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Livestock and Products Annual

Egypt Offers Meats under the New Food Subsidy Program

Approved By:
Ron Verdonk

Prepared By:
Mohamed Hamza

Report Highlights:
Beef production is expected down in 2015, as slaughter is lower than the revised 2014 number, reflecting the expectation that the UAE's cattle donation will not continue into the coming year. Increased beef imports in 2015 are expected to offset the lower domestic slaughter. Beef consumption in 2015 is forecast to remain stable, though at higher levels than previous years. The government has become far more involved in beef marketing as new government programs offer beef at affordable prices through the food subsidy system and the government-owned consumer cooperatives.

PS&D Tables:

Animal Numbers, Cattle Egypt	2013		2014		2015		
	Market Year Begin: Jan 2013		Market Year Begin: Jan 2014		Market Year Begin: Jan 2015		
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Total Cattle Beg. Stks	6,180	6,180	6,260	6,260		6,485	(1000 HEAD)
Dairy Cows Beg. Stocks	3,980	3,980	3,990	3,990		4,010	(1000 HEAD)
Beef Cows Beg. Stocks	0	0	0	0		0	(1000 HEAD)
Production (Calf Crop)	1,620	1,620	1,700	1,700		1,780	(1000 HEAD)
Total Imports	100	100	105	245		135	(1000 HEAD)
Total Supply	7,900	7,900	8,065	8,205		8,400	(1000 HEAD)
Total Exports	0	0	0	0		0	(1000 HEAD)
Cow Slaughter	340	340	355	500		400	(1000 HEAD)
Calf Slaughter	80	80	70	70		70	(1000 HEAD)
Other Slaughter	920	920	930	930		930	(1000 HEAD)
Total Slaughter	1,340	1,340	1,355	1,500		1,400	(1000 HEAD)
Loss	300	300	250	220		210	(1000 HEAD)
Ending Inventories	6,260	6,260	6,460	6,485		6,790	(1000 HEAD)
Total Distribution	7,900	7,900	8,065	8,205		8,400	(1000 HEAD)

Note: "New Post" data reflects Post's assessments and are NOT official USDA data.

Meat, Beef and Veal Egypt	2013		2014		2015		
	Market Year Begin: Jan 2013		Market Year Begin: Jan 2014		Market Year Begin: Jan 2015		
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Slaughter (Reference)	1,340	1,340	1,355	1,500		1,400	(1000 HEAD)
Beginning Stocks	0	0	0	0		0	(1000 MT CWE)
Production	285	285	290	320		300	(1000 MT CWE)
Total Imports	195	195	210	240		260	(1000 MT CWE)
Total Supply	480	480	500	560		560	(1000 MT CWE)
Total Exports	0	0	0	0		0	(1000 MT CWE)
Human Dom. Consumption	480	480	500	560		560	(1000 MT CWE)
Other Use, Losses	0	0	0	0		0	(1000 MT CWE)
Total Dom. Consumption	480	480	500	560		560	(1000 MT CWE)
Ending Stocks	0	0	0	0		0	(1000 MT CWE)
Total Distribution	480	480	500	560		560	(1000 MT CWE)

Note: "New Post" data reflects Post's assessments and are NOT official USDA data.

Production:

Post forecasts total calf production at 1.78 million head in MY2015, up some 80,000 head or about 4.7 percent compared to the 2014 level. We attribute this increase to the improvement in disease control and immunization programs and new government policies setting minimum slaughter weights. Egypt's entire livestock herd, both cattle and buffalo, is maintained primarily for dairy production, with meat production of secondary importance. This is due to the absence of beef breeds. All cattle herds consist of either mixed breeds or imported dairy cattle for milk production. The herd data in the production, supply and demand (PS&D) table is comprised of roughly half cattle and half buffalo.

In MY2015, beef production is forecast to drop by roughly 6 percent at 300,000 MT compared to 320,000 MT in the current year. This drop is attributed to the decrease in total animal slaughter from 1.5 million head to 1.4 million head. The lower slaughter is due to the new policies, but also to lower expected live cattle imports.

Disease Control

The Ministry of Agriculture and Land Reclamation's General Organization for Veterinary Services (MALR-GOVS) announced in August 2014 that the country is now free of Foot and Mouth Disease. Egypt's cattle herd was subject to FMD-SAT2 outbreak in February 2012 (Livestock and Products Update - FMD Outbreak). The Preventive Medicine Department at GOVS reported that since January 2014, 96 cases of infected animals have been dealt with and all samples that have been taken from the infected animals were negative. The report indicated that all cattle and sheep in 20 governorates, where the disease has appeared, were immunized against the virus.

Government Establishes Minimum Slaughter Weight

In December 2013, Ministry of Agriculture and Land Reclamation (MALR) instituted a prohibition on the slaughter of live cattle that are less than 250 kilograms in an effort to increase red meat production. Slaughtering the animal at higher weights will produce more beef and feed more people. According to the ministry, the decision which took effect on February 2014 aims to protect 300,000 to 500,000 calves which would otherwise be slaughtered and will increase Egypt's red meat production, with an expected total of 150,000 tons per year. The decision will also prevent the slaughter of young female calves which at this age and weight are more capable of reproduction.

In response, dozens of butchers have demonstrated in the front of the Minister's office contesting the decision. The butchers say that prohibiting the slaughter of veal calves will increase meat prices and consumers will be reluctant to buy. The Egyptian Chamber of Commerce's assumes that one female animal is slaughtered per week in some 4,300 Egyptian villages, or about 224,000 female head per annum. Similar decisions were taken before to prohibit the slaughter of cattle of buffalo and cow heifers, and cattle in general less than 250 kilograms.
Enforcing these laws is a challenge to the government as smallholder farmers and small-scale animal breeders who raise livestock in backyards and control roughly 80 to 90 percent of Egypt's animal capital. Notwithstanding the potential political cost to the government, enforcement is hindered by the

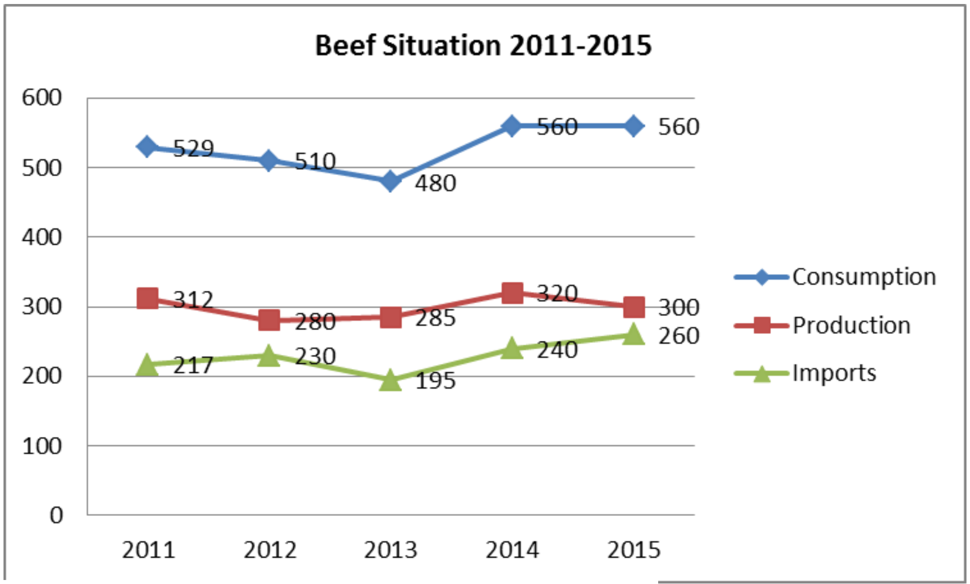
absence of effective state regulatory oversight of these small backyard farms in the smaller villages. The Egyptian herd's scarcity of heifers, including younger female calves, retained for reproduction is due to farmers capitalizing on strong domestic beef demand driving prices. Smallholder farmers also move animals to slaughter quickly to avoid costly outlays on vaccinations and expensive feeds. Some reports indicate that the government has been unsuccessful in effectively enforcing all these laws as at least 60 percent of young female animals are still routinely slaughtered. However, government's slaughter facilities report that these laws are strictly implemented.

High Input Costs for Cattle Production

Despite the improved disease control and the new slaughter policies, expansion in cattle production will be constrained by the high costs of inputs. The availability of high-quality cattle stock and efficient management of feed resources are necessary to increase domestic production of beef. Many farmers refrain from cattle breeding due to the high cost of production inputs as well as the high feed prices and poor veterinary care mainly, in remote areas. Rising feed, fuel, and fertilizer prices clearly present a major challenge to all cattle breeders in Egypt.

Egypt remains dependent on imported feed ingredients (grains, milling byproducts, added vitamins, minerals, fats/oils, and other nutritional and energy sources) for livestock and meat production. Around 60 percent of Egypt's primary feed ingredients, corn and soybeans, are imported. The increase in world feed prices coupled with the depreciation of the Egyptian pound against the U.S. dollar, increased prices of imported feed ingredients over the last couple of years. The U.S. dollar value vis-à-vis the Egyptian pound has increased from LE5.80 before the revolution in 2010 to LE7.20 in August 2014. In addition, late 2013, the government changed its policy of traditionally announcing the indicative prices of grain miller's bran (corn, wheat and rice) and instead left the prices to be determined according to the market. This increased prices of feed companies that use these products as major components in animal feed. In recent years, MoSIT has bounded or fixed the price at LE1200-1300/ton ($167-181/ton). However, following the decision, prices increased to LE 1700/ton ($236/ton) and reached LE 2100/ton ($292/ton) in July 2014.

In July 2014, in an effort to rein in its budget deficit, Egypt's new government slashed subsidies for fuel, natural gas, electricity and announced plans to increase the prices of urea fertilizers in September 2014. Fuel prices have been increased by 78 percent on average and electricity by 7-23 percent for industrial use. Although it is still too early to see the impact of these increases on the agricultural sector in general and livestock in particular, reports indicate a 20-30 percent increase in all agricultural inputs which is expected to negatively offset the livestock and meat production in Egypt.



Numbers in 1000 MT-CWE Data Based on Post PS&Ds Numbers

Consumption:

Post forecasts total beef consumption to remain stable at 560,000 MT in MY2015 compared to the Post' revised estimate for 2014. Meat consumption in MY2014 and MY2015 is higher by 80,000 MT compared to MY2013. Beef consumption in general is driven by the availability of beef with affordable prices for poor people who comprise the majority in Egypt. By offering fresh and frozen beef to food subsidy beneficiaries and to other consumers at consumer cooperatives, consumption will increase as more people will buy.

New Food Subsidy

In July 2014, Egypt modified its food subsidy program. The budget allocation to the ration card system stands at LE 13.458 billion ($1.8 billion) in FY2014/15 compared to LE 11.471 billion ($1.6 billion) in FY2013/14 (fiscal year starts July 1st, ends June 30th). The new ration card program now provides access to more than 33 different goods, including frozen beef, instead of only three commodities, rice, sugar and vegetable oils that were offered under the old program. The new program allows eligible citizens to receive monthly cash assistance of LE 15 ($2.10) per family member through their smartcards. Currently, around 67 million citizens benefit from the food subsidy program. The government offers frozen imported beef for smart card holders at the price of LE 29/kilogram ($4/kilogram). The current average market price for frozen imported beef is LE 40/kilogram ($5.5/kilogram), while for local fresh beef it ranges from LE 75/kilogram ($10.5/kilogram) to LE 120/kilogram ($16.6/kilogram) depending on the cut and the area where it is sold.

If the card holder chooses to buy frozen imported beef, he only has to pay LE 1/kilogram ($0.14/kilogram) in cash at the government's groceries or consumer cooperatives while the actual price of LE 29/kilogram ($4/kilogram) is deducted from his total cash assistance amount transferred by the government to his smartcard. A family of four members receive cash assistance of LE 60/month ($8.4/month) through their smart cards. They have the option to buy up to 2 kilograms of frozen imported red meat at the total price of LE 58 ($8) which will be deducted from their smart card while paying only LE 2 ($0.28) to the grocery. The decision to use the cash assistance on the smart card to purchase meat versus other products available on the list is made at the household level. However, Post anticipates that because of the competitive pricing of meat products compared to other commodities that many families will in fact choose to purchase meat.

The Ministry of Supply and Internal Trade (MoSIT) offers the subsidized products at nearly 25,000 privately-owned grocery stores partnered with MoSIT in various provinces (which used to provide the 3 commodities under the old system), and at nearly 4,000 consumer cooperatives run by MoSIT's Holding Company for Food Industries (HCFI).

Egyptian Government Negotiates Competitive Prices for Meat at Consumer cooperatives

In addition to the government's new subsidy program, HCFI's consumer cooperatives are offering various commodities, including fresh and frozen imported beef, for all consumers (not only food subsidy beneficiaries or smart card holders) at prices discounted by 20-30 percent compared to average market prices. Offering fresh and frozen beef at consumer cooperatives is not new but now the government is directly involved in the importation process to secure sufficient quantities.

In MY2014, food prices increased following the government's partial removal of subsidies on fuel and electricity. The Central Agency for Public Mobilization and Statistics (CAPMAS) reported that fresh beef prices increased an average of 17.7 percent in June 2014 compared with June 2013 to reach LE 77/kilogram ($11/kilogram). It added that inflation rates rose by 0.9 percent in June 2014 compared to June 2013 due to the increases in the price of food and beverages. Therefore, the government is increasing the quantities and varieties of meat at discounted prices at consumer cooperatives in an attempt to control the increased market prices.

At consumer cooperatives , Brazilian fresh beef was offered at LE 56-57/kilogram ($7.7-7.9/kilogram) and reduced to LE 50/kilogram ($6.9/kilogram) then reduced recently for the second time to LE 45/kilogram ($6.25/kilogram). Sudanese and Ethiopian origin beef is offered at LE 41/kilogram ($5.7/kilogram) while local fresh beef is offered at LE 62/kilogram ($8.6/kilogram) at these cooperatives. For imported frozen beef, Brazilian product is offered at LE 31-34/kilogram ($4-4.7/kilogram) while the Indian frozen buffalo meat is sold at LE 30-33/kilogram ($4.16-4.6/kilogram).

Sources at MoSIT told the media that the ministry currently has enough meat supplies for both subsidy program and HCFI's consumer cooperatives until October 2014. Trade sources indicated that HCFI has contracted state-run Al-Nasr Company for Import and Export to import live cattle for immediate slaughter from Sudan to be sold at reduced prices through the consumer cooperatives. To facilitate its operation, Al-Nasr Company has 23 offices worldwide with 17 branches in Africa, 5 branches in Arab countries and one branch in France.

Public Refrigerated Cars Selling Fresh and Frozen Meats

HCFI Consumer cooperatives Selling Fresh and Frozen Meats

More of the population is beginning to shop at these consumer cooperatives, accelerating sales. According to a government statement released on July 2014, consumer cooperatives achieved a profit for the first time since their establishment in 1968. Al-Ahram, Nile and Alexandria consumer cooperatives, which are the three subsidiaries of HCFI, registered net profits of LE1.8 million in June after a whopping increase in sales. The three chains generated LE131.2 million in sales in June compared to LE80.7 million in the same month of last year.

In addition to MoSIT-HCFI consumer cooperatives, the Ministry of Defense, which owns hundreds of wholesale cooperatives, is also offering beef to all customers at reduced prices of at least 30 percent. The MALR, which also owns some food outlets, is offering beef to all customers at reduced prices.

Potential Challenges to State Entities' Involvement in Meat Marketing

It is too early to assess the new food subsidy program and the government's ability to regularly supply fresh and frozen imported meats to consumers. During the months of July and August reports indicate that ration card holders complained of the unavailability of subsidized food products to which they are entitled on a monthly basis. The MoSIT said that the private and public food companies under contract to the ministry have been late in providing the foodstuffs to groceries and consumer cooperatives.

Post understands that the shortage of some subsidized food products is due to problems with logistics and administrative procedures because of a shift in the responsibility of providing some of these products from MoSIT to HCFI. In addition, the 25,000 privately-owned grocery stores which partner with MoSIT and a number of HCFI's consumer cooperatives lack the refrigerated equipment needed for selling frozen meats. Trade sources doubt that the government will be able to sustain the subsidized sale of fresh and frozen imported meat. These same sources confirmed that if the government succeeds in securing beef supplies at reduced prices this will be short term and difficult to continue for a long time.

New global trade dynamics are one factor that could make continued competitive pricing difficult. Brazil is expected to take EU and US market share of beef exports to Russia after the latter's ban on its imports from these suppliers. Egyptian industry sources indicate that August 2014 prices of beef imports

Brazil and India have increased due to Russian increased imports from both origins. Indian beef increased from $3500/MT to $3650-$3800/MT while Brazilian beef increased from $3950/MT to $4400-$4600/MT.

Also, reports indicate that tight foreign currency reserves, combined with the Egypt's Central Bank taking a particularly cautious approach to allocate these funds, may also slow payment procedures for food bought by state entities.

Trade:

Live Cattle

Post forecasts live cattle imports in 2015 to drop by 45 percent compared to the revised estimate of 245,000 head in 2014. A 100,000 head donation of live cattle by the Government of the United Arab of Emirates (UAE) to the Government of Egypt in 2014 is considered a one-time event. Imports in 2015, though down year-to-year, will still be 35% higher than 2013 levels. Post expects live cattle imports to increase in the coming years if the government maintains the commitment to provide fresh beef with reduced prices at the its consumer cooperatives .

Following President Sisi's election in May 2014, the UAE announced an in-kind donation of 100,000 head of cattle to the Egyptian government. To date, Egypt has received around 70,000 head of the donation with 40,000 head to come during the remainder of 2014. The donated cattle are imported from Brazil and Uruguay. Around 80 percent of the donated cattle are for immediate slaughter while 20 percent are pregnant and feeder cattle to be distributed to poor families. The fresh beef is sold to citizens through the HCFI's consumer cooperatives and outlets that belong to the Ministry of Defense.

The UAE's donation will help the government to import more cattle as the money earned from sales in the consumer cooperatives will be used to fund more live cattle imports. The MoSIT is currently negotiating with Brazil, Uruguay, Ethiopia, Uganda, Sudan and Hungary to import live cattle for immediate slaughter at competitive prices and offer its beef at consumer cooperatives at reduced prices. In addition, MALR previously imported live cattle, mainly from Sudan and Ethiopia, and sold the beef at their outlets at reduced prices.
We also expect that imports of dairy heifers and breeding cattle will also increase due to the shortage of dairy and meat products. Egypt's main suppliers of live cattle include Brazil, Australia, Sudan and Ethiopia.

Sudan is one of Egypt's main suppliers for live cattle for immediate slaughter. Media reports indicate a deal between the Egyptian and Sudanese governments to facilitate and increase cattle imports. The MoSIT Minister met recently with the Sudanese Trade Minister to discuss supply to Egyptian subsidized consumer cooperatives with meat at reduced prices. Sudanese meat is expected to be offered for LE 30/kilogram. In addition, a private company announced plans to open 50 retailer stores to sell only Sudanese beef. The company is currently providing the state-run consumer cooperatives with Sudanese fresh beef that sold to poor people at LE40/kilogram ($5.5/kilogram). The new retail stores will offer the same price.

Sudanese-origin cattle is held in quarantine for 21 days under the supervision of Egyptian Quarantine veterinarians in the Sudanese city of Wadi Half (bordering Egypt) and then ferried down the Nile to the city of Abu Simbel in Aswan (Upper Egypt) or to the City of Safaga through the Red Sea for immediate slaughter. In 2013, Egypt and Sudan agreed to open the eastern land road linking Egypt with Sudan which is expected to increase meat trade between both countries but this has been delayed. Recent media reports indicate that Egypt and Sudan agreed to open the road by early September 2014.

In July 2014, the Egyptian government announced the finalization of health certification requirements that will allow Australian breeder cattle to be exported to Egypt along with feeder and slaughter livestock. The new requirements include conditions to ensure a measure of animal welfare for imported Australian breeder and dairy cattle. Breeder livestock from Australia will help to improve existing herds in Egypt. In March 2014, Australia announced it will restart cattle exports to Egypt in compliance with its Exporter Supply Chain Assurance System (ESCAS) which makes Australian shippers responsible for the welfare of Australian livestock until the point of slaughter. Under ESCAS, exporters can only ship Australian livestock to feedlots and abattoirs that have been approved by the Australian Government and that have been found to comply with OIE animal welfare standards. In May 2013, the Australian industry suspended trade with Egypt after animal rights groups released a series of videos showing cruel handling and slaughter of cattle in two Egyptian facilities between October 2012 and April 2013.

Beef

Post forecasts beef imports in MY2015 to increase by roughly 8 percent or 20,000 MT to reach 260,000 MT versus 240,000 MT in MY2014 and 195,000 MT in MY2013. The increase in beef imports is attributed to the increase in demand for frozen beef resulting from Egypt's new policy to provide frozen beef at reduced affordable prices to food subsidy beneficiaries. The expected increase in demand will increase total meat consumption. With current low meat production, beef imports will be the main option to bridge the gap between the consumption and domestic supply.

One key meat importer confirmed that he was contacted by MoSIT officials requesting large quantities of frozen beef from any approved origin with final consumer prices not exceeding LE 30/kilogram. At that price, he believed he could contract Brazilian beef, but this was before the Russian announcement to ban imports from the U.S. and EU which led to price increases for the Brazilian and Indian beef.

Major Beef Suppliers

According to Egypt's Ministry of Industry, Trade and Small and Medium-Sized Enterprises, from January through June 2014, total beef imports were at 165,686 MT of which 87,390 MT was from Brazil, 73,990 MT from India, 3,999 MT from Australia, 156 MT from New Zealand and 151 MT from the United States (see Table 1). Imports from India are buffalo beef while from other origins imports are from beef cattle.

Table (1): Egyptian Imports of Meat by Destination – January to June 2014

	Jan.	**Feb.**	**March**	**April**	**Mai**	**June**	**Total**
Brazil	13,917	16,071	18,291	17,038	9,519	12,552	**87,390**
India	7,715	11,836	13,495	12,849	14,711	13,384	**73,990**
Australia	547	635	199	817	887	913	**3,999**
New Zealand	59	97	0	0	0	0	**156**

USA	0	0	38	0	37	76	**151**
Total	**22,239**	**28,639**	**32,023**	**30,704**	**25,155**	**26,925**	**165,686**
NOTE: Numbers per metric ton in Carcass Weight Equivalent (CWE)/Conversion to CWE rate equivalent to 1.4. Source: Egypt's Ministry of Trade							

The key suppliers of frozen beef in MY2014 are Brazil, Australia, Uruguay, Argentina, New Zealand and the United States. India is Egypt's main supplier of buffalo meat. We expect that in MY2015 that these suppliers will remain unchanged. Egypt's demand for U.S. beef is focusing on middle cuts. These cuts are mainly consumed by domestic consumers but a large amount goes to hotel and restaurants due to higher quality and prices. In 2013, the United States exported 17,363 tons of beef valued at $37 million compared to 32,209 tons valued at $80 million in 2012.

Key Issues Facing U.S. Exports

The drop in Egypt's beef imports from the United States is associated with the decline in the tourism and restaurant industries since the 2011 revolution. These subsectors had been the main consumers for the U.S. high quality beef. The revolution followed by prolonged periods of unrest and sporadic violence was a blow to Egypt's tourism industry. Last year, only 9 million tourists came to Egypt, 5 million fewer than in 2010. The first half of 2014 brought 4.4 million tourists to Egypt, a 25 percent drop from the same period in the previous year. Post expects that in 2015 tourism will pick up due to optimism stemming from extended stability subsequent to the election of a new president in May 2014, the parliamentary election to take place later this year and the increasing number of countries that have lifted travel bans to Egypt. As a result, prospects for beef imports from the United States are favorable.

In May 2014, Egypt provided the WTO TBT and SPS Committees with two notifications of amendments to standards for beef and variety meats which establish a zero tolerance level for the use of synthetic hormones and a low maximum residue level for naturally-occurring hormones in foodstuffs of animal origin. If enforced, these regulations would have a substantial impact, if not terminate, exports of beef and beef products from the United States and other trading partners to Egypt. The new measure is extremely restrictive as compared with international standards, namely Codex Alimentarius, and will result in unnecessary, non-science-based barriers to trade. The new amendments will also negatively impact the Egyptian consumer, as it will increase the cost of beef and beef liver imports and will negatively affect exports from major suppliers which account for approximately 70 percent of beef and beef products to the Egyptian market.

Animal growth promotants (hormones) become more issue of a concern in Egypt since 2012 when two Australian cattle shipments (approximately 32,000 head) imported and had hormone implants. Egypt refused to allow slaughter until hormone levels dissipated, forcing importers to incur unforeseen feeding and handling costs. Egypt's Ministerial Decree 266 (2011) adopted the European Economic Commission (EEC) Regulation 2377 (1990) that calls for a maximum residue limits (MRL) for veterinary drugs in food products of animal origin. Ministerial Decree 266's paragraph 4, article 1 requires adherence to Egyptian national standard 7135 (2010). This standard adopts EEC Regulation 2377 wholesale, despite Canada and the United States successfully challenging the EU's trade restrictive measure in 1996 before the WTO Settlement Body (case number DS-26). The EU failed to provide scientific evidence to prove the validity of its assertions supporting the ban, permitting the United States to levy significant retaliatory duties on specified EU imports.

In 2013, the World Organization for Animal Health (OIE) upgraded the U.S. risk classification for BSE from controlled risk to negligible risk status. Following the announcement, post was in direct contact with Egyptian authorities to drop import restrictions associated with the old BSE status. Egypt accepted the new status and the guidelines of OIE chapter 11.5 of OIE-Terrestrial Animal Health Code with its recommendations for importation from countries with negligible risk status. Egypt's imports of live animals, meat and variety meats from BSE-controlled risk status countries are regulated by ministerial decree 2128/2011 which puts restrictions on age, cuts, processed meat and others.

Beef Plant Audits and Halal Issues

MALR-GOVS conducts individual plant audits to determine the eligibility of beef plants to export to Egypt. All approved slaughter facilities (the approved facilities) are subject to re-auditing every three years to renew eligibility to export to Egypt. The audits are to evaluate both food safety and halal practice (in accordance to the Islamic rules and principles). This year the government decided to have representatives from Dar Al-Ifta Al-Masriyyah (the foundations for fatwa or religious verdicts) or Al-Azhar accompany the GOVS veterinarians in the audit.

Islamic Centers in the United States and other trading partners are responsible for issuing the Islamic halal certificate which is required by GOVS. The Islamic Centers must have a representative present at the slaughter facilities to confirm halal slaughter.
Beef plant audits in the United States are implemented by veterinarians from GOVS in cooperation with the US Meat Export Federation (USMEF). To date, around 57 beef slaughter facilities have been audited and approved by Egypt.

Currently, GOVS is reviewing Pakistani slaughter facilities to be approved for exporting halal frozen beef to Egypt. Media reports, confirmed by sources at GOVS, indicated an auditing visit by official delegation from GOVS to Pakistan during May 2014. The delegation inspected a total of 18 slaughter and meat processing facilities in Karachi and Lahore in order to be approved for exporting to Egypt.

In May 2014, Egypt has temporarily banned beef originating from the Brazilian state of Mato Grosso for 180 days. The ban came after the OIE (World Organization for Animal Health) confirmed BSE case in the state. According to media reporting, the Brazilian Ministry of Agriculture said that Brazilian beef exports to Egypt for the first four months of 2014 totaled 48,450 TMT with shipments from Mato Grosso state representing 25 percent of total exports or 12,074 TMT. Since 2001, Egypt has been a major market for Brazilian fresh beef, and imports have averaged 110,000 MT annually for the last five years. In early 2013, Egypt temporarily banned imports of beef and beef products from the Brazilian state of Parana after positive detection of an atypical case of BSE.