

Market Analysis Report: Nuts Industry in the Gulf States

October 2022

This market research was conducted by OCO Global within the Business Lead Generation Project for Agricultural Commodities implemented by **the USAID Agriculture Program** in cooperation with **Enterprise Georgia** and **Rural Development Agency**



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Gulf States : Market Overview

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Market Overview

The Gulf states are made up of Arab countries that border the Persian Gulf. These countries include the Kingdom of Saudi Arabia (KSA), Oman, Kuwait, Bahrain, United Arab Emirates (UAE) and Qatar*.

- These six Gulf states are also known as the **Gulf Cooperation Council (GCC)** a regional intergovernmental, political and economic union headquartered in KSA.
- The GCC was established in view of their special relations, geographic proximity, similar political systems based on Islamic beliefs, joint destiny and common objectives. The GCC Charter states that the basic objectives are to have coordination, integration and inter-connection between Member States in all fields, strengthening ties between their peoples, formulating similar regulations in various fields such as economy, finance, trade, customs, tourism, legislation, administration, as well as fostering scientific and technical progress in industry, mining, agriculture, water and animal resources, establishing scientific research centres, setting up joint ventures, and encouraging cooperation of the private sector.

**Iraq is one of the Gulf states but not covered as part of this project.*

Market Overview

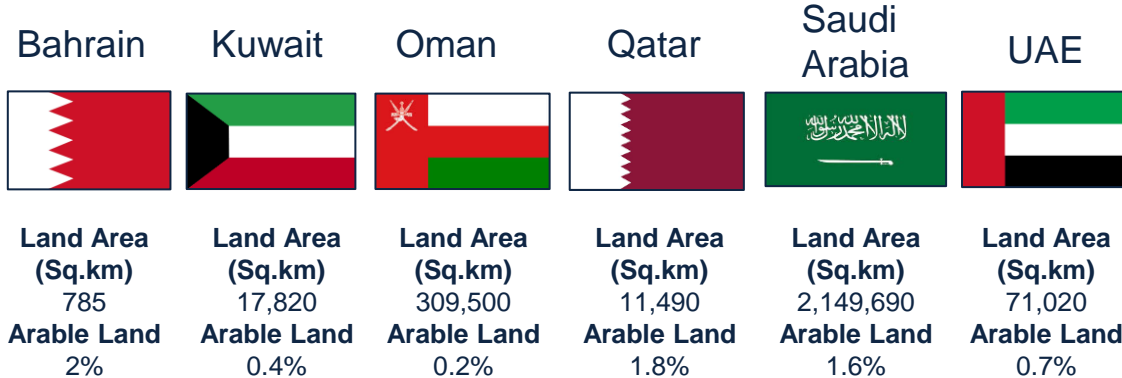


Population 1,748,295	Population 4,328,553	Population 5,223,376	Population 2,930,524	Population 35,340,680	Population 9,991,083
Expat Population 52.6%	Expat Population 60%	Expat Population 39.2%	Expat Population 88%	Expat Population 38%	Expat Population 89%

- **Saudi Arabia** is the largest economy both in land size and economy. This is followed by **United Arab Emirates**.
- The GCC countries have a **combined** population of **59.56 million** resident with over **45%** expat population.

Agricultural Landscape Overview

The GCC countries have an **arid climatic condition** due to the limited rainfall and water constraint making agricultural activities limited in the region.



Country	Food Import
Bahrain	94%
Kuwait	96%
Oman	60%
Qatar	90%
Saudi Arabia	80%
United Arab Emirates	85%

- The GCC countries have an arid climatic condition making agricultural activities limited in the region. Dates are one of the most grown crop in the region as the regions climates favours the growth of crop.
- Consequently, the GCC countries are **importers of food**, relying on supplies from other countries. Saudi and UAE account for up to 70 of the regions food import.

GCC Nuts Market

Nuts are a big part of the **Middle Eastern diet**; not only is it consumed as a snack but included in various applications. Nuts are seen as a premium product with positive health benefits. The **UAE is the biggest importer** of nuts due to the large re-export market to other neighboring countries. The UAE nuts and seeds market was estimated at USD 289M in 2015 and projected to grow at CAGR of 4.14 to reach USD 451 million by 2025. One of the key drivers for consumption is the category innovation which includes addition of nuts to other products like tortilla chips, pretzels, and expanded snacks etc.

Saudi Arabia nut consumption, especially almonds, and walnuts, have also **increased**. The Saudi Arabian Nuts market is forecasted to reach USD 452.75 million by 2025 growing from 231.00 million in 2016.

The United States is a major supplier of walnuts to the GCC region leading in various categories including raw walnut and almonds.

Country	Import volume Walnut	Import Volume Hazelnut	Import volume Almond
Kuwait	917.8K MT	52.9K MT	2.6M MT
Oman	343.7K MT	4.6K MT	1.3M MT
Qatar	682.6K MT	-	2.6M MT
Saudi Arabia	3.2M MT	769.5K MT	10.2M MT
United Arab Emirates	7.9M MT	2.2M MT	62.7M MT
Bahrain	341K MT	-	1.1M MT

Saudi Arabia Nuts Market

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United Arab Emirates	7.9M MT	2.2M MT	62.7M MT
Bahrain	341K MT	-	1.1M MT

Saudi Arabia Nuts Market

Raw Walnuts

Trading partners	Share in import 2021	Import value USD 2021	Import value USD 2020	Import value USD 2019	Import value USD 2018	Import value USD 2017
United States	47.01%	8.5M	12.24M	13.62M	9.41M	11.84M
China	38.82%	7.02M	2.10M	962.28K	144.46K	244.86K
United Arab Emirates	7.51%	1.36M	93.76K	49.61K	58.08K	51.34K
Turkey	4.24%	767.16K	140.58K	80.21K	127.24K	30.28K
Chile	2.00%	361.14K	118.04K	493.49K	312.36K	71.93K

Hazelnuts

Trading partners	Share in import 2021	Import value USD 2021	Import value USD 2020	Import value USD 2019	Import value USD 2018	Import value USD 2017
Georgia	76.10%	3.95M	337.80K	567.50K	-	75K
United Arab Emirates	20.88%	1.08M	5.94K	33.14K	20.15K	2.3K
Turkey	2.54%	131.90K	2.47M	3.87M	3.28M	4.14M
Spain	0.32%	16.81K	60.32K	27.6K	-	-
Italy	0.15%	7.87k	4.62k	5.74k	1.76k	-

Almonds

Trading partners	Share in import 2021	Import value USD 2021	Import value USD 2020	Import value USD 2019	Import value USD 2018	Import value USD 2017
United States	75.63%	38.91M	43.26M	36.77M	33.19M	35.98M
United Arab Emirates	13.74%	7.07M	245.18K	146.68K	12.02K	114.24K
Spain	8.57%	4.41M	3.03M	397.33K	780.31K	1.01M
Australia	1.06%	545.78K	-	418.71	100.42K	360.50K
Germany	0.27%	138.12K	5.20K	178.41K	7.04K	5.24K

United Arab Emirates Nuts Market

Walnuts

Trading partners	Share in import 2021	Import value USD 2021	Import value USD 2020	Import value USD 2019	Import value USD 2018	Import value USD 2017
United States	63.58%	29.2M	27.89M	23.32M	21.64M	25.82M
Chile	17.15%	7.88M	6.82M	5.37M	3.7M	8.56M
China	12.13%	5.57M	2.1M	961.86K	526.54K	252.71K
Syria	1.71%	784.36K	419.72K	1.14K	860	471
India	1.53%	702.88K	457.61K	3.9K	48.57K	531

Hazel Kernel

Trading partners	Share in import 2021	Import value USD 2021	Import value USD 2020	Import value USD 2019	Import value USD 2018	Import value USD 2017
Turkey	94.95%	10.48M	2.71M	6.70M	2.01M	2.16M
Georgia	4.37%	481.74K	48.27K	66.02K	-	31.18K
United States	0.19%	21.03K	20.22K	6.17K	6.46K	43.53K
Italy	0.15%	15.44K	33.4K	4.83K	10.9K	6.39K

Almonds

Trading partners	Share in import 2021	Import value USD 2021	Import value USD 2020	Import value USD 2019	Import value USD 2018	Import value USD 2017
United States	91.92%	25.87M	227.32M	287.89M	198.9M	214.09M
Australia	5.46%	16.39M	10.95M	4.26m	10.11M	13.28M
Afghanistan	1.12%	3.35M	681.35K	2.77M	944.55K	559.19K
Syria	0.37%	1.10M	923.78K	704.54K	-	2.96M

Qatar Nuts Market

Raw Walnuts

Trading partners	Share in import 2021	Import value USD 2021	Import value USD 2020	Import value USD 2019	Import value USD 2018	Import value USD 2017
United States	42.79%	1.85M	1.95M	1.84M	1.87M	1.81M
Chile	16.31%	704.69K	532.38K	636.49K	1.11M	485.26K
United Arab Emirates	15.65%	676.34K	-	-	227.17K	139.02K

Almond Kernels

Trading partners	Share in import 2021	Import value USD 2021	Import value USD 2020	Import value USD 2019	Import value USD 2018	Import value USD 2017
United States	43.16%	5.34M	6.28M	9.82M	5.91M	6.60M
Australia	20.73%	2.57M	709.10K	2.09M	1.45M	8.73K
United Arab Emirates	19.90%	2.46M	-	-	257.05K	929.59K
Turkey	9.18%	1.14M	499.49K	246.17K	111.44K	16.01K

Kuwait Nuts Market

Raw Walnuts

Trading partners	Share in import 2021	Import value USD 2021	Import value USD 2020	Import value USD 2019	Import value USD 2018	Import value USD 2017
United States	36.86%	2.45M	4.79M	2.57M	3.77M	4.12M
Chile	21.63%	1.44M	1.23M	815.82K	1.8M	1.67M
China	16.54%	1.1M	145.04K	122.44K	13.89K	1.78K
United Arab Emirates	15.99%	1.06M	3.16.51K	72.39K	81.86K	64.15K
Turkey	8.74%	581.68K	30.02K	181	5.0K	21.32K

Hazel Kernel

Trading partners	Share in import 2021	Import value USD 2021	Import value USD 2020	Import value USD 2019	Import value USD 2018	Import value USD 2017
Turkey	75.77%	258.51K	262.80K	410.86K	195.24K	301.54K
United Arab Emirates	23.36%	79.71K	425	23.31K	552	57.72K
Germany	0.55%	1.88K	1.02K	-	-	530

Almond Kernel

Trading partners	Share in import 2021	Import value USD 2021	Import value USD 2020	Import value USD 2019	Import value USD 2018	Import value USD 2017
United States	56.19%	8.61M	12.95M	18.96M	13.88M	13.90M
United Arab Emirates	25.56%	3.92M	45.12K	120.09K	602.47K	95.6K
Australia	7.54%	1.16M	-	19682K	1.16M	788.47K
Spain	5.77%	884.07K	686K	349K	455.6K	596.61K
Chile	4.38%	670K	415.4K	275.78K	526.11k	328.55K

Oman Nuts Market

Raw Walnuts

Trading partners	Share in import 2021	Import value USD 2021	Import value USD 2020	Import value USD 2019	Import value USD 2018	Import value USD 2017
United Arab Emirates	78.19%	1.91M	1.95M	1.45M	2.13M	912K
United States	20.46%	499.63K	160.21K	333K	21.5K	145.9K
China	0.80%	19.51K	5.01K	43.46K	-	-

Hazel Kernel

Trading partners	Share in import 2021	Import value USD 2021	Import value USD 2020	Import value USD 2019	Import value USD 2018	Import value USD 2017
United Arab Emirates	95.34%	48.28K	133.7K	63.52K	907.45K	47.24K
Turkey	4.66%	2.36K	1.53K	-	-	3.77K

Almond Kernel

Trading partners	Share in import 2021	Import value USD 2021	Import value USD 2020	Import value USD 2019	Import value USD 2018	Import value USD 2017
United Arab Emirates	76.93%	5.77M	6.6M	4.67M	4.79M	3.43M
United States	17.62%	1.32M	1.87M	450.96K	268.35K	301.39K
Turkey	5.02%	376.76K	1.27K	180.93K	-	-

Bahrain Nuts Market

Raw Walnuts

Trading partners	Share in import 2021	Import value USD 2021	Import value USD 2020	Import value USD 2019	Import value USD 2018	Import value USD 2017
United Arab Emirates	32.07%	690.49K	637.46K	225.70K	202.12K	222.18K
United States	32.04%	689.96K	1.43M	1.5M	2.14M	1.1M
China	28.92%	622.77K	247.90K	60.52K	6.19K	425
Chile	4.29%	92.41K	-	80.69K	100.29K	343.07K

Almond Kernel

Trading partners	Share in import 2021	Import value USD 2021	Import value USD 2020	Import value USD 2019	Import value USD 2018	Import value USD 2017
United states	63.26%	3.67M	2.97M	5.67M	6.42M	4.34M
United Arab Emirates	33.47%	1.94M	974.45K	360.50K	284.96K	247.63K
Spain	2.33%	135.23K	-	11.37K	7.62K	31.02K
Turkey	0.93%	54.19K	803	20	1.57K	1.62K

The demand for Nuts in the region continues to increase and below are some of the major drivers:



Increasing Health Consciousness

Consumers are becoming health conscious and looking for foods that are packed with nutrients. Nuts are a perfect example of healthy food since they are loaded with vitamins, minerals, and antioxidants.



Snacking Product

Nuts are an excellent choice for snacking. It can also be added easily to yoghurt, oatmeal and smoothies.



Category innovation

Nuts inclusion in other snacks such as popcorn, tortilla chips, pretzels is driving the demand for nuts



Rising Disposable Income

As disposable income continues to increase in the GCC, more consumers can indulge in nuts

There are a number of regulations to be aware of when seeking to export to the GCC Countries

The GCC countries follow the GCC Standardization organization (GSO) standards. GSO was established under the authority of the Gulf Cooperation Council as a regional standardization organization. The GSO is headquartered in Riyadh and provides standardization initiatives covering a range of domains including

- Water
- Fire protection
- Halal foods
- Cigars and cigarettes
- Food safety

The GSO sets the minimum standard required for selling products under the above categories; however, each GCC country is permitted to add into its own requirements.

Selling into Saudi Arabia

Regulatory Body

Saudi Food and Drugs Authority (SFDA) is the competent authority concerned with regulating the clearance of imported food has set the "conditions of importing and releasing food products. All products imported into Saudi Arabia must be registered with SFDA. Arabic labelling is a requirement to register with the SFDA.

Ministry of Environment & Agriculture (MEWA) is the competent authority in the Kingdom concerned with organic agricultural law and its executive regulations. MEWA's Executive Regulations for Organic Agriculture (in Arabic language) states that any party or individual wishing to engage in any activity (farming, manufacturing, importing, and exporting, etc.) in organic food, must obtain a certificate of authentication.

MEWA is the responsible authority for licensing organic certification bodies (OCB) to practice inspection and documentation services in the Kingdom. Any party or individual interested in engaging in organic food production or trade must obtain a license from an accredited OCB. MEWA has licensed five OCBs:

- 1) BCS, Germany
- 2) CERES, Germany
- 3) TAWTHIQ, Saudi Arabia,
- 4), OneCert, USA
- 5) CCPB, Italy.

الهيئة العامة للغذاء والدواء
Saudi Food & Drug Authority 

وزارة البيئة والمياه والزراعة
Ministry of Environment Water & Agriculture 

The organic authentication certificate and the transaction certificate issued by the OCB's are required to release organic food products imported to Saudi Arabia. In addition, all organic products imported to the Kingdom are subject to inspection, documentation and tracking one of the OCB's.

Required documents/ certifications for selling into Saudi Arabia

Phytosanitary Certificate

This certificate must accompany all shipments of nuts to the Kingdom certifying that the products are inspected and/or tested according to appropriate official procedures and are considered to be free from quarantine pests specified by the importing contracting party and to conform with the current phytosanitary requirements of the importing contracting party, including those for regulated non-quarantine pests.

Commercial Invoice

The commercial invoice details the price(s), value, and quantity of the goods being sold.

Bill of Lading

A bill of lading (BL or BoL) is a legal document issued by a carrier (transportation company) to a shipper that details the type, quantity, and destination

Country of Origin Declaration

A proof of origin document which certifies that goods included in a consignment originate from a particular country or territory.

Certificate of Weight & Packing List

The packing list is a detailed listing of the contents of the shipment and acts as a supporting document.

Note: Additional documents may be required depending on the products and product claims

When exporting to the Saudi Arabia, Georgian exporters must conform to Food labelling and packaging requirements

Labeling Requirements for packaged products

- All imported and locally produced prepackaged food products must meet the labeling requirements indicated in GSO 9:2013 (SFDA.FD/GSO 9:2013)
- Prepackaged food product labels should be in Arabic or include an Arabic language translation on the label.
- Labels must contain the product name,
- Packer's name,
- Country of origin or manufacture,
- List of ingredients in descending order of predominance,
- Instructions for the end use of the product (where applicable)
- The shelf-life of the product. (SFDA.FD/GSO 2487 issued in 2015 discusses general requirements for foodstuff labeling).
- Nutrition Labeling
- In addition to requirements per SFDA.FD/GSO 9:2013, food additives and antioxidants used in food must be declared
- Warning must be declared (if applicable)

Note: Additional document may be required by SFDA and on a case by case basis

The SFDA enforces GCC regulations regarding mandatory disclosure of nutrition information on labels

Selling into the UAE

Regulatory Body

The Ministry of Climate Change and Environment is responsible for establishing and enforcing food safety regulations and laws based on recommendations from the GSO as well as the UAE National Food Safety Committee (NFSC) for food related matters.

The Ministry of Industry and Advanced Technology (MOIAT) is the UAE's standard setting body. MOIAT was established in July 2020 after merging the office of the Minister of State for Advanced 7 Technology, the Emirates Authority for Standardization and Metrology (ESMA), and the Industry Sector at the Ministry of Energy and Infrastructure into the structure of the newly established MOIAT and since then, all authorities, responsibilities, and duties have been transferred to the newly founded Ministry.

UAE Municipalities are the principal bodies overseeing the importation process for agricultural goods including port inspection, testing, label approval, and the release of shipments. Also, Municipalities play an important role in the interpretation of UAE federal laws and regulations and have the ability to petition federal authorities to reconsider, postpone, or cancel a regulation under certain conditions.

- Dubai Municipality: <https://www.dm.gov.ae/en/Business/FoodSafetyDepartment/Pages/default.aspx>
- Abu Dhabi Municipality: <https://www.dmt.gov.ae/en/adm>
- Sharjah Municipality: <https://portal.shjmun.gov.ae/en/pages/home13.aspx>
- Ajman Municipality: <https://www.am.gov.ae/home>
- Ras Al-Khaimah Municipality: <https://mun.rak.ae/en/Pages/default.aspx>
- Fujairah Municipality: <https://www.fujmun.gov.ae>
- Umm Al-Quwain Municipality: <http://md.uaq.ae/en/home.html>

Required documents/ certifications for selling into the UAE

Health Certificate

Export health certificate is an official document that confirms certain details and the food is safe for consumption.

Commercial Invoice

The commercial invoice details the price(s), value, and quantity of the goods being sold.

Bill of Lading

A bill of lading (BL or BoL) is a legal document issued by a carrier (transportation company) to a shipper that details the type, quantity, and destination

Country of Origin Declaration

A proof of origin document which certifies that goods included in a consignment originate from a particular country or territory.

Certificate of Weight & Packing List

The packing list is a detailed listing of the contents of the shipment and acts as a supporting document.

Note: Additional documents may be required depending on the products and product claims

When exporting to the UAE, Georgian exporters must conform to Food labelling and packaging requirements

Labeling Requirements for packaged nuts

- Product **name** (name of the food)
- **Ingredients** in descending order of proportion
- The name of food **additive** shall be mentioned under more than one class. However, it is preferable to use the class which specifically and accurately reflects the function of the additive material in the food it constitutes. -
- **Nutritional** declaration
- Net weight **volume**
- The name and address of the **manufacturer** or the packer in case the packer is not the manufacturer.
- Country of **origin**
- Production **date/harvest year**
- Any **special conditions** for the storage of the food shall be declared on the label if the validity of the date depends thereon.
- Instruction for use.
- **Production and expiry dates** shall be declared for the products having mandatory shelf life
- The mandatory warning and **advisory statements** and declarations
- Use of **irradiation**.
- Production (**batch**) lot number shall be declared in a coded manner or any other indelible marks.
- Labels should be in **Arabic language** and, where one of more language(s) is used besides Arabic, all the information provided in another language should be identical to those written in Arabic.

For packaged nuts the product needs to be registered on ZAD- a UAE federal smart portal for food trade in the UAE.

Selling into the Qatar



Regulatory Body

Public Health Authority Food Safety Department plays an effective role in implementing the health policy in all food safety-related matters and carries out the powers entrusted to the Ministry of Public Health under Law No. 8 of 1990 regarding regulating the human food control. The Department conducts food control and inspection, in places where food is being handled and food traders to ensure its safety and validity. It also prohibits handling any food that does not meet the specifications and requirements in cooperation with competent authorities.

Required Certification

Phytosanitary Certificate: This certificate must accompany all shipments of fresh fruit and vegetables to Qatar. The document must be attested certifying that the products are inspected and/or tested according to appropriate official procedures and are considered to be free from quarantine pests specified by the importing contracting party and to conform with the current phytosanitary requirements of the importing contracting party, including those for regulated non-quarantine pests.

Required documents/ certifications for selling into Qatar

Phytosanitary Certificate

This certificate must accompany all shipments of nuts to Qatar certifying that the products are inspected and/or tested according to appropriate official procedures and are considered to be free from quarantine pests specified by the importing contracting party and to conform with the current phytosanitary requirements of the importing contracting party, including those for regulated non-quarantine pests.

Commerical Invoice

The commercial invoice details the price(s), value, and quantity of the goods being sold.

Bill of Laden

A bill of lading (BL or BoL) is a legal document issued by a carrier (transportation company) to a shipper that details the type, quantity, and destination.

Country of Origin Declaration

A proof of origin document which certifies that goods included in a consignment originate from a particular country or territory.

Certificate of Weight & Packing List

The packing list is a detailed listing of the contents of the shipment and acts as a supporting document.

Note: Additional documents may be required depending on the products and product claims

When exporting to the Qatar, Georgian exporters must conform to Food labelling and packaging requirements

Labeling Requirements for packaged products

- Product and **brand names**
- Production and expiry **dates**
- Country of **origin**
- Name and address of the **manufacturer**
- **Net weight** in metric units
- List of the **ingredients** in descending order of importance.
- All fats and oils used as ingredients must be specifically identified on the **label**.
- Labels must be in **Arabic** only or in **Arabic/English**. Arabic stickers are accepted.
- Production and expiry dates must be printed on the **original label** or container by the manufacturer.
- Dates cannot be added after the fact via a sticker.

Products must arrive at destination with **at least half the shelf-life** duration remaining.

Selling into Oman

Regulatory Body

The Ministry of Agriculture is responsible for establishing and enforcing food safety regulations and laws based on recommendations from the GSO. MAF is responsible for inspection of live animals and plants, red meats, poultry meat, agricultural materials, timber and grains and other unprocessed agricultural products at all points of entry into the country.

The Ministry of Health, Health Quarantine Department, is responsible for inspection of imported semi- and fully-processed food products, including sugar.

Municipalities may post officials at the country's ports of entry, but their role in inspection of imported foods is very marginal. The Municipalities are primarily involved in the regulation of food through inspection of products available on the local market.

Required documents/ certifications for selling into Oman

Phytosanitary Certificate

This certificate must accompany all shipments of fruits to Oman certifying that the products are inspected and/or tested according to appropriate official procedures and are considered to be free from quarantine pests specified by the importing contracting party and to conform with the current phytosanitary requirements of the importing contracting party, including those for regulated non-quarantine pests.

Commercial Invoice

The commercial invoice details the price(s), value, and quantity of the goods being sold.

Bill of Lading

A bill of lading (BL or BoL) is a legal document issued by a carrier (transportation company) to a shipper that details the type, quantity, and destination.

Country of Origin Declaration

A proof of origin document which certifies that goods included in a consignment originate from a particular country or territory.

Certificate of Weight & Packing List

The packing list is a detailed listing of the contents of the shipment and acts as a supporting document.

Note: Additional documents may be required depending on the products and product claims

When exporting to Oman, Georgian exporters must conform to Food labelling and packaging requirements

Labeling Requirements for packaged products

Labels must be in **Arabic or can be bilingual**, if one language being Arabic. Required information must appear on the original label or primary packaging.

Required information includes:

- **Product** and brand **name**
- Country of **origin**
- **Ingredients**, in descending order of proportion
- **Additives**, contaminants, any residues of pesticide or veterinary drugs
- Origin of animal fat (e.g., beef tallow), if applicable
- **Net content** in metric units (volume in case of liquids)
- Production and **expiry dates (P/E)**
- **Name and address** of manufacturer, packer, distributor, exporter, importer or vendor
- **Nutritional information** for foods for special dietary uses
- Special storage, transportation and preparation instructions, if any.

Labels must be in Arabic only or Arabic/English, although authorities approve some English-only labels for exceptional marketing purposes

Selling into Kuwait

Regulatory Body

The Ministry of Climate Change and Environment is responsible for establishing and enforcing food safety regulations and laws based on recommendations from the GSO as well as the UAE National Food Safety Committee (NFSC) for food related matters.

Required documents/ certifications for selling into Kuwait

Health Certificate

Export health certificate is an official document that confirms certain details and the food is safe for consumption.

Commerical Invoice

The commercial invoice details the price(s), value, and quantity of the goods being sold.

Bill of Laden

A bill of lading (BL or BoL) is a legal document issued by a carrier (transportation company) to a shipper that details the type, quantity, and destination

Country of Origin Declaration

A proof of origin document which certifies that goods included in a consignment originate from a particular country or territory.

Certificate of Weight & Packing List

The packing list is a detailed listing of the contents of the shipment and acts as a supporting document.

Note: Additional documents may be required depending on the products and product claims

When exporting to Kuwait, Georgian exporters must conform to Food labelling and packaging requirements

Labeling Requirements for packaged products

Labels must be in **Arabic or can be bilingual**, if one language being Arabic. Required information must appear on the original label or primary packaging.

Required information includes:

- **Product** and brand **name**
- Country of **origin**
- **Ingredients**, in descending order of proportion
- **Additives** if any
- Origin of animal fat (e.g., beef tallow), if applicable
- **Net content** in metric units (volume in case of liquids)
- Production and **expiry dates (P/E)**
- **Name and address** of manufacturer, packer, distributor, exporter, importer or vendor
- **Special storage**, transportation and preparation instructions, if any.

**Labels must
be in Arabic or
can be bilingual;
if one
language being
Arabic.**

Selling into Bahrain

Regulatory Body

Public Health Directorate, Food & Water Control Section (FWCS), MOH, is responsible for enforcing food safety regulations. FWCS is responsible for inspecting all imported fresh fruits and vegetables, and processed food products, ensuring compliance with label regulations, and, if deemed necessary, drawing samples and laboratory testing the products.

When exporting to Bahrain, Georgian exporters must conform to Food labelling and packaging requirements

Labeling Requirements for packaged products

Labels must be in **Arabic or can be bilingual**, if one language being Arabic. Required information must appear on the original label or primary packaging.

Required information includes:

- **Product** and brand **name**
- Country of **origin**
- **Ingredients**, in descending order of proportion
- **Additives** if any
- Origin of animal fat (e.g., beef tallow), if applicable
- **Net content** in metric units (volume in case of liquids)
- Production and **expiry dates (P/E)**
- **Name and address** of manufacturer, packer, distributor, exporter, importer or vendor
- **Special storage**, transportation and preparation instructions, if any.

Small quantities of products in English-only labels may be approved for import on a case-by-case basis

Required documents/ certifications for selling into Bahrain

Health Certificate

Export health certificate is an official document that confirms certain details and the food is safe for consumption.

Commerical Invoice

The commercial invoice details the price(s), value, and quantity of the goods being sold.

Bill of Laden

A bill of lading (BL or BoL) is a legal document issued by a carrier (transportation company) to a shipper that details the type, quantity, and destination

Country of Origin Declaration

A proof of origin document which certifies that goods included in a consignment originate from a particular country or territory.

Certificate of Weight & Packing List

The packing list is a detailed listing of the contents of the shipment and acts as a supporting document.

Note: Additional documents may be required depending on the products and product claims

There are a number of duties and tariffs when selling into the GCC Market



Saudi Arabia



United Arab Emirates



Kuwait

Food products are subject to a **10% to 15%** import duty. Selected processed food products, however, are assessed higher import duties. In order to protect local food processors and production from competitively priced imports, Saudi Arabia ties import duties to the level of local production of similar products. As a general rule, a maximum import tariff rate of 40% ad-valorem is applied when local production of a food or agricultural product exceeds a self-sufficiency level.

Food products imported in freezones are exempted from import duties. For products coming to the mainland, the customs duties for most items are calculated on Cost, Insurance, and Freight (CIF) value at the rate of **5%**.

Kuwait impose a common external tariff of **5%** for most imported goods.

There are a number of duties and tariffs when selling into the GCC Market



Oman

Oman's tariff schedule imposes duties, generally not exceeding 10%, on all foreign, non-American/GCC goods imports.



Qatar

Qatar imposes a 5% ad valorem tariff on the cost, insurance and freight (C.I.F.) invoice value of most imported products, including food products.



Bahrain

Bahrain imposes a 5% custom duty of food products.

Opportunities

Value Added Products

Buyers are consistently looking for something different and adding value to the product could help Georgian companies stand out.

White labeling

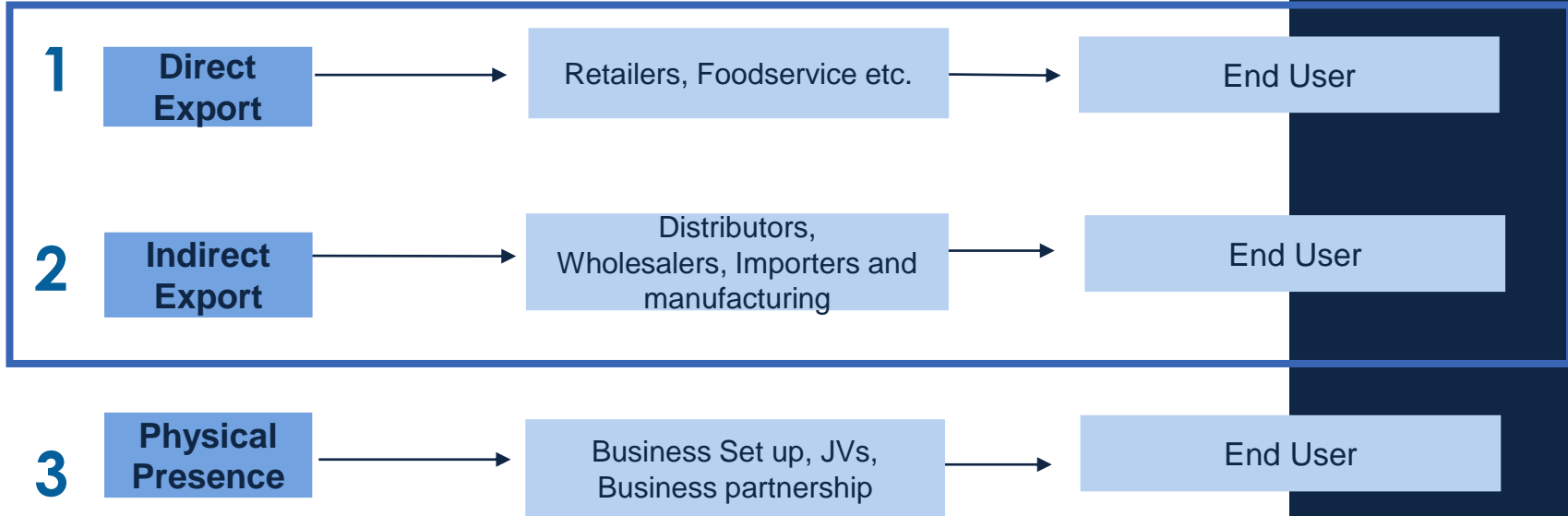
This is a growing trend especially in supermarkets and hypermarkets chains in the GCC. Georgian companies could approach regional players to supply products in their brand name.

Local Processing

With food security a focus for the various GCC governments, Georgian companies can consider business setup in the region to support their product distribution or processing facility.

Routes to Market

There are typically 3 routes to grow in the GCC region:



In order to enter the GCC region, building brand recognition in-market by targeting distributors/ wholesalers and end-users (retailers/ supermarkets) is recommended. Gaining access to the end user buyer can be difficult as access is often built on relationships. Thus, utilizing good distributor/ importer networks may help break down these barriers and create a stepping stone for growth.

Examples of various routes to market

Multiple Retailers



Specialist Distributors



Repackaging Companies



Processing Companies



There are some key considerations when thinking about setting a price and working out margins

Trading Terms

- When does the retailer or distributor assume ownership of the product?
- **Logistics** - Do they collect from you? Do you deliver to them? Do you have to pay for storage at their 3rd party storage? Do they operate timed deliveries with penalties?
- What promotional support do they expect in the year ahead from you?
- Are you being asked to fix the price for a term?

Setting a Price

- Actual cost of finished product to you including any changes to packaging, labelling etc for this product
- Cost of any testing for the product .
- Logistics, delivery insurance
- Marketing
- What will your margin be? What does the retailer expect?

The Pricing Roadmap



Raw Material

In pricing a product (local or abroad) we first use the cost of manufacturing the product



Certification

You will need to add the costs of acquiring the certification to the price



Taxes & Duties

These include tariffs, customs fees, currency fluctuation, transaction costs (including shipping), and sales tax.

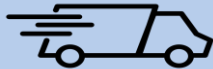


Margin

Intended profit margin is then added to the total pricing



Final price is then compared to competitors pricing and adjusted accordingly



Transport

This includes the transportation of goods to fulfilment centres and shipment to consumer



Modification

This includes any costs spent to modify products for the market



Packaging

Costs needed for changing packaging to fit local consumers

Product Price Points

UAE Pricing

Commodity	Wholesale price 2022
Almonds	Between USD 6.39 to USD 6.29 per kilogram
Hazelnut	Between USD 5.89 and USD 4.96 per kilogram
Walnut	Between USD 3.31 and USD 4.34 per kilogram

Saudi Pricing

Commodity	Wholesale price 2022
Almonds	Between USD 0.64 and USD 6.01 per kilogram
Hazelnut	USD 6.32 per kilogram
Walnut	USD 5.956 per kilogram

Business Culture in the Gulf States

The GCC are Muslim countries hence its important that visitors are aware and show respect to the local traditions and sensitivities and always behave and dress modestly, particularly when visiting religious sites. Below are common cultural and business practices to be aware of:



Dressing: The Islamic dress code is not compulsory except for Saudi Arabia and visitors are allowed to dress as they would generally in their various countries, albeit more modestly (with clothing which covers shoulders and knees).



Language: Arabic is the most commonly spoken language, followed by English. When dealing with a government agency, Arabic is required for all official documents, forms, laws and decrees are in Arabic. Arabic is often preferred within some public sector organisations. Therefore, it helps to have a working knowledge of the language – although you will find English is the common language of business.

Business Culture in the Gulf States



Meetings and Presentations: Personal relationships are a vital key to success in doing business in GCC. It is preferable for exporters to have a face-to-face business dialogue with their counterparts.

Face-to-face meetings are preferred, as phone or emails are sometimes seen as impersonal. Appointments should be made no more than two weeks in advance and confirmed a few days before the actual meeting as priorities may change. This step is necessary to build trust and bond with your local partner. It's important to connect with the decision maker in your target organization. This can be achieved via introduction by a mutual contact, exhibitions, networking receptions and independent market visits.



Continuous personal contact with potential and existing partners/clients and regular visits to the market are of the utmost importance and it is natural for the business relationship to be built with time.



Greeting: The customary greeting is "**As-salam alaikum**" (peace be upon you), to which the reply is "Wa alaikum as-salam" (and upon you be peace). When entering a meeting, general introductions will begin with a **handshake**. You should greet each of your counterparts individually. Avoid shaking hands with the opposite sex unless they extend their hand first.

Business Culture in the Gulf States



Negotiations: It is essential to obtain legal, financial and taxation advice, along with undertaking necessary research, all of which are critical when considering new markets. Ensure all your documents are reviewed by an appropriate advisor before signing anything.

Working Hours: Working hours can vary between the countries and may also change between summer and winter. All the GCC countries except UAE work Sundays to Thursdays. UAE working hours are from Mondays to Fridays.



Friday is the Muslim holy day and many smaller retailers are closed until mid-afternoon or evening. Most retail outlets remain open until late evening. Working hours vary during Ramadan, the Muslim holy month of fasting.

Most officials work from 0900-1300, but many useful contacts can be made and renewed during and after the evening 'Iftar' meal.

Currencies in the Gulf States



- UAE unit of currency is **UAE Dirham (AED)**. Saudi's national currency is the Saudi riyal (SAR)



- Unit of currency in Kuwait is the **Kuwaiti Dinar (KD)**, divided into one thousand Fils



- The unit of currency in Oman is the **Rial Omani** which is sub-divided into 1,000 baisas



- The **dinar (BHD)** is the currency of Bahrain. It is divided into 1000 fils



- The **Qatari riyal (QAR)** is the currency of the State of Qatar. It is divided into 100 dirhams

Georgian exporters have a number of options to transport goods from Georgia to Gulf States

The best transport mode will depend on a number of factors including **cost-effectiveness** of transportation, **availability** and **frequency** of transportation mode, **type of product**, **shelf life** and well as the **customers demand** and requested **timeline for delivery**.

Many exporters have used multiple transportation modes to deliver their good to a market. **Multimodal** combines the best features of all modes and multiple uses.



Air

There are several cargo airports in the various GCC countries. Some of the major cargo airports include Dubai international airport, King Abdulaziz International Airport, Doha International Airport, Kuwait International Airport, Muscat International Airport etc

It is the **costliest** transport method available and is not ideal for transporting in bulk.



Sea

Key Ports in the GCC include Jebel Ali ports, Jeddah Islamic Port, Port of Salah, Hamad Port etc.

Less expensive than air and plays a major role, with specialized vessels such as **refrigerated cargo**. Typically the **slowest** method of transportation.

Due to their geographic nature, shipments by sea and air are the common methods of shipping between Georgia & Gulf States

When thinking about logistics:

- Are you flexible on quantities? Do you have an approach to minimum orders, shared logistics, or mixed pallets?
- What certification is required to export to that country
- What is the customs process?



Logistics: The Process in Practice

1. Export Haulage
Relates to the movement of cargo from the exporter to the freight forwarders premises.
2. Export Customs Clearance
Prior to shipments leaving a country, customs clearance is required in order to ensure products meet the appropriate regulatory requirements and have the correct documentation. This Step typically occurs before the cargo enters the forwarders origin warehouse.
3. Origin Handling
Origin Handling encompasses all physical handling and inspection of the cargo from when it first arrives at the origin warehouse and until it is transported and loaded into containers.
4. Freight
Refers to air and sea transportation from the country of origin to its destination country.
5. Import Customs Clearance
A declaration of the products entering the country, which enables the appropriate authorities to levy the relevant customs duties on the shipment.
6. Destination Handling
Transfer of the container from the destinations port to the forwarders warehouse.
7. Import Haulage
Includes the actual delivery of the cargo.

