

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## Israel

**Post:** Tel Aviv

### Tel Aviv Tidbits – August 2017

**Report Categories:**

Agriculture in the News

Agricultural Situation

Retail Foods

Pest/Disease Occurrences

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**Report Highlights:**

- A Food-Tech Nation
- Just a Click Away
- False Codling Moth Jeopardizes Israeli Produce Export
- Market Updates

### **Food-Tech Nation**

The Israeli government approved a 19-million Shekel (US \$5.3 million) budget for the establishment of a food-tech industrial park in the northern town of Kiryat Shmona. The government is offering an additional 300 million Shekels (US \$84.3 million) in incentives and benefits for food-tech companies that choose to reside in the Upper Galilee. The park is part of a strategic-economic plan to transform the Upper Galilee into a global hotbed for food technology. Earlier this year, a US major agribusiness firm visited the area to explore the possibility of investing in Israeli food-tech companies in the region.

### **Just a Click Away**

For a short 48 hours, US products, including food products, were just a click away from the Israeli consumer at Target.com. Target offered Israeli shoppers free shipping during the third weekend of August. Frantic shoppers jumped on the opportunity to buy American goods. Hundreds of shoppers enthusiastically shared their incoming wares on Facebook. Snack foods and spices were a common addition to the online shopping carts. Many happy consumers stocked up on snacks for less than a fourth of what they sell for in the Israeli food market.

### **False Codling Moth Jeopardizes Israeli Produce Export**

Over the past year agricultural authorities in Europe have blocked entry to a number of shipments from Israel due to concerns over False Codling Moth (FCM) (*Thaumatotibia leucotreta*). Beginning in January 2018, the European Union is set to make FCM a regulated pest. As a result, the EU has warned Israeli farmers to meet the new EU health rules and protocols to deal with FCM, or be forced out of the EU market. In light of the EU threat, the Israeli Ministry of Agriculture has increased its efforts in recent weeks to help farmers and agricultural organizations better combat FCM. There is concern that US regulators may take similar measures should the pest not be controlled.

### **Market Updates**

Year to date export data show US exports to Israel in agricultural and related products up 3.2 percent, reaching \$292.4 million at midyear. Decreases in bulk commodities, primarily soybeans and corn, were countered by increases in intermediate and consumer oriented products. Bulk soybean shipments from the US, down \$20 million, were offset by soybean meal shipments, which reached \$23.2 million. Decreases of US corn shipments were replaced, in part, by an increase in DDGS shipments. The remaining shift in Israeli corn imports are being captured by Ukrainian exporters. These trends are likely evidence of Israeli feed millers seeking out more affordable options for animal producers. In many cases, the high cost of inputs in animal production has pushed the price of domestically-grown beef and poultry above that of imported products.