

EGYPT

Agricultural policies are crafted and implemented by the Ministry of Agriculture. The Government relinquished land ownership under its agricultural liberalization program and current government policies encourage domestic and foreign investments in new lands. While fertilizer and pesticide subsidy programs were phased out in 2003, assistance to producers in the form of soft loans, free irrigation, and subsidized electricity are maintained. With respect to market access, important U.S. agriculture exports were allowed to enter at 5% or less in 2007. The bound rates for agricultural products were above applied duties for most products. The Egyptian government maintains a policy of price controls on cotton, wheat, and sugarcane.

CORN AND SORGHUM

- The Egyptian government applies a 2% import tariff plus 1% for other port charges on corn imports.
- A 5% import tariff is applied on all sorghum imports.

COTTON

- Direct income support is provided to producers.
- The government has a subsidy program directed to textile mills to purchase affected cotton varieties at prices of LE 100/kantar of seed cotton (a lint equivalent of about \$0.53/lb).
- Egypt has removed all export restrictions on its cotton
- Egypt maintains SPS regulations such as banning imports from countries affected by boll weevil infestation. The U.S. is now treated as boll weevil-free by Egypt because risks are considered minimal due to the ginning and baling process.
- The government provides input assistance to producers to defray the costs of land preparation, pesticides, and planting seeds.

RICE

- A 5% tariff is applied on rice imports;
- On February 21, 2009, the ban on rice exports was lifted. Egyptian rice can be exported provided that the exporter delivers through a tender the same amount of the exported rice to the Government of Egypt and pays the government LE 1,000/MT in export taxes.

SOYBEANS

- Egypt produces soybeans in the newly reclaimed lands, but production is limited by low yields.
- Imports declined following the outbreak of Avian Influenza, which reduces imports of soybeans for the poultry sector.
- The Egyptian government applies various import duties dependent on stage of processing. Currently, soybean imports are subject to a 1% tax.

SUGAR

- The government administers the sugar price policy and determines the delivery price of sugarcane, which was \$33.5/MT (\$0.08 to \$0.15/lb raw sugar equivalent) in 2007/08. Under the policy, producers receive 60% of funds on delivery and the remaining 40% is paid at the end of the season.
- Sugar beet production is also expanding; price is set by mills based on sugar content and premiums are paid for early delivery.
- Current import tariffs are 2% for white sugar, 10% for raw sugar, and 22% for syrups and molasses.
- The government provides soft loans to sugar producers as an attempt to increase sugar production, especially in new lands.

WHEAT

- The government sets the procurement price, which is \$460/mt (\$12.52/bu) in 2008/09.
- Imports into Egypt are subject to a 2% import tax.