



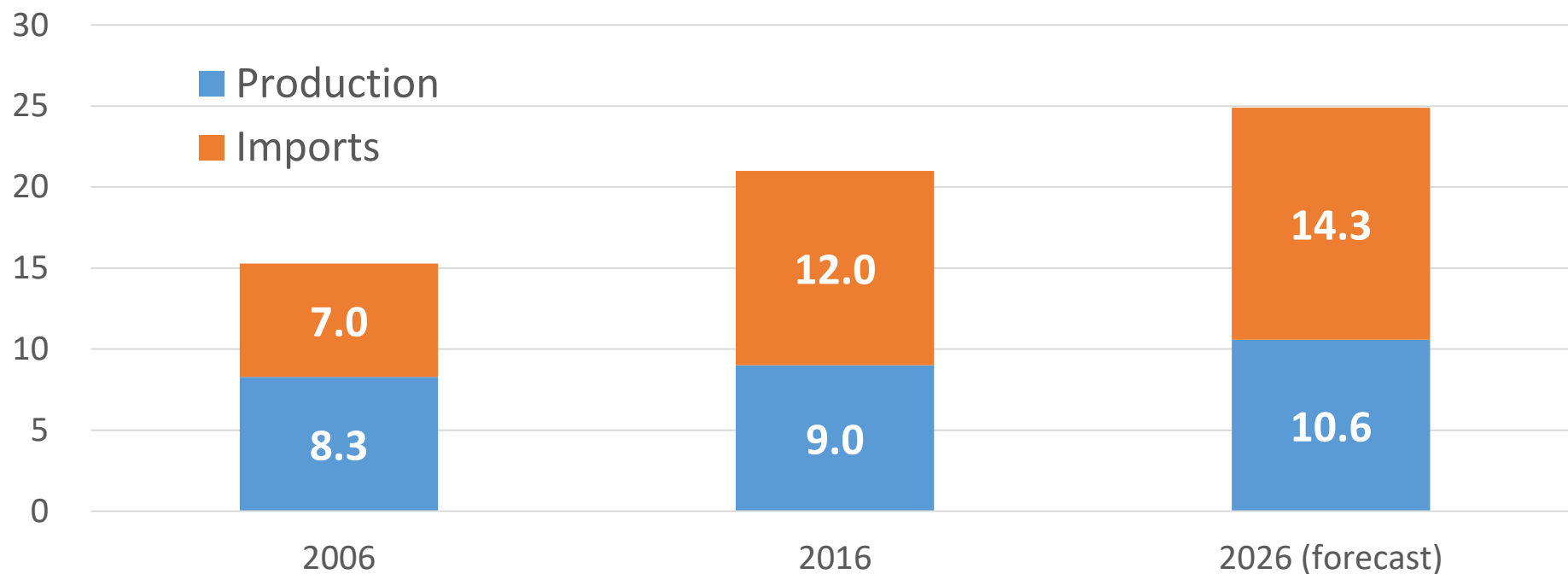
# PANEL 1

12:15-13:30

**IMPROVING EFFICIENCY**

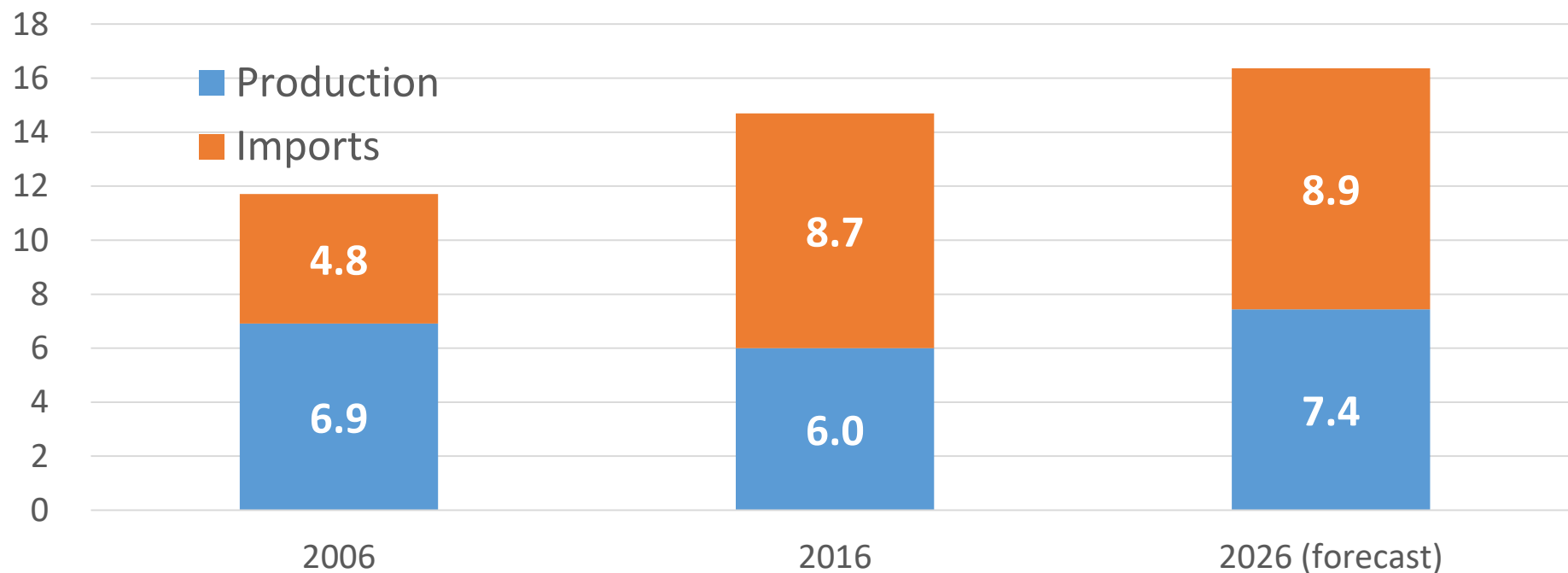
**IN THE GRAIN SUPPLY SECTOR**

# Wheat Production and Imports, million tonnes



Change, %	2006-16	2016-2026
Production	9	18
Imports	71	19

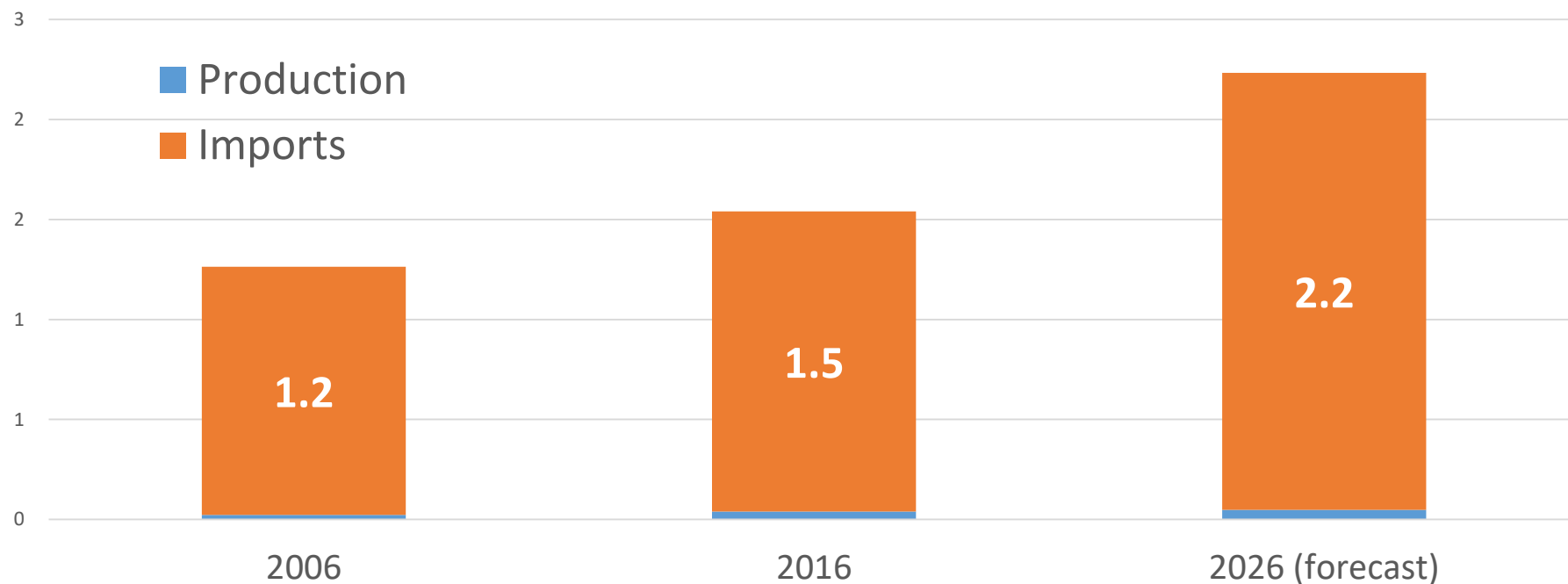
# Maize Production and Imports, million tonnes



Change, %	2006-16	2016-2026
Production	-13	24
Imports	81	3

Source: FAO-OECD Agricultural Outlook

# Soybean Production & Imports, million tonnes



Change, %	2006-16	2016-2026
Production	74	21
Imports	21	46



# Storage

- There has been a large increase in government storage capacity to 4.5 m tonnes, including the 1.5m built under the UAE grant
- Currently, GASC buys both domestic and imported wheat for the baladi subsidised bread programme.
- The wheat is stored by the government silos company, then distributed to government and government licenced mills
- How will the subsidy reforms affect this system in the future?



## Key issues: domestic production

- The limited land available for cultivation, both old and new lands, and limited water resources calls for a careful consideration of production options by all concerned government ministries and stakeholders
- Egypt cannot become self-sufficient in all strategic crops
- Scope to apply modern production techniques, raise yields on reclaimed (new) lands
- Scope to develop marketing/sales opportunities for farmers for both maize and soybeans
- To encourage soybean production, farmers need training and support



## Key issues: imports

- In recent years, enforcement of import and phytosanitary requirements have disrupted trade and led to higher import prices and a phytosanitary risk premium
- The establishment of the National Food Safety Authority has an important role to streamline official import control procedures
- Rising imports and import infrastructure capacity constraints lead to long wait times to unload grain vessels, raising costs, with room also to upgrade support services, including roads, railways, barges and storage
- The GASC tender document is over 30 pages compared to 3 for Saudi Arabia. Specifications could be optimized to the needs of the baladi programme



# Investment opportunities

- Starting with the need of more ports or berths, more river ports, storage facilities near to the production areas and near the ports, and both food and feed processing plants near the production areas and near the ports
- On the processing part, there is excess flour milling capacity and enough feed milling and feed mixing capacity
- There is a shortage in corn crushing for producing starch and sweeteners
- there is a big shortage in soybean crushing and oil refining
- The by-products from processing both corn and soybean are very much needed in the local market.