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**Supporting
Egypt's
Processed
Foods
Export
Industry**

**An Industry
Rapid
Analysis (IRA)
of Market
Opportunities**

**Fruit
Juices &
Flavored
Waters**

**Prepared By
Agriculture-Led
Export Businesses
(ALEB)**

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An Industry Rapid Analysis (IRA) of Market Opportunities

Fruit Juices & Flavored Waters Sector

**Based on research by
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SPECIAL ACKNOWLEDGMENT

While the report cover pages credit Mr. Douglas Anderson by mentioning that this report was completed under his direction, this statement does not adequately describe the extent of his contribution to the final effort before you.

During the compilation of this report, Mr. Anderson provided invaluable insights into the very intricate nature of statistical analyses in relationship to various Gulf state markets, as well as Gulf market nuances. Mr. Anderson's many years of experience in the Gulf assisted this author enormously in analyzing the nature of each individual country's marketing practices and trends.

Accordingly, the author wishes to personally thank Mr. Anderson for all of his assistance and guidance during the very trying hours of compilation and analysis of this report.

ACKNOWLEDGEMENTS

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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**
Mr. Nashat Nassif
Telephone: (02) 403-1001
Fax: (02) 403-1552
E-Mail: www.east.egypt.com
- **Express El Arabia**
Mr. Said Gharib M.D.EA.
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E-Mail: www.express-arabia.com
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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 Map Point 2000 program to produce the graphics on the cover of each volume.

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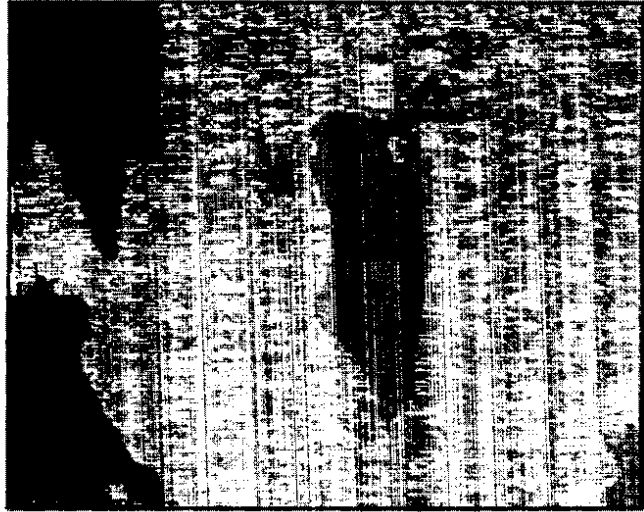
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I. BAHRAIN – COUNTRY PROFILE

The smallest country in the Gulf region, Bahrain has a population of approximately 643,000 as of 1998 (576,000 as of the last census held in 1995). Bahrain was also one of the first Gulf Cooperation Council (GCC) countries to use demographic statistics and conducted its first census in 1941. This statistical efficiency has translated to its trade data gathering practices as well. Of all of the Gulf countries visited during the April 2000 market reconnaissance trip, Bahrain provided the most current trade



data. It was the only country that had developed a sophisticated computerized import tracking system to trace the source of a shipment, the quantity, and its value and provide accurate printouts available to the general public within 48 hours of arrival at any of Bahrain's ports of entry.

An island nation, Bahrain has a total land area of 709.5 square kilometers and is joined to the nearest landmass – Saudi Arabia – by the King Fahad Causeway. Efficient procedures, good regulation and a strong financial community give this small island nation a standard of commercial activity with which other Gulf countries are hard-pressed to compete. The presence of the United States Navy's (U.S.) Fifth Fleet, Bahrain's status as a founding member of the World Trade Organization (WTO), and its membership in the UN Security Council, all have given the country international recognition and should help attract the foreign investment the government of Bahrain is seeking.

As of 1998, Bahrain's population was expected to grow at the rate of about 3.8% annually and was classified according to the following gender and nationality categories listed below:

POPULATION

NATIONALITY	Male	Female	Total
Bahraini	197,700	193,300	391,000
Non Bahraini	179,000	73,000	252,000
TOTAL	376,700	266,300	643,000

From the table below, it is clear that Bahrain has a young population that falls mostly between the ages of 5 and 14 or age 25 and 44.

YEAR	0-4	5-14	15-24	25-44	45-64	65-Over
1998	11.5%	19.4%	16%	41%	9.5%	2.2%
1991	14.8%	26%	19.2%	26.7%	10%	3.3%
1981	15.1%	26.2%	24%	20.8%	11%	3%

Despite the move by the government in recent years toward "Bahrainization" – that is, replacing expatriate workers with more Bahraini nationals -- expatriate workers continue to maintain a strong presence in Bahrain.

LABOR FORCE (15 & OVER) AS OF 1998

NATIONALITY	MALE	FEMALE	TOTAL
Bahraini	88,400	21,200	109,600
Non Bahraini	155,000	30,100	185,100
TOTAL	264,700	51,300	294,700

As of 1998, unemployment in Bahrain was semi-officially estimated at over 15 percent and amounted to over 30 percent in the villages. Government employees are about 90 percent Bahraini and this sector accounts for 11 percent of employment in the country. The private sector workforce was 40 percent Bahraini in 1998, while the country's total workforce in 1997 was 38 percent Bahraini. At the same time, the government is working to ensure that job seekers are equipped with better skills.

Bahrain's historical position as a regional trading center has been severely challenged in recent years, particularly by Dubai, forcing Bahrain to change. In response, Bahrain continues to modernize and streamline its business laws and procedures, to update its technology, to expand its industrial base as well as to construct key new facilities like the industrial area and port adjacent to the large Hidd power and desalination project.

For the past twenty years, Bahrain has served as the financial center for the Gulf region and much of the Arab world. Bahrain's financial institutions attract funds from the Gulf and beyond. Insurance is a developing sector in Bahrain, and the government has identified offshore insurance services as a key growth area.

Bahrain is also currently home to a large aluminum industry launched more than 20 years ago to take advantage of the country's relatively low energy costs and to diversify the economy. This sector has since expanded from basic smelting to a host of other operations, including: a rolling mill, an extrusion plant, a cable plant, factories producing aluminum powder and wire mesh screening, and two automobile wheel factories.

Bahrain is also home to a major vegetable oil and packing facility – Savola. Most corn oil exported to Bahrain is processed and re-exported to other Gulf nations through the Savola facility.

DISTRIBUTION CHANNELS

There are numerous food importers in Bahrain, many of which also function as wholesalers, distributors, and in some cases, retailers. Five companies dominate the retail food industry in Bahrain, but it is often difficult to determine to what extent these companies are involved in the lower levels of food retailing.

During the recent economic changes, the retail food industry did not feel the full economic impact as did other retail business in Bahrain, since food items are usually not the first item to be reduced in most household budgets.

The following reflects the breakdown of the Retail Food Outlets in Bahrain:

- Hyper Markets – 1 (Planning Stage)

ALEB; BDS/MIS: Juice Report

- Super Markets – 60 (A & B)
- Grocery Stores - 200
- Bakalas – 1,500

Markup on food products by importers is approximately 10% to 15%, while retail food prices are generally 25% to 30% above import prices.

Due to the trend toward more "Western" foods, more and more franchised food restaurants have arrived in Bahrain (e.g. Hardee's, McDonald's, Chili's, etc.). Most of these franchise food restaurants use large quantities of frozen French Fries, poultry meats, and meats in general.

A number of ship's chandlers in Bahrain supply many ocean-going vessels with provisions for crew meal services. Frozen Vegetables, Frozen Poultry, and other processed foods are in great demand by the shipping traffic through the Gulf.

Some of the importers interviewed were interested in bidding on contracts with the U.S. Navy's Fifth Fleet Operations in Bahrain. Frozen Vegetables and Frozen Poultry were among the items most required to fill these procurement requirements.

Supermarkets in Bahrain were not on the same scale as Dubai or Kuwait, but did offer a good selection of most standard food items. Frozen vegetables and frozen poultry were well stocked in most stores visited.

Smaller stores or *Bakalas* did not have as many refrigerated cases as did Saudi Arabian stores of the same size, but there were a few in evidence. One industry source indicated that there would be more of these smaller stores incorporating refrigerated cases in their stores in the future, due to the increasing demand for frozen vegetables and frozen whole chickens.

MARKETING A PRODUCT(S)

It is important to remember that importers in Bahrain share the same values held by importers in other GCC countries. The size of the country does not diminish the demand for:

1. Competitive Pricing;
2. Innovative Products; and
3. High quality packaging.

Egyptian processed foods are suffering from a bad image brought on by a history of poor quality and lack of customer service. During interviews with importers in Bahrain, several comments were heard questioning the current quality of Egyptian processed foods.

When approaching potential importers in Bahrain, it is important to reassure them of a new commitment to quality and to customer service following the sale and shipment of products. Follow-up after a shipment instills confidence in new importers. Importers are more likely to re-order from a processor when they feel reassured that the supplier is concerned with the satisfaction of the customer.

Requesting feedback from an importer is good business, for it not only reassures the buyer that his concerns are important, but it also acts as an indicator to provide direction for product improvement.

The following is taken from GCC Standard No. GS 150/1993 also Bahrain N.S. Standard 150/1993, which applies to expiry dates on foodstuffs:

Without prejudice to what is stated in GS 9/1984 "Labeling of Prepackaged Foods" and to the Gulf Standards for each food product, the production and expiration dates shall be declared on the label of the package in an "Un coded manner as follows:

- (Day/Month/Year) - for food products having an expiration period up to 6 months.
 - (Month/Year) - for food products having an expiration period exceeding 6 months.
- The use of any of the following statements for expressing the expiration date is permissible; it is mandatory to mention the production date.
- Expiration date:
 - Use by: (date):
 - Fit for: (from the date of production):
 - Use before: (date):
 - Sell by: (date):

In case of writing production and expiration dates in month and year only, the expiration period shall be calculated up to the end of the registered expiration month.

Without prejudice to what is stated in the Gulf Standards for each food product, no food products shall be released if more than half of their expiration period for human consumption – calculated from the date of production – has been spent before their arrival to the entry port in the importing country.

Dates shall be engraved or in relief, printed, or stamped by irremovable ink directly on all packages or on their original label by the producer only. Adding stickers for production and expiration dates is not permissible. There shall not be more than one date of production or of expiration on the same package. Both dates shall not be subject to deletion, change or deceit.

IMPORT REGULATIONS

In April 1995, Bahrain announced exceptions to the Gulf Standard 150/1993 (Part I) to extend shelf life expiry periods to prevent serious disruption to Bahrain's food imports. Expiry dates for foodstuffs are considered "more strict than necessary" by some importers.

Expiry dates must be engraved, embossed, printed or stamped directly onto the original label or primary packaging at the time of manufacture using indelible ink. U.S. Bar Coding is not allowable as a replacement for labeling.

Expiry dates must be printed in the following manner:

- Day/Month/Year for products with a shelf life under 6 months or less

ALEB; BDS/MIS: Juice Report

- Month and Year for products with a shelf life longer than 6 months.

Both dates must be printed in digit form; text is not permitted.

Bahraini officials are willing to work with exporters to pre-approve labeling. Obtaining labeling approval prior to shipment, will speed up import clearances. It is advisable to make inquiry with potential importers to determine the latest regulations on expiry periods, prior to shipment.

Labeling requirements are similar to all other GCC countries when requiring the following requirements for foodstuffs shipments.

- Product Brand Names
- Ingredients – in descending order of proportion
- Additives (If Any)
- Net Content in Metric Units – Volume in case of liquids
- Date of Production & Expiry
- Manufacture's name and address
- Country of Origin
- Special storage, transportation & preparation instructions if any
- All information must be on the original label of primary package

Bilingual labels are permitted, provided one of the languages is Arabic. Sticker-labels are allowed, provided that they comply with the following regulations:

- Extremely difficult to remove
- Must contain all required information
- Does not contradict information on original label

Specialty food products such as dietetic, infant foods, and health foods must be pre-registered with the Ministry of Health, Directorate of Pharmacies and Drug Control prior to shipment to Bahrain. All specialty food labels must contain detailed information regarding ingredients (e.g., vitamins, supplements, minerals, etc.). Nutritive values per 100 grams and instruction for proper storage is also required on all labeling. (U.S. nutritional panels are acceptable).

CUSTOMS AND INSPECTION REQUIREMENTS

Bahrain imposes a 5% *ad valorem* import duty on most foodstuffs exported to Bahrain. As of the beginning of the year 2000, the Government of Bahrain decided to abolish import duties on a variety of essential food and agricultural products. Fresh fruit and vegetables constituted most of these products, however, milk-based baby food without cocoa, diabetic products (candies), and cardamoms were also included on this list.

The Food Hygiene Division will customarily inspect and require laboratory testing of first time shipments to Bahrain, as well as monitor shipments from exporters who have failed earlier testing procedures.

All shipments to Bahrain must comply with Copyright/Trademark Laws and the following documentation is required for shipments entering Bahrain:

- Commercial Invoice
- Packing lists

ALEB; BDS/MIS: Juice Report

- Bill of Lading
- Health Certificate from country of origin
- Halal slaughter certificate for all meat and meat by-products
- Certified certificate of origin

TRANSPORTATION

Nearly all of the imported foodstuffs for Bahrain will be shipped to the port of Mina Sulman, located in the capital, Manama. Products not arriving via ocean container arrive from Saudi Arabia over the King Fahad Causeway that joins the two countries.

Bahrain International Airport also receives a considerable quantity of foodstuffs, mostly fresh fruits & vegetables, as well as chilled meats.

The table below represents quotes from 4 separate local freight agents in Cairo. The purpose of this exercise is to indicate the fluctuating spread of prices for freight to Bahrain from Egypt. These prices are probably negotiable once a regular shipping schedule has been established. These prices are not guaranteed, and will vary with seasons and availability. It is obvious from this small collection of freight rates that it pays to obtain several quotes prior to deciding on a particular carrier or freight agent.

FREIGHT ESTIMATES FROM CAIRO TO BAHRAIN – JULY 2000

Egypt to...	Container Small - Dry	Container Large - Dry	Container Small-Refrig.	Container Large-Refrig	Truck Dry	Truck Refrig.
BAHRAIN-1	US\$500	US\$800	Not available	US\$2,900	Not available	Not available
BAHRAIN-2	US\$500	US\$850	US\$2,550	US\$3,600	US\$3,000	US\$3,000
BAHRAIN-3	US\$650	US\$900	US\$2,000	US\$2,900	US\$3,000	US\$3,200
BAHRAIN-4	US\$1,400	US\$2,000	US\$2,200	US\$3,000	US\$3,000	US\$3,200

Freight rates for dry containers from Egypt to Bahrain can range from US\$500 (20 foot container) up to US\$2,000 (40 foot container). Shipping container delivery dates following departure from Egypt can range between 15 and 20, because of other port stops along the Gulf route. A truck (40 foot-dry) traveling from Egypt to Bahrain can deliver goods within 4 to 5 days, but may cost between US\$3,000 and US\$3,200.

DOCUMENTS WHILE IN TRANSIT

It is important to provide the required documentation for all shipments in order to avoid delays Bahrain's ports of entry. The following items must accompany the shipment while in transit:

- Commercial Invoice (Original)
- Health Certificate (Issued by Egyptian Health Authorities)

ALEB; BDS/MIS: Juice Report

- Certificate of Origin (Country of Origin)
- Bill of Lading
- Packing List

It would be prudent to forward copies of all documents to the importer to facilitate banking and clearing as well as a backup should documentation be lost during shipment.
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.

COMMODITY SUMMARIES (Juice)

FRUIT JUICES - COMBINED

Total Fruit Juice imports into Bahrain amounted to US\$4,091,252 in 1999 based on Bahrain Directorate of Statistics data. Mango Juice was the largest imported single juice (39%) with imports totaling US\$1,613,608, followed by Orange Juice with imports valued at US\$1,081,002. Egypt's main contributions to this juice market according to official Bahrain statistics appeared in the "Other Guava Juice" category (a 0.05% market share) and "Concentrated Orange Juice" (2.6% of the market).

The predominant juice exporters to Bahrain include: Saudi Arabia, Kuwait and the United Arab Emirates. According to FAO data, Bahrain exported \$770,000 of Fruit Juices in 1998, a decrease of \$187,000 under 1997 exports.

WATERS, BOTTLED - COMBINED

Based on Bahrain Directorate of Statistics data, in 1998, Bahrain imported approximately US\$1,910,222 of different types of Combined Waters.

While data for Bahrain's 1999 imports were incomplete, they showed imports of "Ordinary Natural Waters" amounting to US\$21,412; imports of "Natural Waters – Unflavored" at US\$13,428; and imports of "Mineral Waters – Flavored or Sweetened" at US\$130,817.

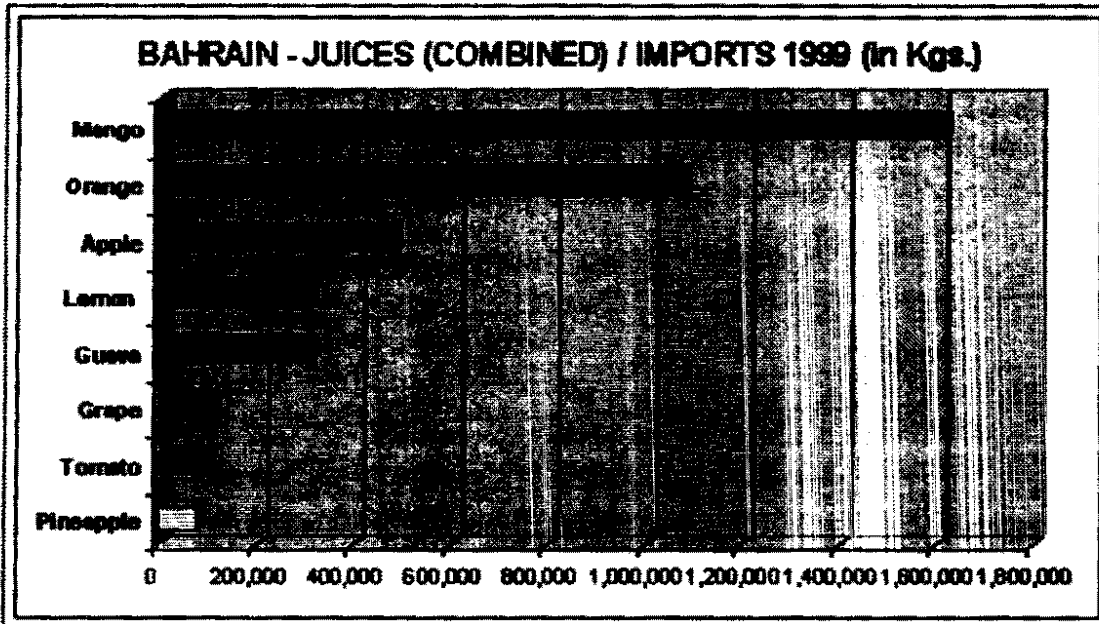
The largest category imported was Natural Mineral Waters with imports valued at US\$1,377,359. France was the largest exporter to Bahrain with \$598,140 (43% market share), followed by Saudi Arabia with \$377,568 (27% market share). Data for 1997 and 1999 were not available for this report. Unfortunately, Egypt's presence was not reflected in Bahrain's import data for this particular commodity.

BAHRAIN CODE INDEX

(Listed Alphabetically by Commodity Type)

OPPORTUNITY COMMODITIES	State of Bahrain Central Statistics Organization, Directorate of Statistics EXACT COMMODITY TITLE	State of Bahrain Harmonized Coding System CODE NUMBER
Juice, Apple	Other Apple Juice	20097090
Juice, Grape	Grape Juice (Including Grape Must)	20096000
Juice, Guava	Unconcentrated Guava Juice	20098031
Juice, Guava - Other	Other Guava Juice	20098039
Juice, Mango	Unconcentrated Mango Juice	20098021
Juice, Mango – Other	Other Mango Juice	20098029
Juice, Pineapple	Unconcentrated Pineapple Juice	20094010
Waters, Aerated	Aerated Waters	22011030
Waters, Artificial	Artificial Mineral Waters	22011020
Waters, Flavored Or Sweetened	Aerated Waters, Flavored Or Sweetened	22021020
Waters, Mineral	Natural Mineral Waters	22011010
Waters, Mineral – Flavored Or Sweetened	Mineral Waters, Flavored Or Sweetened	22021010
Waters, Other – Flavored	Other Flavored Waters	22021090

BAHRAIN – JUICES (COMBINED)



SOURCE: BAHRAIN DIRECTORATE OF STATISTICS

BAHRAIN – JUICES (COMBINED) / IMPORTS 1999 (CODES: 20098031 - 20098039 – 20095000 - 20096000 - 20094010 - 20097090 – 20098021 - 20098029)				
JUICE	WEIGHT (Kg.)	VALUE (BD)	VALUE (USD)	\$/Kg.
Apple	326,141	179,282	\$480,648.79	\$1.47
Grape	92,573	41,047	\$110,045.58	\$1.19
Guava	349,041	115,733	\$310,276.14	\$0.89
Lemon - Concentrate	177,835	116,740	\$312,975.87	\$1.76
Mango	1,653,774	601,876	\$1,613,608.58	\$0.98
Orange	1,278,295	403,214	\$1,081,002.68	\$0.85
Pineapple	106,308	30,440	\$81,608.58	\$0.77
Tomato	117,967	37,705	\$101,085.79	\$0.86
TOTAL – 1999:	4,101,934	1,526,037	\$4,091,252.01	\$1.00

MARKET ANALYSIS

In 1999, Bahrain imported an estimated \$4,091,252 of combined fruit juices according to the Bahrain Directorate of Statistics. The largest single juice imported was mango juice with \$1,613,608 in imports, followed by orange juice with imports valued at \$1,081,002 in 1999. Egypt's contributions to this juice market appeared in the "Other Guava Juice" category (0.05% of market) and "Concentrated Orange Juice" (2.6% market share). Bahrain's major juice importers are: Saudi Arabia, Kuwait, and the United Arab Emirates.

ALEB; BDS/MIS: Juice Report

Statistics from the U.N. Food and Agriculture Organization (FAO) indicates that Bahrain imported \$7,165,000 in fruit juices during 1998. These data, however, are not supported by Bahrain Directorate of Statistics data. FAO also indicated that Bahrain exported approximately \$770,000 of fruit juices in 1998, a decrease of \$187,000 over 1997 exports.

According to FAO, Egypt imported an estimated \$117,000 of Apple Juice in 1998, a decrease of \$108,000 from 1997 imports. Egypt also imported approximately \$2,000 of mango juice in 1998, a decrease of \$6,000 over 1997 imports of mango juice. Available Egyptian CAPMAS data did not indicate any fruit juice exports to Bahrain in 1998.

BAHRAIN MARKET BASKET SURVEY AVERAGES – APRIL 2000

Products	Size	Avg. Price (B.D.)	Price (US\$) Rate: 0.373	Country of Origin
Juice - Apricot	1 lit.	0.450	\$1.21	UAE (Sharja)
Juice - Carrot	1 lit.	0.450	\$1.21	UAE (Sharja)
Juice - Grape	1 lit.	0.450	\$1.21	UAE (Sharja)
Juice - Mango	1 lit.	0.450	\$1.21	UAE (Sharja)
Juice - Orange	1 lit.	0.450	\$1.21	UAE (Sharja)
Juice - Pineapple	1 lit.	0.450	\$1.21	UAE (Sharja)
Juice (Refrig.)-Apple	1 lit.	0.500	\$1.34	Bahrain
Juice (Refrig.)-Apple	2 lit.	1.000	\$2.68	Bahrain
Juice (Refrig.)-Grape	1 lit.	0.500	\$1.34	Bahrain
Juice (Refrig.)-Grapefruit	1 lit.	0.500	\$1.34	Bahrain
Juice (Refrig.)-Orange	1 lit.	0.500	\$1.34	Bahrain
Juice (Refrig.)-Orange	2 lit.	1.000	\$2.68	Bahrain
Juice (Refrig.)-Pineapple	1 lit.	0.500	\$1.34	Bahrain
Juice (Refrig.)-Pineapple	2 lit.	1.000	\$2.68	Bahrain
Juice/Nectar - Apple	1 lit.- 2 pak	0.750	\$2.01	Oman
Juice/Nectar - Grape	1 lit.- 2 pak	0.750	\$2.01	Oman
Juice/Nectar - Mango	1 lit.- 2 pak	0.750	\$2.01	Oman
Juice/Nectar - Orange	1 lit.- 2 pak	0.750	\$2.01	Oman

SOURCE: ALEB - Bahrain Market Basket Surveys, April 2000.

SHELF LIFE (EXPIRY PERIOD)

The expiry standards for fruit juices are set forth in GCC Standard No. 150/1993. The expiry period for fruit juices is 18 months in suitable containers.

CONSTRAINTS TO TRADE

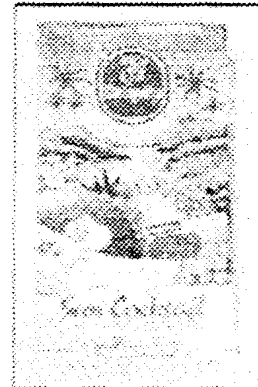
Fruit juices will continue to be subjected to the 5% *ad valorem* import duty placed on all other food products. Duties are based on CIF value at the port of entry.

OPPORTUNITIES

The Bahrain fruit juice market offers over a \$4,000,000 export potential for Egyptian juice processors. Mango and orange juices represent the largest single strength juices currently imported into Bahrain.

Presently, Kuwait is the largest exporter of **guava juice** to Bahrain. Kuwait and Saudi Arabia are the largest exporters of **mango and orange juice**. Certainly there is a potential for Egypt's juice processors to acquire a share of Bahrain's juice market from these two countries.

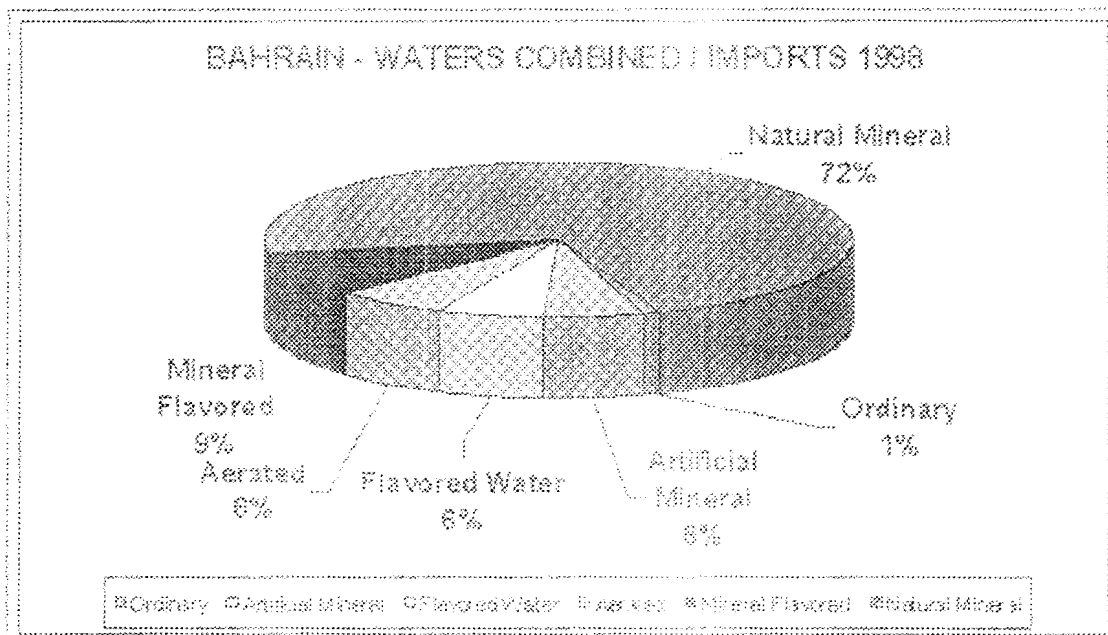
As is the case with Egypt, well-known "Western"/American known juice brands, like the brand pictured at right, seem to have gained acceptance among expatriate consumers and Bahraini nationals.



Juice mixes and chilled juices also offer good opportunities for expansion in Bahrain. However, due to the potential for claims caused by temperature damage to frozen or chilled juices in transit, the Egyptian exporter should *place a temperature-recording device in each shipment to indicate transit condition. To preserve the quality of the shipment, the exporter should also ensure a completely chilled sea shipping container or overland truck trailer container before loading any shipment from Egypt destined for the Gulf.*

BAHRAIN – WATERS

SOURCE: BAHRAIN DIRECTORATE OF STATISTICS



BAHRAIN - WATERS COMBINED / IMPORTS 1998
(CODE: 22011010 – 22011020 – 22021090 – 22021020 – 22021010 – 22011030)

COMMODITY	CODES	WEIGHT (LIT.)	VALUE (BD)	VALUE (USD)	\$/LIT.
Natural Mineral	22011010	4,887,361	513,755	\$1,377,359.25	\$0.28
Artificial Mineral	22011021	635,357	40,308	\$108,064.34	\$0.20
Flavored Water	22021020	113,298	42,064	\$112,772.12	\$1.00
Mineral Flavored	22021010	171,797	67,611	\$181,262.73	\$1.06
Ordinary	22019010	56,208	5,344	\$14,327.08	\$0.25
Aerated	22011030	77,517	43,431	\$116,437.00	\$1.50
Total – 1998:		5,841,236	712,513	\$1,910,222.52	\$0.33
Total – 1997:	N/A	N/A	N/A	N/A	N/A

MARKET ANALYSIS

In 1998 Bahrain imported an estimated combined total of \$1,910,222 in different types of waters. The largest category imported was Natural Mineral Waters with imports valued at \$1,377,359. France was the largest exporter to Bahrain with \$598,140 (43% market share), followed by Saudi Arabia with \$377,568 (27% market share). Data for 1997 and 1999 were not available for this report.

Bahrain exported an estimated \$2,788,202 worth of waters in 1998. Artificial mineral waters dominated these exports with \$2,355,288 in 1998. The largest importer of these waters was Kuwait, which received \$1,493,246 worth of products in 1998.

ALEB; BDS/MIS: Juice Report

Data from the U. N. Food and Agriculture Organization (FAO) indicate that Bahrain exported an estimated \$1,487,000 for 1998, a significantly lower export total than what has been recorded by Bahrain Directorate of Statistics data.

Based on FAO data, Egypt imported an estimated \$74,000 of different types of waters in 1998, which constituted a decrease of \$149,000 over 1997 imports. FAO also indicated that in 1998 Egypt's water exports totaled approximately \$465,00 – a decrease of \$1,000 over 1997 exports.

BAHRAIN MARKET BASKET SURVEY AVERAGES – APRIL 2000

Products	Size	Avg. Price (B.D.)	Price (US\$) Rate: 0.373	Country of Origin
Bottled Water	500 ml. X 24	1.655	\$4.44	Bahrain
Bottled Water	1.5 liter X 12	1.124	\$3.01	Bahrain
Bottled Water	1.5 liter X 12	1.322	\$3.54	Lebanon
Bottled Water	1.5 lit.	0.298	\$0.80	France
Bottled Water	1.5 lit.	0.112	\$0.30	Bahrain
Bottled Water	1.5 lit.	0.150	\$0.40	Lebanon
Bottled Water	1.5 lit.	0.285	\$0.76	Switzerland

SOURCE: ALEB - Bahrain Market Basket Surveys, April 2000.

SHELF LIFE (EXPIRY PERIOD)

The expiry standard for bottled water as set forth in GCC Standard No. 150/1993 is 12 months when packed in cardboard containers or plastic bags.

CONSTRAINTS TO TRADE

On January 6, 2000, Bahrain abolished import duties for a limited number of agricultural products. A total of 42 food and agricultural products were removed from the import duties list to reduce burdens on its citizens.

Unfortunately, bottled water is not one of the 42 exempt commodities. So, this commodity will still be subjected to the 5% *ad valorem* import duty placed on all other food products. Duties are based on CIF value at the port of entry.

OPPORTUNITIES

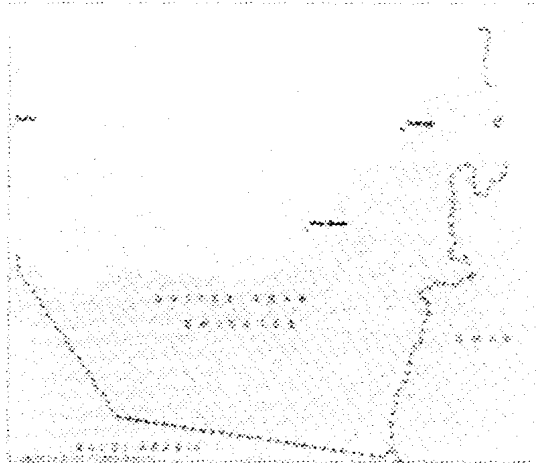
Bahrain imported an estimated \$1,900,000 in combined bottled waters in 1998. The category labeled "Natural Mineral Waters" dominated this water market with imports valued at \$1,377,359.

Bahrain exported approximately \$2,788,202 worth of waters; Artificial Mineral Waters constituted the largest category of waters exported with \$2,355,286 in exports. Kuwait was the largest recipient/importer of Bahrain's Artificial Mineral Waters with \$1,493,246 in total imports.

Bottled water producers in Egypt may want to consider targeting Kuwait's "Artificial Mineral Water" market for potential export opportunities as well as the combined water market in Bahrain.

II. DUBAI (UNITED ARAB EMIRATES) – COUNTRY PROFILE

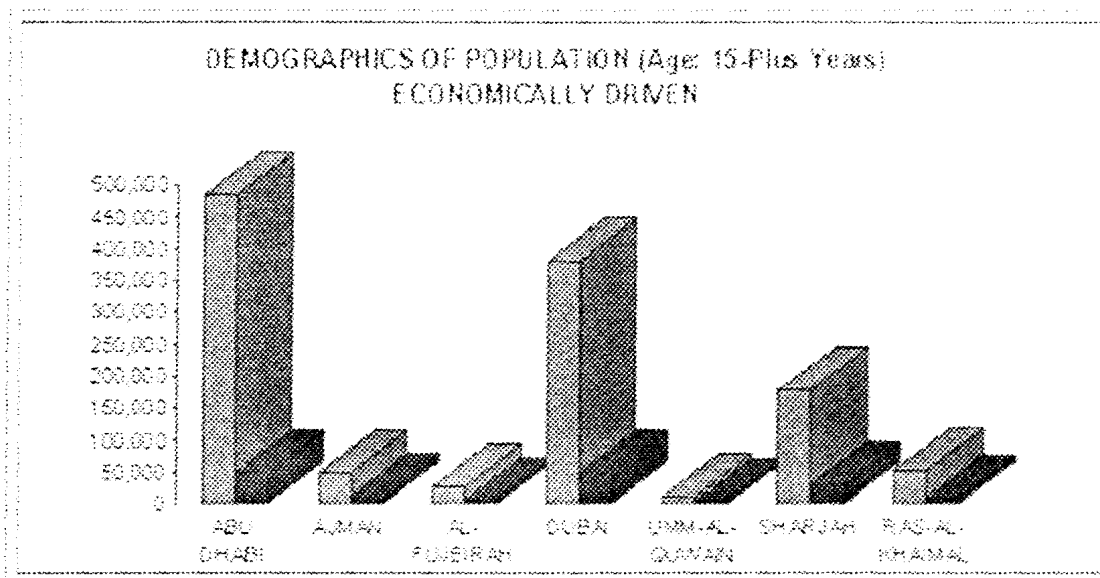
The United Arab Emirates is a federation of states comprised of 7 former Trucial States formed in 1972. The United Arab Emirates (UAE) consists of the states of Abu Dhabi, Ajman, Dubai, Fujairah, Ras Al Khaimah, Sharjah, and Umm Al Qaiwain.



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 1,676,589 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.

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.

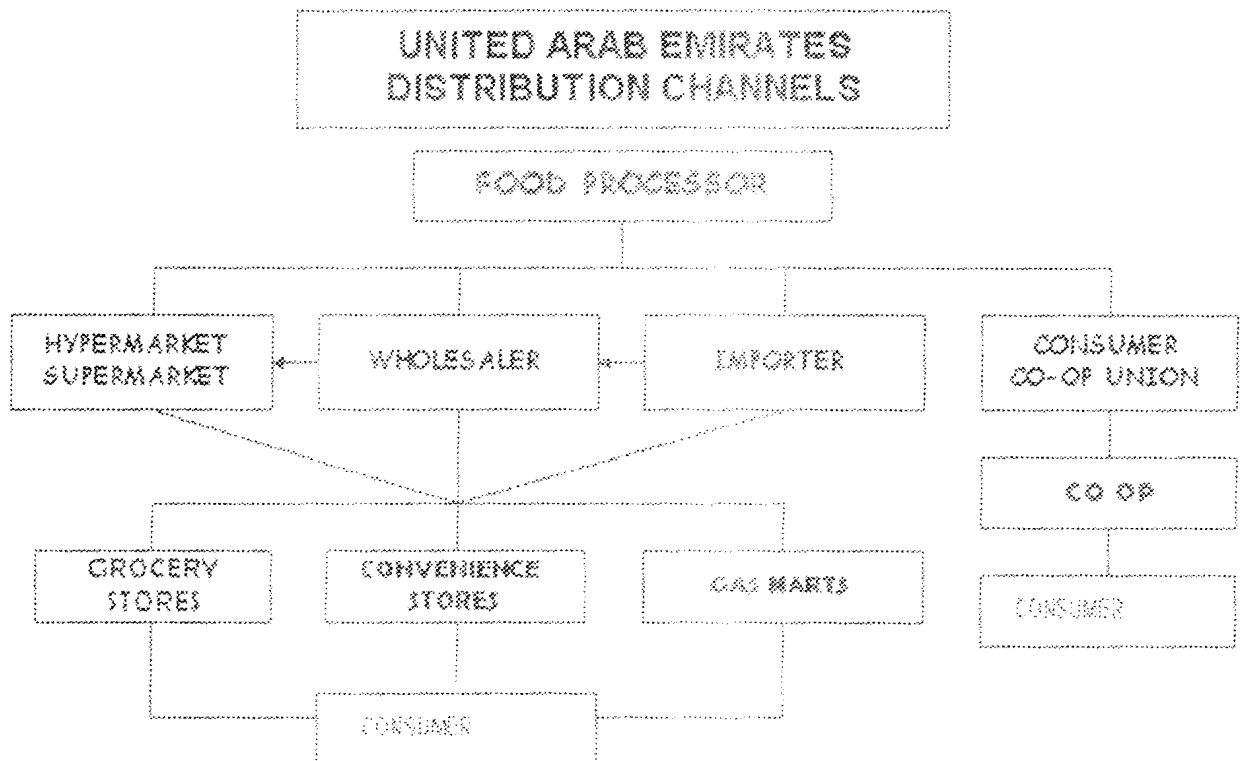
A very large portion of the ingredients found in foodstuffs produced in the UAE, are imported, due to the lack of substantial agriculture in the country. The requirements for the growing processed food industry would indicate a substantial market for bulk packed products like frozen vegetables and aseptic 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.

ALEB; BDS/MIS: Juice Report

- **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 is 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.

ALEB; BDS/MIS: Juice Report

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 worse 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:

ALEB; BDS/MIS: Juice Report

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.

ALEB; BDS/MIS: Juice Report

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 HRI (hotel, restaurant and institutional) 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 and trade associations 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 *fiIs*."

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 non-permitted 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 "Labeling of Prepackaged Foodstuffs", consisting of approximately 10 pages, closely resembles standards set forth in the Gulf Standard No. 9/1995, which was basically prepared by the State of Kuwait.

ALEB; BDS/MIS: Juice Report

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 is 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.

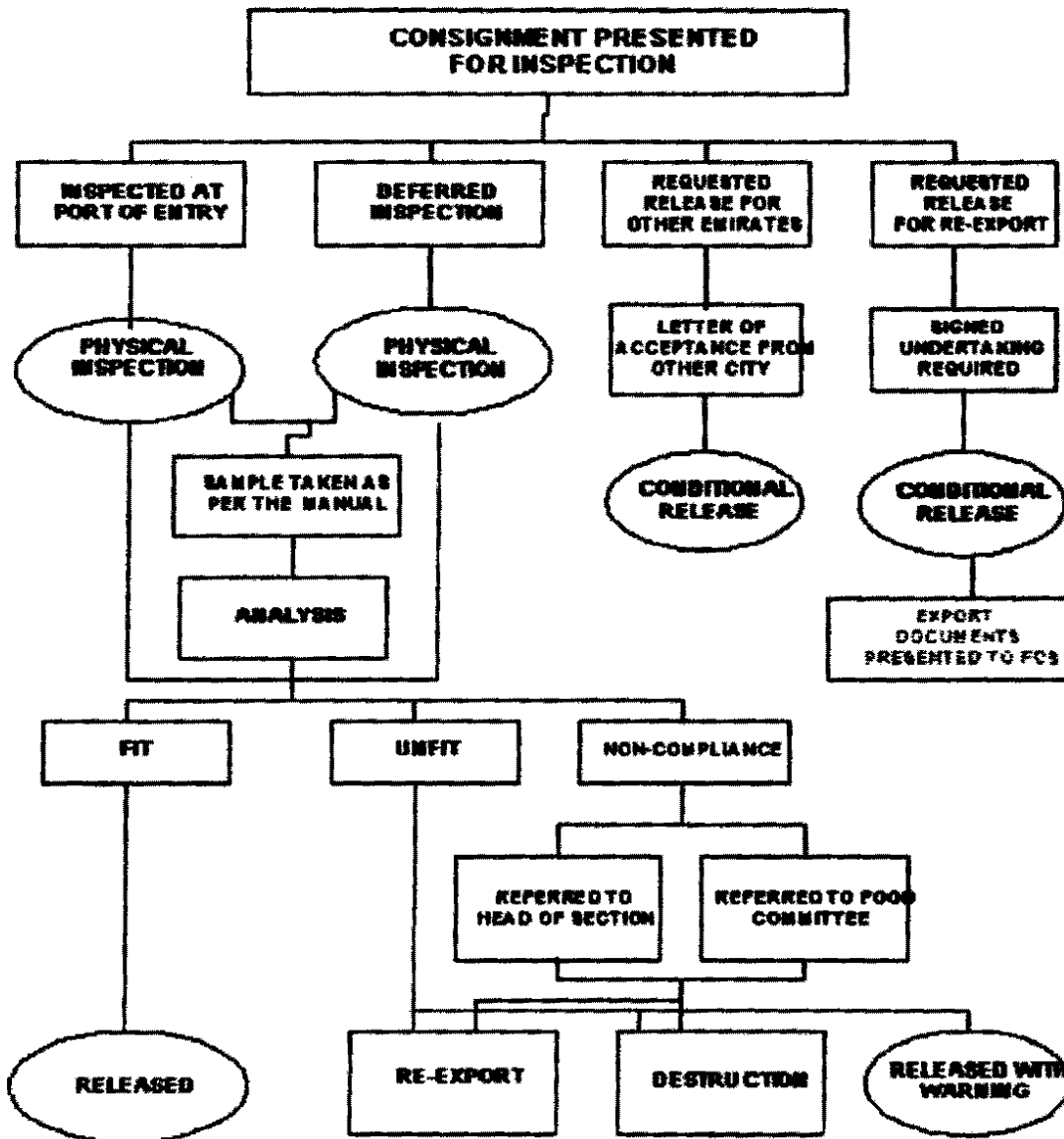
ALEB; BDS/MIS: Juice Report

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



ALEB; BDS/MIS: Juice Report

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.

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.

ALEB; BDS/MIS: Juice Report

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
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
- Waters

COMMODITY SUMMARIES

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.

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.

ALEB; BDS/MIS: Juice Report

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
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
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, Natural or Artificial (WITHOUT Sugar)	Waters, Including Natural Or Artificial Mineral Waters & Aerated Water Not Containing Added Sugar or Other Sweetening Matter.	220100