

## Egypt to export up to 600,000T rice

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Rachid Mohamed  
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Egyptian Minister of Trade

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Rachid announced that Egypt will export 400,000 to 600,000 tonnes of rice in the current season depending on supply and demand

Rachid said last week the country would cap its rice exports at 100,000 tonnes per month, with each licence in a closed envelope bidding process limited to 34,000 tonnes. The rice season in Egypt begins in late August or early September.

"We are talking about a quantity of around 400,000 to 600,000 (tonnes), depending on supply and demand," said Rachid, who was speaking at the opening of a supermarket chain.

Last month, Rachid told an Egyptian newspaper the country expected to export 400,000 tonnes of rice in the new season.

Egypt imposed an export ban on rice in March last year, and later extended it to October 2010. The restrictions were eased in February to allow exporters to sell rice abroad if they delivered the same amount under tender to the state grain buyer as part of its food subsidy scheme.

This created a market for rice export licences, as some traders who did not export sold licences they obtained through tenders to other firms. Local prices tumbled as a result, as traders bid low in state tenders so they could secure licences to sell on.

But earlier this month, the ministry announced a new system which de-links state rice tenders from the export system and exporters are no longer required to sell their rice to the state to gain a license.

Rachid said in September that Egypt had the capacity to export one million tonnes of rice a year but that it wanted to limit these exports to save water.

Egypt has a water supply of about 860 cubic metres per person a year, below the water poverty line of 1,000 cubic metres per person a year, with agriculture consuming more than 80 per cent of that supply.

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