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POLICY

Voluntary - Public

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## Egypt

**Post:** Cairo

### **Testing Policy Hinders Frozen Beef Liver Imports**

**Report Categories:**

Livestock and Products

SP2 - Prevent or Resolve Barriers to Trade that Hinder U.S. Food and Agricultural Exports

Trade Policy Monitoring

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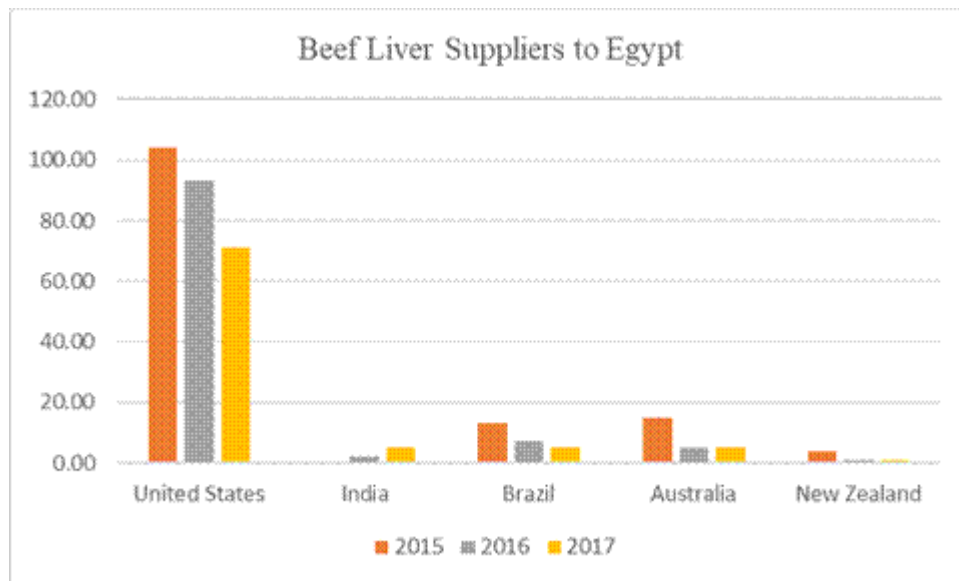
**Report Highlights:**

In 2017, Egypt imported approximately 100,000 tons (MT) of frozen beef liver, of which 80 percent came from the United States. The US, Brazil, Australia, New Zealand and India are the major suppliers of frozen beef liver to Egypt. Since Egypt's Ministry of Health (MoH) became the responsible agency for testing beef for drug residues in August 2017, some US beef shipments were rejected, while all were subjected to multiple rounds of testing. Egypt is now rejecting shipments of frozen beef liver that do not comply with the country's zero-tolerance standard for Ractopamine residues.

## Egypt Imports of Liver

In 2017, Egypt imported approximately 100,000 tons (MT) of frozen beef liver, of which 80 percent came from the United States. The US, Brazil, Australia, New Zealand and India are the major suppliers of frozen beef liver to Egypt.

**Figure 1: Frozen Beef Liver Suppliers 2015-2017**



Source: GTA

Egyptians consume liver, known locally as *kebbda*, in many local staple recipes. It is not only an affordable source of protein, but also a delicious meal for the majority of Egyptian families. Recently, prices of liver-based foods slightly increased. Today the price of *kebbda* sandwiches ranges from EGP 15 – 25 (\$0.85 – 1.5) compared to EGP 10 -15 (\$0.60 – 0.85) in 2016. In addition, fried liver is purchased by the kilogram at an average price of EGP 160 (\$8.5) compared to EGP 130 (\$7) in 2016. However, the current price of imported frozen liver ranges from EGP 30-40 (\$ 1.6 -2.25).

The Egyptian standard regulating the imports of liver are based on EU regulation number 2377/1990. This regulation sets a zero tolerance level for many veterinary drug residues, including ractopamine. Ractopamine is a veterinary drug widely used in beef production. The current Egyptian standard controlling veterinary drug levels, standard number 7135/2010, was implemented in 2011 by ministerial decree 266.

On August 1, 2017, Egypt's Ministry of Health (MoH) became the responsible agency for testing beef for drug residues. Prior to that time, the Ministry of Agriculture and Land Reclamation carried out the testing, normally applying Codex standards. The Ministry of Health instituted mandatory testing of every shipment since August, 2017. The vast majority of shipments cleared customs after testing. Despite this, MOH has maintained its mandatory testing of every shipment. In recent weeks, the detection of residues increased sharply. Upon an initial detection, importers may request subsequent

tests on the shipment at an additional cost. It is not clear what led to the increased detections.

The General Organization for Import and Export Control (GOIEC) is the organization that provides final clearance for imports. According to GOIEC regulations, shipments may be sampled a maximum of three times following an initial positive finding. If all three samples test positive, the GOIEC rejects the lot. An industry contact reported in August 2018 that final rejection rates had reached around ten percent of shipments. Other contacts put the final rejection rate closer to four percent.

Each test requires a minimum of five days, but results often take up-to four weeks. Egyptian regulations require that all shipments be tested at port. A contact from industry indicated that each sample costs EGP 1500 (\$85). In cases where three samples are tested, sampling alone may cost up to EGP 4500 (\$255). The direct costs of sampling, as well as the indirect costs associated with delayed release from port, are limiting demand and driving up prices.

The office of Agriculture Affairs continues to engage with Egyptian authorities in coordination with U.S. industry to address this issue.