

**Required Report:** Required - Public Distribution

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## **Report Name:** Citrus Annual

**Country:** Egypt

**Post:** Cairo

**Report Category:** Citrus

**Prepared By:** FAS Cairo

**Approved By:** Jenny Morgan

### **Report Highlights:**

Egypt is one of the largest citrus producers and exporters in the world, primarily for oranges. In marketing year (MY) 2024/25, FAS/Cairo forecasts fresh orange exports to reach 1.95 million metric tons (MMT) down from almost 2.3 MMT in the previous marketing year. Post attributes the decrease in exports to lower production amid unfavorable climate conditions as well as an increase in production (by about 50 percent from the previous year). Saudi Arabia, the Netherlands, Russia, United Arab Emirates, India and Spain are likely to remain among Egypt's top ten export destinations for fresh oranges.

## **Planted Area:**

In MY 2024/25 (October-September), FAS/Cairo forecasts total planted area of oranges to be 170,000 hectares (ha), a slight increase from the previous year. The increase in planted area is attributed to an increase in profits from producers as a result of large orange exports during the past two years. Orange trees will start producing after four years of planting, and the trees can live up to 50 years; however, production decreases after 20 years.

Post estimates MY 2024/25 total harvested area of 152,000 ha, a slight increase over last year. The increase in area harvested is attributed to a slight increase in the number of bearing trees from the previous year. However, higher temperatures for long periods at the beginning of the fruit set negatively impacted the productivity of some farms (especially small farms located in the Nile Delta).

## **Production:**

In MY 2024/25, FAS/Cairo forecasts orange production to decrease by almost 12 percent, or 500,000 MT to 3.7 MMT. The decrease in production is attributed to higher temperatures for long periods at the beginning of the fruit set which negatively impact production. Orange production under small scale farms which represents the majority of farms in the Nile Delta was also impacted by inflated production costs, reaching in some areas to a 200 percent increase.

During MY 2023/24, many small-scale farms couldn't afford the required level of investments needed for sustainable orange production due to rising costs which reflected negatively on production. Despite these challenges, replacing old orchards with newer trees, improving on-farm irrigation techniques, adopting up-to-date nutrient management programs, and reducing post-harvest losses are ongoing efforts by growers' associations and the Egyptian government in Nile Delta farms.

Post is also revising the MY 2023/24 estimate upwards by 13.5 percent to 4.2 MMT from Post's previous estimate. This is attributed to the increase in production of higher yields amid favorable weather conditions last season during flowering and fruit set that positively impacted fruit set and hence, production as well.

Most of Egypt's orange production comes from commercial farms on reclaimed desert land established throughout the last three decades. Oranges are the major citrus crop in Egypt, representing about 80 percent of the total cultivated citrus area. Egypt primarily grows two orange varieties—Washington Navel and Valencia:

**Washington Navel Orange:** Washington Navel is the key cultivar navel orange grown in Egypt and the best-known naval orange exported. The fruit color starts to appear in late September and ripening extends from November to March. The fruit is seedless and medium to large-sized.

**Valencia Orange:** Valencia ranks as the second most common variety for area cultivated. The Nubaria district is considered the largest production area for Valencia oranges in Egypt (See Map 1). Valencia oranges have a long ripening season from March to July. The variety maintains the following characteristics: juicy pulp; medium to large-sized with a round to oval shape; soft skin; easily peelable; small seeds; and an orange rind and flesh.

**Map 1: Nubaria Region in Behira Governorate**



*Source: IPAD/FAS/USDA*

Together with the citrus committee in the Egyptian Agriculture Export Council (AEC) and the Egyptian government's Central Administration of Plant Quarantine (CAPQ) within the Ministry of Agriculture and Rural Development (MALRD) determine when harvest should begin based on fruit ripening parameters and coloring. The MY 2024/25 export season will start on December 1, 2024 and with cold storage, extends to late July 2025.

Egypt's commercial farms and growers use an Integrated Pest Management (IPM) approach to control pests and diseases in their orchards. IPM incorporates the use of biological control and other management tools to effectively control pests in an environmental way. The Plant Protection Institute (PPI) and the Horticultural Research Institute (HRI), in addition to growers' associations, are the leading source of information for pests and diseases affecting orange orchards and providing recommendations for best management tools and good production practices.

As oranges are a primary Egyptian fruit export, the Egyptian government (along with the local producers and exporters) are keen to improve the quality of Egyptian oranges. Improving the quality is important to maintaining export demand and competition with global suppliers. Egypt's AEC and CAPQ monitor orange farms in the export business to ensure compliance with the traceability systems in place which registers and code for orange farms involved in exports to ensure the quality of production along the value chain.

**Consumption:**

In MY 2024/25, FAS/Cairo forecasts that fresh orange domestic consumption will decrease by 28.1 percent to reach 1.15 MMT. The decrease in local consumption of fresh oranges is attributed to more growers directing their produce towards exports and processing, as worldwide orange and orange concentrate demand is rising.

In MY 2024/25, utilization of oranges by the processing sector is forecast to increase significantly by 50 percent from the previous marketing year because of more orange processing plants being established to produce concentrate and juice for both local and international markets.

**Trade:**

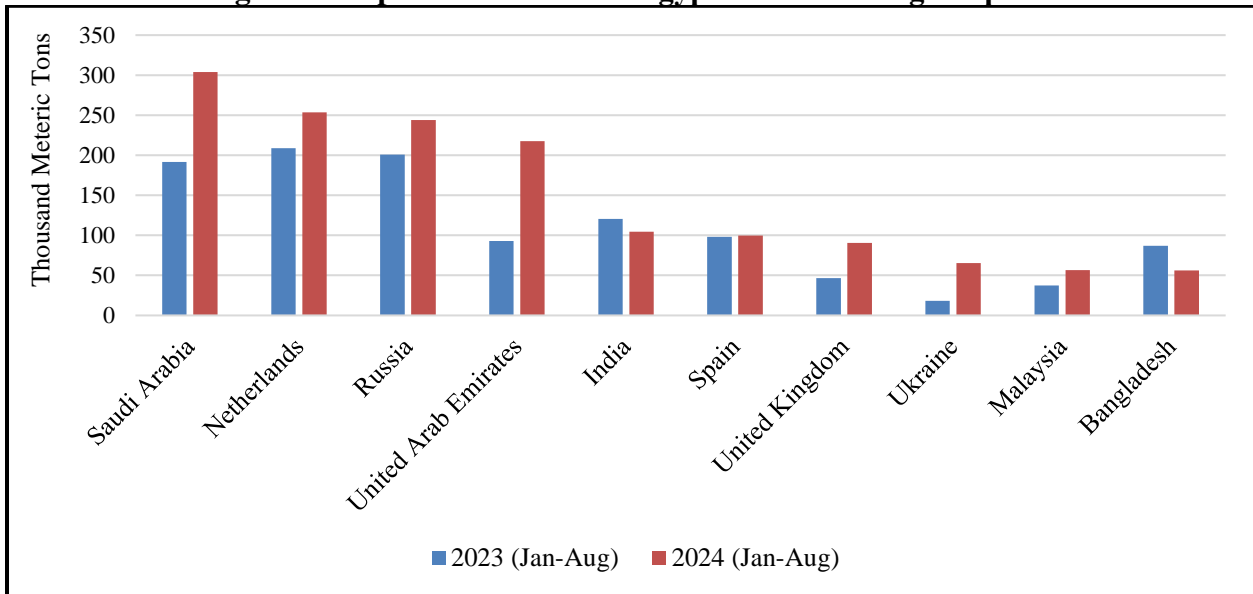
In MY 2024/25 FAS/Cairo forecasts orange exports to decrease by 15 percent to reach 1.95 MMT, attributed to an anticipated lower production which will affect the export volume. FAS/Cairo anticipates Egypt to maintain a leading position in orange exports in MY 2024/25, despite production challenges and decreased exports to key markets in Asia if the attacks on shipping vessels by Houthis in the Red Sea continues.

On November 28, 2024, Egypt launched the Egyptian-Italian “roll-on/roll-off” system to transport perishable agricultural products and other goods which will reduce transit time between Egypt’s Damietta port and Italy’s Trieste port by a day and a half. The launch of this system could assist in easier transit and increased exports to Europe (via Trieste).

Post is revising upward the estimates of fresh orange exports in MY 2023/24 to 2.3 MMT from Post’s previous estimate of 1.75 MMT. Post attributes this increase in exports to higher production, more growers linked to international markets, and increased consumer demand.

In MY 2023/24, Egyptian orange exports reached 126 countries with Saudi Arabia, the Netherlands, Russia, United Arab Emirates, and Spain among Egypt’s top ten export destinations for oranges. The top four markets for Egyptian oranges saw significant increases due to competitive pricing and high quality (see Figure 1).

**Figure 1: Top Ten Markets for Egypt’s Fresh Orange Exports**



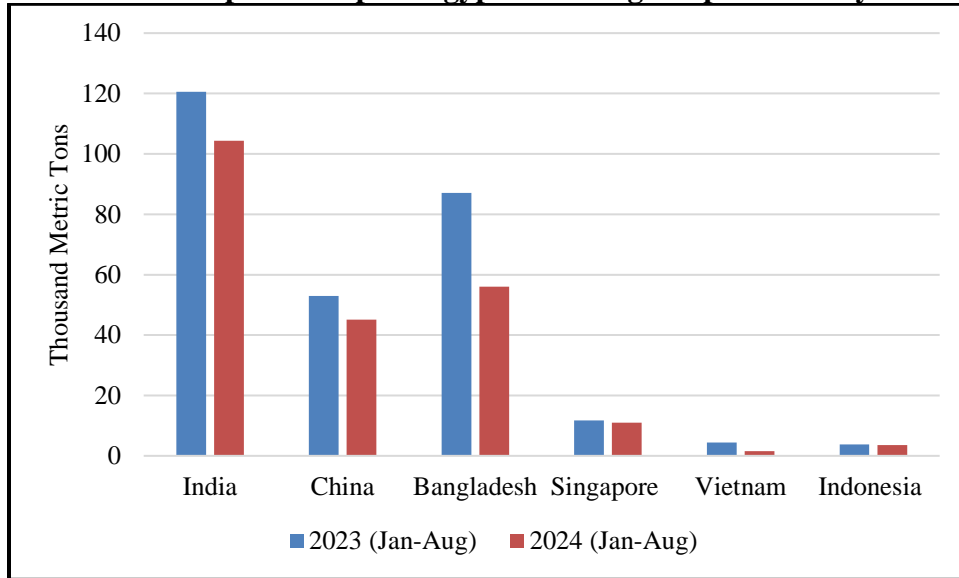
Source: Trade Data Monitor LLC

In 2024, attacks by Houthi rebels on commercial vessels in the Red Sea resulted in many shipping companies rerouting around the Cape of Good Hope, rather passing through the Red Sea. The risks posed by these attacks (primarily in the Bab al-Mandab corridor) have disrupted global trade and the supply chain, including Egyptian orange exports to key markets in Asia (see Figure 2). Exports to Saudi Arabia and the Gulf countries across the Red Sea were maintained by ferry, but their price also increased due to increase in demand, rising from \$2,500 USD per metric ton to \$6,000 USD per metric ton. Despite higher costs of transportation, Saudi Arabia and the Gulf region remain a very attractive market for Egyptian oranges due to increased demand and the high quality.

Egyptian exporters were also able to increase their market share in key European markets, but prices fell by an average 25 percent. Exporters also entered markets like Canada, Brazil and Argentina in South America, as well as Georgia, Latvia and Lithuania in the EU, taking advantage of less supply from Spain (as a result of decreased production). Guatemala recently approved Egyptian oranges and other citrus varieties to its market.

Given the challenges of accessing key markets in Asia, orange exports to Asia are likely to remain low in MY 2024/25. However, orange exports to the EU, Russia, and Arabian Gulf countries will remain competitive due to quality and price.

**Figure 2: Red Sea Disruptions Impact Egyptian Orange Exports to Key Asian Markets**



Source: Trade Data Monitor LLC

### **Orange Juice Concentrate**

The global orange juice sector continues to face challenges from diseases impacting production, which continue to limit global orange juice production and distribution, leading to higher prices and limited supply. In MY 2024/25, utilization of oranges by the processing sector in Egypt is forecast to increase significantly by 50 percent since the prices of orange concentrates and juices have more than doubled globally (due to a decrease in supply from Brazil and an increase in demand from the United States). As Post forecasts a global shortage of oranges for juice (due to weather issues and agricultural diseases), Egyptian agribusinesses are adding value to their fresh produce given the high prices of processed oranges in the global market.

### **Policy and Marketing:**

In 2021, MALR adopted a coding system (under Decision 116/2021) to set procedures for coordinating logistics with farms by uploading farm locations via GPS and registering all farms and pack houses that are deemed to export.

Throughout the season, CAPQ monitors the production, takes samples and ensures that export requirements are verified, including pesticides residues. CAPQ, along with the AEC work together to comply with the phytosanitary regulations of trading partners, enabling Egyptian oranges to access a wide range of international markets.

The AEC and CAPQ also worked together to develop a list of registered lands and pack houses where these producers and facilities are only eligible to export after complying with an array of requirements. This system enhances the quality of the production targeted for exports and strengthens the compliance with phytosanitary requirements of the importing countries.

The success of Egypt's export policy in opening new markets and establishing a traceability system since 2021 has contributed to Egypt as a major supplier to the world markets during the past five years, with a total volume of 8.32 MMT. All these developments support a positive outlook to encouraging agribusinesses to invest in adding value to fresh produce through establishing new processing facilities and expanding capacity.

**Egypt Requests the EU to Reduce Inspection:** The EU is a major market for citrus which has increased by 41 percent in 2024. In late 2024, Egypt’s CAPQ requested the EU to lower the citrus inspection/sampling rate from 30 percent to either 20 or 10 percent to mitigate negative impacts on exporters and shipment delays. According to the Chairman of CAPQ, this request will be assessed in 2025. In 2023, the EU approved a similar request to reduce to 20 percent.<sup>1</sup>

**Egypt’s New Export Support Program Still Under Study:** A new “Export Support Program” that provides subsidies to qualified companies in a diversity of sectors, including agriculture and agri-businesses, is still under study and has yet to be issued. The program allocates a specific budget share for each export sector. In older versions of the program, the amount of the subsidy was up to 10 percent of the export value, and is based on numerous aspects, such as the percentage of local components, geographic location of the packing house or factory, export destination, employment incentives, and innovation. Despite the new program goals to speed up the process and support exports of agricultural products, some industry contacts expressed concerns that the new program may decrease financial support targeted to exporters.

Oranges, Fresh Market Year Begins  Egypt	2022/2023		2023/2024		2024/2025	
	Oct 2022		Oct 2023		Oct 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HECTARES)	168000	168000	168000	168000	0	170000
Area Harvested (HECTARES)	151200	151200	151200	151200	0	152000
Bearing Trees (1000 TREES)	43200	43200	43200	43200	0	43430
Non-Bearing Trees (1000 TREES)	1000	1000	1000	1000	0	1000
Total No. Of Trees (1000 TREES)	44200	44200	44200	44200	0	44430
Production (1000 MT)	3600	3600	3700	4200	0	3700
Imports (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	3600	3600	3700	4200	0	3700
Exports (1000 MT)	1600	1600	1750	2300	0	1950
Fresh Dom. Consumption (1000 MT)	1700	1700	1600	1600	0	1150
For Processing (1000 MT)	300	300	350	300	0	600
Total Distribution (1000 MT)	3600	3600	3700	4200	0	3700
(HECTARES) ,(1000 TREES) ,(1000 MT)						
OFFICIAL DATA CAN BE ACCESSED AT: <a href="https://psd.usda.gov/psd/online/advanced-query">PSD Online Advanced Query</a>						

<sup>1</sup> <https://www.alborsaanews.com/2024/11/30/1849161>

**Attachments:**

No Attachments