vinegar packed, plus pickled onions seemed to occupy the larger portion of shelf space as opposed to the brine packaged products.

With the changing eating habits of consumers in the Gulf Cooperation Council (GCC) countries, producers would be wise to consider sugar and vinegar pack products in order to have broader market access.

DUBAI MARKET BASKET SURVEY AVERAGES – APRIL 2000

Products	Size	AVG. Price (U.Dh.)	AVG. Price (US\$) Rate: 3.55	Country of Origin
Pickles, Beets	460 gm.	13.50	\$3.80	United Kingdom
Pickles, Bread/Butter Chips	651 ml.	4.95	\$1.39	United States (Tacoma, WA)
Pickles, Dill Chips	460 gm.	13.50	\$3.80	United Kingdom
Pickles, Dill Chips	651 ml.	4.95	\$1.39	United States (Tacoma, WA)
Pickles, Dill Chips	690 gm.	3.75	\$1.06	Holland
Pickles, Dill Spears	460 gm.	13.50	\$3.80	United Kingdom
Pickles, Dill Spears	651 ml.	4.95	\$1.39	United States (Tacoma, WA)
Pickles, Dill Spears	690 gm.	3.75	\$1.06	Holland
Pickles, Garlic	300 gm.	5.50	\$1.55	India (Bombay)
Pickles, Gherkins	460 gm.	13.50	\$3.80	United Kingdom
Pickles, Gherkins	690 gm.	3.75	\$1.06	Holland
Pickles, Mangoes	300 gm.	5.50	\$1.55	India (Bombay)
Pickles, Onions	460 gm.	13.50	\$3.80	United Kingdom
Pickles, Onions (Silver Skinned)	335 gm.	4.50	\$1.27	Holland
Pickles, Sweet	651 ml.	4.95	\$1.39	United States (Tacoma, WA)
Pickles/Preserved Veg. -- Sun-dried Tomatoes in Olive Oil	454 gm.	22.50	\$6.34	Italy

SOURCE: ALEB - Dubai, UAE Market Basket Survey, April 2000.

SHELF LIFE (EXPIRY PERIOD):

The expiry standards for pickled vegetables is set forth in the GCC Standard No. 150/1993. The expiry period for pickled vegetable products, is 18 months when packed in tightly sealed glass containers, and 12 months when packed in metallic containers lined with plastic.

OPPORTUNITIES:

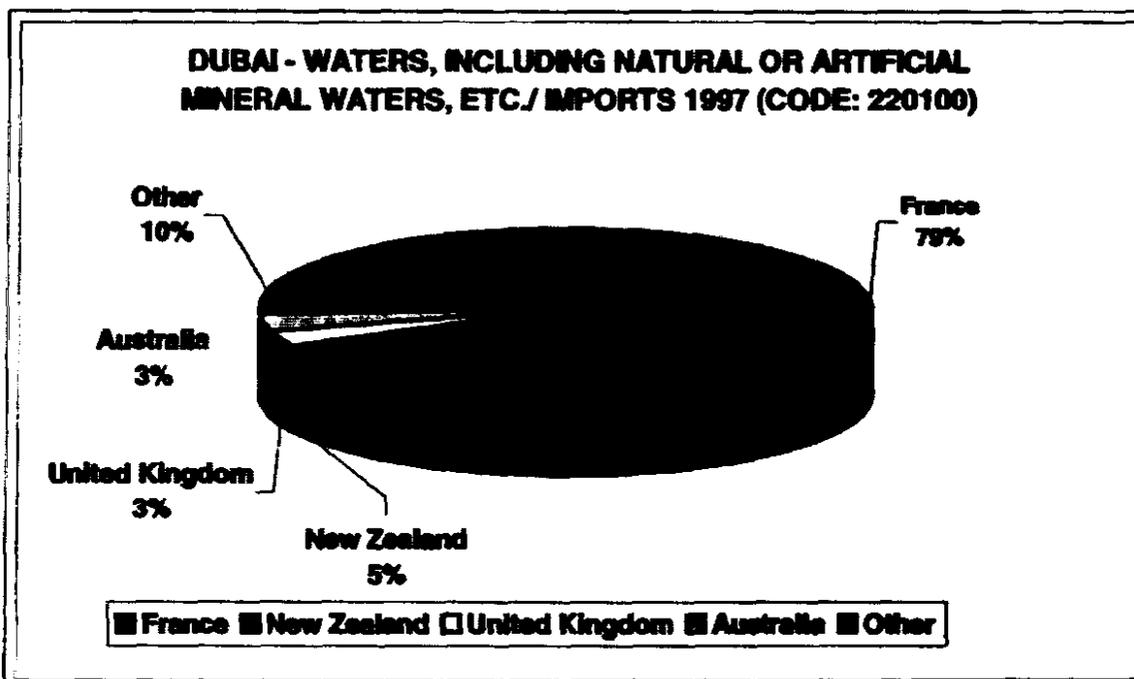
According to various trade data sources, over \$21,000,000 of pickled vegetables were imported into Dubai in 1997. It is obvious that Egypt has a better geographic advantage over countries like China (PRC) that exported over \$2,000,000 and Spain with exports of over \$5,000,000, or even the United States with exports of \$3,214,000. Egypt only exported \$120,000 against all of this competition into this waiting market.

Transportation cannot be blamed on this missed opportunity. Egypt may have a disadvantage with higher freight rates, but with regular shipments, these rates can be negotiated down to become more competitive.

What it will take to sell in this market is -- **quality, packaging and marketing.** Processors must allocate funds from the annual budget for marketing and sales efforts. If the importers don't know about a product, how can they buy it? There is a large market for bulk sales of preserved vegetables that will be used in deli cases in Gulf supermarkets and hypermarkets. Many consumers in the Gulf prefer to purchase their pickled vegetables in bulk as opposed to bottles.

The way to enter such a lucrative market is to 1) **improve product quality,** 2) **improve packaging;** 3) **reduce production costs;** and 4) **aggressively market products.** With these changes in place, any processor can become competitive in the Gulf or any other world market.

DUBAI (U.A.E.) - BOTTLED WATERS



SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

DUBAI - WATERS, INCLUDING NATURAL OR ARTIFICIAL MINERAL WATERS & AERATED WATER NOT CONTAINING ADDED SUGAR OR OTHER SWEETENING MATTER / IMPORTS 1997 (CODE: 220100)

COUNTRY OF EXPORT	WEIGHT (Kg.)	VALUE (Dhms)	VALUE (USD)	\$/Kg.
Australia	28,465	195,572	\$55,090.70	\$1.94
Bahrain	263,210	216,341	\$60,941.13	\$0.23
Canada	58,454	120,578	\$33,965.63	\$0.58
France	2,323,420	4,642,158	\$1,307,650.14	\$0.56
Iran	480,922	215,955	\$60,832.39	\$0.13
New Zealand	169,578	262,747	\$74,013.24	\$0.44
Slovak Republic	25,336	36,361	\$10,242.54	\$0.40
Sweden	54,634	120,842	\$34,040.00	\$0.62
Turkey	91,105	62,600	\$17,633.80	\$0.19
United Kingdom	51,733	168,406	\$47,438.31	\$0.92
Other	89,887	278,540	\$78,461.97	\$0.87
TOTAL - 1997:	3,636,744	6,320,100	\$1,780,309.86	\$0.49
TOTAL - 1996:	2,267,795	5,557,632	\$1,565,530.14	\$0.69

MARKET ANALYSIS:

Based on Dubai External Trade Statistics, bottled waters experienced an increase of \$1,623,779 in imports between 1997 and 1998. Re-exports in 1998 amounted to \$146,656. In 1997 Dubai (UAE) exported \$7,383,561 worth of products mainly to the Gulf Cooperation Council (GCC) countries and Africa.

According to FAO, Egypt exported approximately \$465,000 of waters in 1998, figures indicate that the roughly the same amount was exported in 1997 (\$466,000), but this anomaly is more likely due to a reporting error.

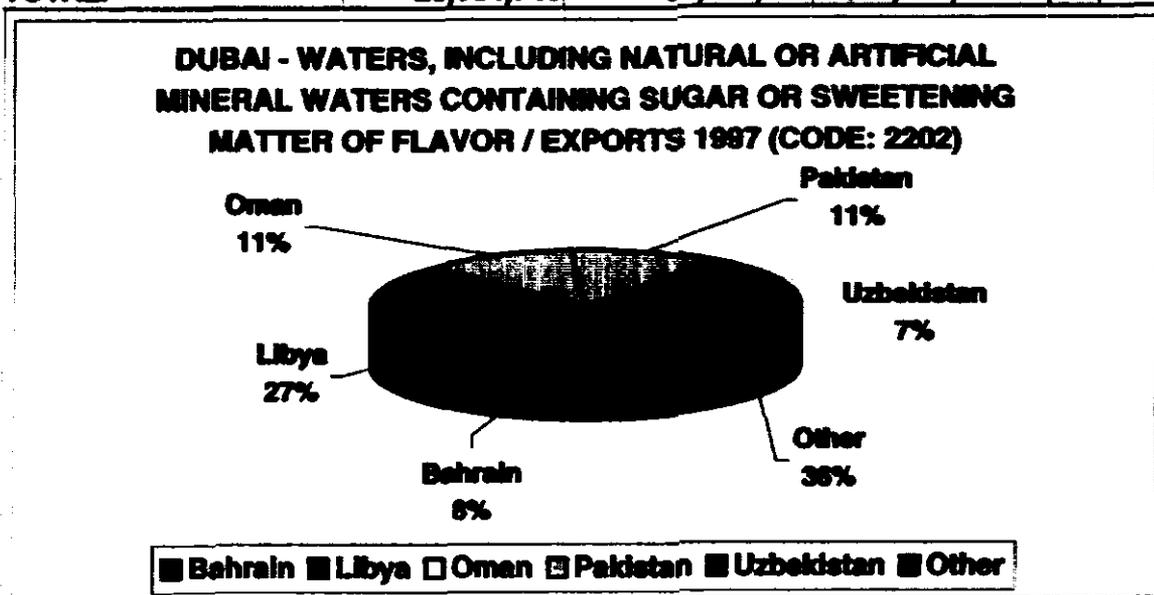
Another area of opportunity is "soft drinks" or "flavored waters." Dubai (UAE) exported approximately \$14,500,000 of soft drinks and flavored waters in 1997, while re-exporting \$1,258,412. The table below gives an idea of potential market opportunities for Egyptian exports.

As evidenced by the table of Dubai (UAE) exports below for the category with code number 220200, there is a potential for a very large market in Libya, which might be more cost effective for freight. It is important to remember that the data supplied below is only for Dubai; export data for the other Emirates was not available prior to compilation of this report.

Although the code description is very detailed for this commodity, complete individual statistics of all products contained in this category could not be determined from conversations with the Dubai External Trade Statistics personnel in Dubai. Clarification is being sought and will be available in the near future.

1997 EXPORTS FROM DUBAI
WATERS, INCLUDING MINERAL WATERS & AERATED WATERS, CONTAINING ADDED SUGAR OR OTHER SWEETENING MATTER OR FLAVORED, & OTHER NON-ALCOHOLIC BEVERAGES, NOT INCLUDING FRUIT OR VEGETABLE JUICES OF HEADING No. 20.09
(CODE: 220200)

COUNTRY OF EXPORT	WEIGHT (Kg.)	VALUE (Dhms)	VALUE (USD)	\$/Kg.
Afghanistan	630,818	1,266,345	\$356,716.90	\$0.57
Azerbaijan	623,900	1,194,038	\$336,348.73	\$0.54
Bahrain	2,025,708	4,171,901	\$1,175,183.38	\$0.58
Libya	6,011,915	13,728,295	\$3,867,125.35	\$0.64
Oman	2,084,187	5,881,699	\$1,656,816.62	\$0.79
Pakistan	2,408,471	5,796,486	\$1,632,812.96	\$0.68
Tajikistan	1,257,217	2,320,728	\$653,726.20	\$0.52
Uzbekistan	1,895,700	3,805,905	\$1,072,085.92	\$0.57
Other	7,046,824	13,482,600	\$3,792,281.69	\$0.54
TOTAL:	23,984,740	51,627,997	\$14,543,097.75	\$0.61



SOURCE: DUBAI RESEARCH & STATISTICS OFFICE

Bottled water in Dubai is a very competitive market -- "cut-throat" was a phrase used to describe this market by one importer. As evidenced by the many varieties available, product price and the physical appearance of the bottle play key roles in marketing.



THIS COLLECTION OF WATER BOTTLES ILLUSTRATES THE IMPORTANT ROLE PACKAGING PLAYS IN GCC MARKETING STRATEGY.

DUBAI MARKET BASKET SURVEY AVERAGES – APRIL 2000

Products	Size	AVG. Price (U.Dh.)	AVG. Price (US\$) Rate: 3.55	Country of Origin
Bottled Water	500 ml.	0.75	\$0.21	U.A.E.
Bottled Water	1.5 lit.	1.25	\$0.35	U.A.E.
Bottled Water	1.5 lit.	1.25	\$0.35	U.A.E.
Bottled Water	1.5 lit.	1.25	\$0.35	Kuwait
Bottled Water	1.5 lit.	2.95	\$0.83	France
Bottled Water	1.5 lit.	3.25	\$0.92	Canada
Bottled Water	1.5 lit.	3.25	\$0.92	Scotland
Bottled Water - Mineral	0.5 lit.	0.72	\$0.21	U.A.E.
Bottled Water - Mineral	1.5 lit.	1.05	\$0.29	U.A.E.
Bottled Water - Mineral	1.5 liter X 12	11.76	\$3.31	U.A.E.
Bottled Water - Flavored: Peach, Grape, Lemon, Kiwi	525 ml.	3.75	\$1.06	Canada

SOURCE: ALEB - Dubai, UAE Market Basket Survey, April 2000

SHELF LIFE (EXPIRY PERIOD):

The expiry standards for bottled water as set forth in the GCC Standard No. 150/1993 is 12 months.

OPPORTUNITIES:

In 1997, Dubai imported an estimated \$1,780,000 in waters. However, the real opportunities lie in "Waters, Mineral Waters & Aerated Waters, Containing Added Sugar, etc." (Code: 220200) . Based on 1997 data, Dubai has acquired an estimated \$14,543,000 beverage market in Libya, the Gulf (Oman and Bahrain), Balkans, and the developing nations of the former Soviet Republic (Azerbaijan, Tajikistan, Uzbekistan). While these market figures are somewhat dated and the economic situations in the export destinations may have changed somewhat since the data was first reported, these countries are STILL worth exploring as potential markets for bottled waters.

Egypt can compete in these markets – it simply requires better pricing gained through controlling production costs, improve transportation costs, and marketing.