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Report Highlights:

Total Saudi wheat imports for 2025/26 are forecast to decline 10 percent to 3.2 million metric tons (MMT), due to projected high local production. Saudi barley imports for MY 2025/26 are projected to increase by 10 percent to 3.3 MMT compared to last MY. Total corn imports in MY2025/26 total corn imports are projected to decline by 500,000 MT from a record import level of approximately 5 MMT in MY 2023/24. Total rice exports to Saudi Arabia this MY are estimated at 1.5 MMT, a 14 percent reduction from last year.

WHEAT

Production

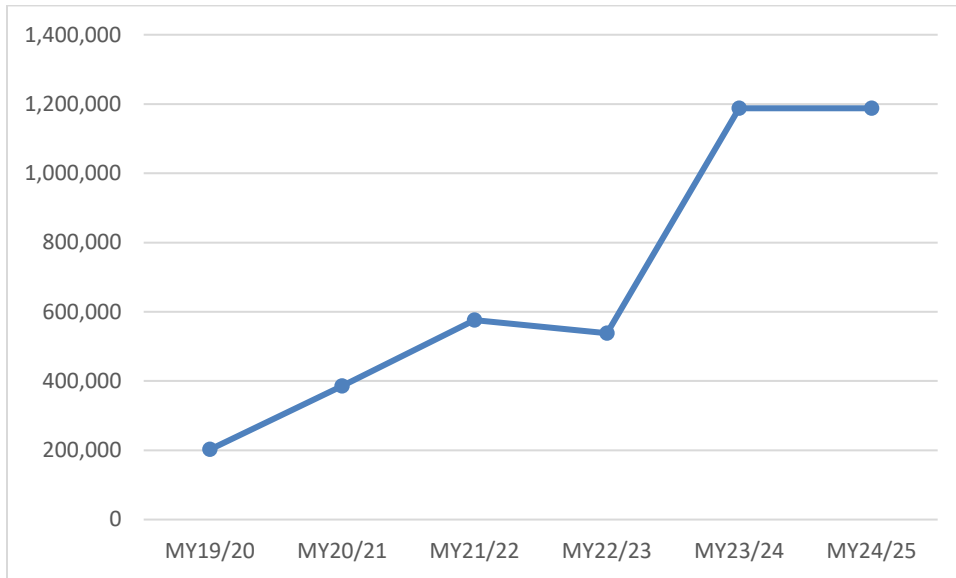
Since MY 2019/2020, small farmers have voluntarily produced wheat in Saudi Arabia through a quota system established by the Saudi Ministry of Environment, Water, and Agriculture (MEWA). The domestic wheat production program is reviewed every five years. MEWA allows small farmers with land areas of up to 50 hectares each crop year to plant wheat and sell it to the General Food Security Authority (GFSA) at a government-established purchase price (GPP), which may change each MY. In 2024, the Saudi government renewed its domestic wheat production and purchasing programs for another five years, allowing up to 5,000 small farmers to produce a maximum of 1.5 million metric tons (MT) per year, permitting each farmer to produce an average of 300 MT per annum over the next five years. MEWA may keep the maximum local production quota at 1.5 million metric tons (MMT) or reduce or increase depending on the underground aquifer and the world wheat supply situation as needed.

Each year, farmers are licensed to produce either wheat or alfalfa hay in their 50 HA farmland. Starting from MY 2020/21, the MEWA has encouraged local farmers to produce up to 1.5 MMT annually for delivery to GFSA. Farmers preferred alfalfa hay production over wheat in the past as the crop has been more profitable than wheat. Alfalfa seed produces for up to three years, yielding 6 - 9 cuts a year depending on planting region and weather conditions. As a result, farmers typically make more money producing alfalfa than wheat. However, the government purchase prices for locally cultivated wheat have been profitable for farmers for the past two seasons, motivating them to increase production to nearly 1.2 MMT. This year, wheat production is expected to reach MEWA's goal of 1.5 MMT as farmers anticipate the government purchase price to remain close to the last MY level of \$480 per MT, offering good margins.

In April 2024, MEWA imposed an immediate ban on alfalfa seed imports to the Kingdom and has scheduled a prohibition of domestic alfalfa production starting from the 2027/2028 production year. The ban on domestic alfalfa cultivation could significantly increase the Kingdom's domestic wheat production, as wheat requires less water than alfalfa cultivation. Small farmers producing alfalfa hay may petition MEWA to allow them to repurpose their lands for wheat cultivation.

In recent years, some farmers with production licenses have been allowed to delegate the process of wheat production, cultivation, and supply to GFSA to one of the major agricultural companies in exchange for a specified fee payment. In MY 2023/2024, 77,167 MT of wheat was produced under the contractual agreement, an increase of 44.5 percent over the previous year.

Graph 1. Saudi Wheat Production in MT for MY 19/20-MY 24/25



GFSA is the monopsony purchaser of domestically grown and imported wheat in Saudi Arabia. The authority estimated domestic wheat production at 1.5 MMT for MY 2025/2026 (July 2025– June 2026), an increase of 25 percent from last year's production of 1.2 MMT. The wheat production area for this year's harvest season is estimated at 250,000 hectares (HA) with 6 MT per HA yield and this is the maximum allowed production quota for each year for the next five years.

In Saudi Arabia, wheat is planted from the end of November through the second week of January and delivered to GFSA from June to October. GFSA purchases all locally produced wheat at a government-set premium price compared to imports. This wheat price is set annually after planting, but the government has not yet announced the purchase price for this year's harvest. In MY 2024/25, GFSA purchased locally produced wheat at a gross price of \$480 per metric ton (MT), compared to the average price of \$272.08 per MT for imported wheat. Farmers typically switch between wheat and alfalfa hay production depending on the domestic government purchase price for wheat.

Traditionally, Saudi Arabia grows a hard-winter variety known as "Yecoro Rojo," developed by the International Maize & Wheat Improvement Center in cooperation with the Mexican Ministry of Agriculture in Mexico. GFSA prefers Saudi Arabian wheat over imported wheat due to its hard kernel and lower moisture content, allowing extended storage times.

Consumption

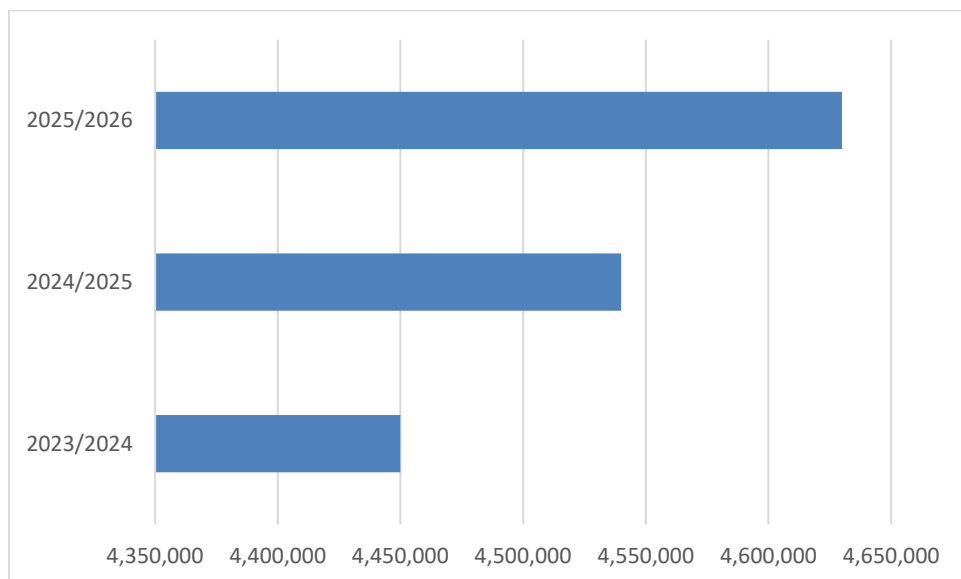
MY 2024/2025 total wheat consumption is projected at 4.54 MMT, up approximately 2 percent from the previous MY, and it is projected to show at least 2 percent growth in MY 2025/2026 and reach 4.6 MMT. Demand for wheat is projected to remain strong over the next few years due to an increased demand from the food service sector. Hundreds of labor camps, the main driving force in the food service sector, are being established throughout Saudi Arabia to build several eye-catching multibillion-dollar mega projects by 2030.

Saudi Arabia is also constructing various luxurious resorts and other attractions on the Red Sea to attract more than 150 million visitors annually by 2030. All these projects, coupled with more religious and tourist visitors, have already increased the demand for bread and other food ingredients used by the catering and food service sector.

According to GFSA, no wheat is used as animal feed in the Kingdom. All wheat, imported and produced locally, is used exclusively for human consumption. Feeding subsidized food wheat to livestock is illegal since the government provides monthly payments to livestock farmers to help reduce their animal feed expenses. Wheat is mainly consumed as a flat (pita) bread or a local hamburger bun known as a "Samoli." Western-style bread, such as French baguettes and pizza, is also popular.

The annual per capita wheat consumption in Saudi Arabia (total population – 35.3 million) was estimated at approximately 133.14kg (or 106.5 kg of wheat flour) in MY 2024/25. White flour constitutes the bulk of wheat flour consumed in Saudi Arabia. However, there has been a growing demand for whole-wheat flour in recent years due to its perceived health benefits, particularly by health-conscious consumers and those with health conditions such as diabetes and obesity. It should be noted that Saudi Arabia has one of the highest diabetic and obesity rates in the world. As a result, the four flour mills currently operating in the Kingdom have increased their whole-wheat production in recent years to meet growing demand.

Graph 2. Saudi Wheat Consumption in MT



Trade

In MY 2024/25 (July 2024 - June 2025), GFSA issued eight international wheat import tenders and purchased 3.569 MMT, which is expected to arrive by the end of June 2025, the authority says that purchased wheat arrives per contractual agreements. This marketing year imports are a decrease of approximately 14 percent compared to GFSA's MY 2023/24 official wheat purchase data and nearly 12 percent above USDA's official estimate of 3.2 MMT. GFSA's wheat imports policy hinges on meeting annual local demand and maintaining adequate strategic wheat reserve stocks. The strategic yearly

wheat reserve quantity depends on the prevailing world wheat supply situation and preferred reserve stock levels (expected tight world wheat supply situation, increases reserve stocks). Total Saudi wheat imports for MY 2025/26 are forecast to decrease significantly to 3.2 MMT due to projected higher production and increased wheat reserves. GSFA issued tenders specify among other requirements hard wheat with 12.5% protein content giving the seller of selecting the origin supplied among approved suppliers (the Americas, EU, Australia and Black Sea countries. As such, supplying countries will be known at the time of wheat shipments.

GFSA is the exclusive importer of subsidized food-grade wheat in Saudi Arabia. However, MEWA is working to hand this responsibility to the Saudi Agricultural and Livestock Investment Company (SALIC), the Public Investment Fund (PIF) agricultural arm owned by the Kingdom's sovereign wealth fund. SALIC is expected to take over the responsibilities of wheat purchasing, operating wheat storage silos, and the maintenance of strategic stocks in the next few months. There have also been some discussions that indicate the government's intentions to exit wheat import and hand it over to the private sector, particularly to the four local flour mills, and allow the mills to import larger quantities of wheat to meet local demand and export some to interested countries mostly the nearby Arab and African countries. Such a move will perhaps make Saudi wheat flour export more competitive compared to mills in the GCC countries for several reasons, including (1) state-of-the-art milling equipment, (2) economies of scale in purchasing due to increased imports and cash payments, (3) cheaper energy cost, (4) strategic location of the mills which are located in the proximity to export ports such as the four Red Sea ports and one on the Arabian Gulf. The ports have good infrastructure that facilitates imports and exports. The decision is expected sometime this year, and if that happens, Saudi Arabia will become a leading wheat importer and wheat flour exporter in the MENA area.

GFSA imports hard wheat directly through public tenders open to registered international exporters. It does not buy through grain brokers. GFSA purchases wheat from various origins, including Australia, the EU, South America, the United States, Canada, Australia, and various Black Sea countries. Registered international wheat suppliers include Louis Dreyfus, Solaris, Cereacom, Ameropa, Holbud Limited, Ameropa, Bunge, Cargill, Viterra, Cofco, Invivo Group, and Olam Agri Holding (Olam). Olam is owned 80 percent by SALIC, a subsidiary of the Saudi Public Investment Fund (PIF). Other international grain groups partially owned by SALIC include GB, and G3 Global Grain Group. Some suppliers, like Invivo Group, have offices in the Kingdom.

The following table was developed based on two sources: exporter data as contained in Trade Data Monitor while Russian export data was developed through discussions with trade contacts to identify supplying countries and their market shares.

Table 1. Saudi Wheat Imports in MT

Exporter	MY 2022/23	Market Share	MY 2023/24	Market Share
Russia	2,654,000	51%	2,312,000	59%
EU 27	1,959,505	37%	1,540,861	39%
Brazil	405,122	8%	0	0%
Ukraine	178,606	3%	6,909	0%
Other Countries	39,601	1%	64,374	2%
Total	5,236,834	100%	3,924,144	100%

Saudi Arabia encourages local companies to invest in foreign agricultural sectors to produce targeted crops, such as wheat, and export their production to meet the Kingdom's food security needs. SALIC has investments in Australia, Brazil, Canada, and Ukraine. The company was formed in 2009 and started investing in various foreign agricultural sectors in 2012 to secure food supplies from foreign markets. The firm targets eight food and agricultural products (wheat, rice, beef, yellow corn, soybeans, forage, and poultry meat) and is mandated to import food products when shortages occur in Saudi Arabia. In MY 2024/2025, GFSA purchased 775,000 MT of wheat from Saudi companies that were farming in foreign countries.

GFSA issues two types of wheat import tenders:

- 1) International Wheat Market: GFSA issues import tenders to all international wheat suppliers to meet demand and sets a minimum protein level of 12.5 percent.
- 2) Exclusive Wheat Import Tender for Saudi Companies Farming in Foreign Countries: As the title indicates, this tender is only for Saudi Arabian companies operating farms in foreign countries. This MY, GFSA requested Saudi investors supply up to 775,000 MT of wheat from their foreign farms. SALIC is expected to supply the quantity using investments from international grain exporting partners (e.g., GB, G3 Global Grain Group, or Olam Agri Holdings).

Many anticipate SALIC will use one of its joint venture international grain groups (e.g., GB, G3 Global Grain Group, or Olam Agri Holdings) to supply increased wheat quantity to the Kingdom in the next few years. Detailed information on Saudi foreign agricultural investments and the country's food security strategies are discussed at the end of this section.

GFSA Wheat Purchase Data

GFSA issued the following eight international wheat import tenders for MY 2024/25 and purchased 3.569 MMT, which is expected to arrive by the end of June 2025. This is a decrease of approximately 14 percent compared to GFSA's MY 2023/24 official wheat purchase data and nearly 12 percent above USDA's official estimate of 3.2 MMT. GFSA's wheat imports policy hinges on meeting annual local demand and maintaining adequate strategic wheat reserve stocks. The strategic yearly wheat reserve quantity depends on the prevailing world wheat supply. Total Saudi wheat imports for MY 2025/26 are forecast to decrease significantly to 3.2 MMT due to projected higher production and increased wheat reserves.

Graph 3. GFSA Wheat Import Tenders MY 22/23-MY 24-25 in MT

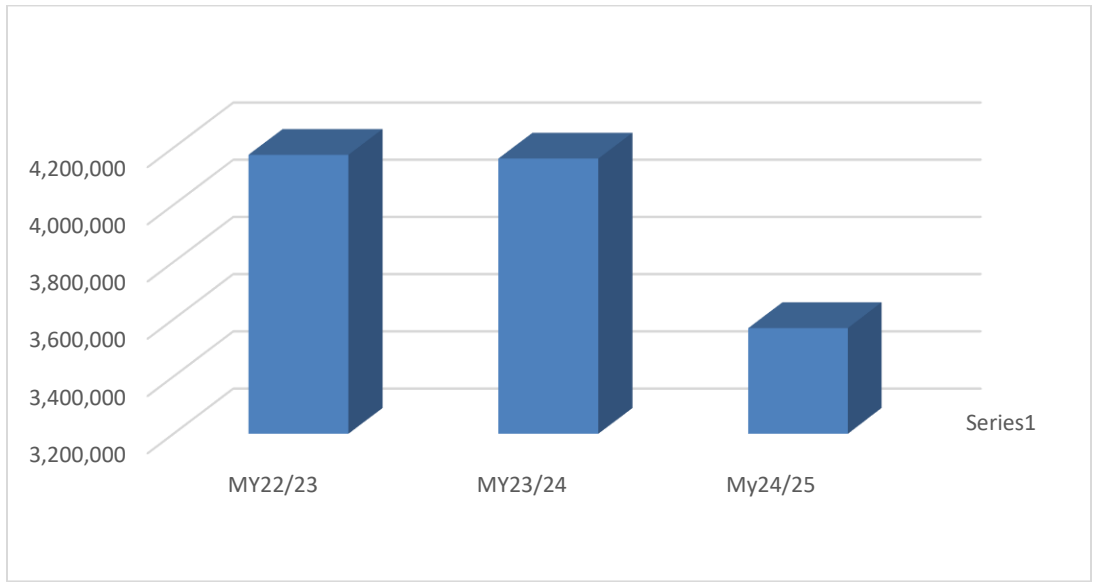


Table 2. GFSA Wheat Import Tenders for Three Marketing Years (MY 2023-MY 24/25) Quantity in MT with 12.5% protein

GFSA Wheat Purchase Tenders for MY 22/23		GFSA Wheat Purchase Tenders for MY 23/24		GFSA Wheat Purchase Tenders for MY 24/25	
Shipment Arrival Date	MT	Shipment Arrival Date	MT	Shipment Arrival Date	MT
Apr-Jun 2023	1,009,000	24-Jun	432,000	May-June 2025	490,000
Mar - Apr 2023	566,000	Feb – May 2024	1,353,000	Feb-Apr 2025	804,000
Nov 2022- Feb 2023	566,000	Jan - May 2024	355,000	Jan-Mar 2025	360,000
Aug 2022-Feb 2023	720,000	Aug -Dec 2023	355,000	Dec 2024-Jan 2025	307,000
Sep - Nov 2022	625,000	Sep -Oct 2023	624,000	Sept-Dec 2024	595,000
22-Jul	689,000	July -Aug 2023	1,043,000	Sept-Oct 2024	235,000
				Aug-Dec 2024	415,000
				24-Jul	363,000
Total MY	4,175,000		4,162,000		3,569,000
Average per MT price	\$394.74		\$242.72		\$272.77

GFSA Import Facilities

GFSA receives imported wheat from five seaports in the Kingdom, with a total combined daily unloading capacity of 46,000 MT. The four seaports on the Red Sea are the Jeddah Islamic, Yanbu Diba, and Gizan seaports, while the fifth seaport, the King Abdul Aziz Seaport, is situated on the Arabian Gulf.

Stocks

GFSA owns and operates silo complexes in major cities around Saudi Arabia. The total silo capacity in the Kingdom was 3.45 MMT by the end of 2020. GFSA owns and operates silos with a total storage capacity of 2.71 MMT, while the four private flour mills have a combined storage capacity of 745,000 MT. The silos are in 14 locations throughout Saudi Arabia. Under regular world trade and geopolitical conditions, GFSA considers the world wheat supply reliable and maintains strategic wheat reserves that are equal to four months' demand. However, for the past couple of years, the organization's annual wheat reserve is estimated at more than six months of demand.

Policy

In November 2018, Saudi Arabia partially rescinded a ban on domestic wheat production, which had been in place since the crop year 2015/16, over concerns about the country's scarce aquifer resource reserve. Saudi's decision to reduce domestic forage cultivation by 42.5 percent eliminated large producers from domestic forage production, although smaller-sized farmers were exempt from this regulation. Domestic wheat and forage production are entirely dependent on irrigation. MEWA estimated that approximately 10.75 MMT of forage was produced in Saudi Arabia in 2015/16.

Following a major cut in local forage production in 2018/19, the government offered medium and smaller-sized producers three options:

- 1) Terminate forage production altogether and receive financial compensation.
- 2) Produce forage on 50 HA.
- 3) Produce wheat on 50 HA.

Farmers who opt to produce wheat or forage must obtain licenses from MEWA and should only produce the crop they are licensed to grow until further notice. If a farmer requests to switch between the two crops, they must reapply for a new license after two production seasons, and only licensed farmers can produce wheat or forage. Any unlicensed farming of the two crops will result in severe financial punishment. The government reauthorized GFSA to purchase up to 1.5 MMT of locally produced wheat for five marketing years. MEWA's last year's decision to cease imports of alfalfa seed and the scheduled termination of local alfalfa hay production in 2027 will increase farmers' demand to switch their cropland to wheat production.

Food Security

As mentioned earlier, SAGO was renamed GFSA at the beginning of 2023. The new organization focuses on creating an abundant food supply in Saudi Arabia, builds strategic reserves for targeted food and feed products (e.g., wheat, barley, cooking oil, sugar), and maintains an adequate food level for emergencies. To achieve these objectives, GFSA will conduct 20 activities. Below are some highlights:

1. Coordinating with all agencies concerned with the food security system.
2. Providing an appropriate investment environment to enhance food security.
3. Designing an early warning system for food security.
4. Developing and updating an emergency response plan related to food security.
5. Developing a strategic stock plan.
6. Issuing licenses for storage facilities for targeted commodities.
7. Measuring levels of food loss while setting targets to reduce waste.
8. Developing awareness programs to reduce food loss and waste.
9. Monitoring and collecting data for a new food security system.
10. Monitoring commodities in the strategic stock plan.

GFSA has a Secretariat General with committee members from numerous ministries (e.g., MEWA, the Ministry of Commerce, the Ministry of Education, the Ministry of Health, the Ministry of Human Resources and Social Development, the Agricultural Development Fund, Saudi Ports Authority, Zakat, Tax, and Customs Authority, the Saudi Food and Drug Authority, General Directorate of Civil Defense, the Secretariat General of the National Risk Council, the General Food Security Authority, the Federation of Saudi Chambers, and SALIC). Over the next several months, SALIC is expected to take over the responsibilities from GFSA for purchasing wheat while operating storage silos to maintain a strategic stock level. SALIC is the agricultural arm of the PIF, which the Kingdom's sovereign wealth fund owns.

Strategic Commodities Targeted by GFSA

These products are estimated to account for 90 percent of the agricultural products consumed in Saudi Arabia and include wheat, yellow corn, barley, soybean meal, rice, sugar, cooking oil, green forage, milk, chicken meat, red meat, fish, dates, vegetables (cucumber, onions, potatoes, and tomatoes), and fruit (watermelons, bananas, lemons, and oranges).

For Saudi Arabia to meet its food security demands, in 2008, it issued a food security plan known as "King Abdullah's Initiative for Saudi Agricultural Investment Abroad" (King Abdullah's Initiative). King Abdullah's Initiative focuses on guaranteeing the food supply for Saudi Arabia to build up strategic stock levels for selected grains to avoid a future food crisis. In 2016, with support from various stakeholders, MEWA revamped King Abdullah's Initiative and launched a new comprehensive strategy called the KSA Food Security Strategy and Implementation Plan.

MEWA assigned the supervision of the Kingdom's food security strategy to GFSA. One of the focal pillars of the plan encourages Saudi companies to invest in foreign countries to export part of their agricultural production to the Kingdom.

The Saudi government provides incentives such as an exclusive import tender at profitable purchase prices to the Saudi private sector (companies and individuals) to produce strategic crops to meet domestic demand and build storage reserves.

As stated earlier, SALIC is the dominant Saudi firm with investments in several major producing and exporting countries, such as Australia, Brazil, Canada, and Ukraine. SALIC has been exporting wheat to Saudi since MY 2019/20 from its overseas farms. Wheat produced in Ukraine comes from SALIC's Continental Farmers Group in the western part of the country. Unfortunately, the Russian war in Ukraine has stopped wheat exports from that farm to Saudi Arabia. SALIC does not own farms in Canada but is a partner in the G3 Global Grain Group with Bunge.

Other leading Saudi investors in foreign farming sectors include:

1. Al Rajhi International for Investment Company (www.raii.net/en). Al-Rajhi has agricultural investments in Egypt, Sudan, and Ukraine.
2. Almarai Company (owner of Fondomonte Argentina and Arizona). Fondomonte Argentina produces green fodder and grains, while Fondomonte Arizona is dedicated to green forage production and exports to Almarai Dairy Farms in Saudi Arabia.
3. Ajalan and Bros with investments in Canada

Saudi Arabia uses three different mechanisms to cover its wheat security needs:

- 1) Local production.
- 2) Imports from Saudi companies located in other countries.
- 3) Imports from the international market.

Flour Mill Privatization

Years ago, Saudi Arabia privatized its four flour milling companies. Below is detailed information on the four privatized wheat milling companies:

- 1) First Mills Company: Headquartered in the Red Sea city of Jeddah, the First Mills Company has flour mills in western, central, northern, and eastern Saudi Arabia. The company was sold to the Raha Al-Safi consortium led by the Saudi company Al-Mutlaq Group. The consortium includes another two Saudi firms (Al-Safi and Abunayyan Holding) and one UAE company (Essa Al Ghurair Investment). The First Mills Company has 4,200 MT of wheat milling and 900 MT of feed processing capacity daily.
- 2) Second Mills Company: Headquartered in Riyadh, the Second Mills Company has mills in central, southern, and northern Saudi Arabia. This company has 4,350 MT of daily wheat milling capacity.
- 3) Third Mills Company: Headquartered in the southern city of Khamis Mushait, the Third Mills Company was sold to a consortium by Al-Rajhi, a Saudi company, and two UAE companies (Al

Ghurair Foods and Masafi). The company has flour mills in southern, western, and northern Saudi Arabia. The Third Mills Company has 3,451 MT of wheat milling and a daily 1,400 MT of animal feed processing capacity.

- 4) Fourth Mills Company: The Dammam-based Fourth Mills Company has flour mills in eastern, western, and central Saudi Arabia. It has a daily wheat and animal feed milling capacity of 3,150 MT and 300 MT, respectively.

Wheat Subsidy

Even though there is an interest in ending the wheat subsidy while supporting low-income Saudis directly, very few seem to know when or if that will occur. If it does happen, there may be more opportunities for higher-quality wheat and product differentiation. Until a royal decree changes the wheat subsidy policy, privatized flour mills will continue receiving wheat from GFSA for milling and distribution at subsidized rates. Most of the revenue from the private mills is expected to come from milling fees, and privatized mills can import wheat for non-subsidized flour. Volumes are expected to be small, with most wheat used for premium products.

GFSA's Current Role After Privatization

Privatization of the wheat import industry is an ongoing process. GFSA will remain the sole importer of subsidized milling wheat and will maintain ownership and operation of most of the wheat silos across the country. GFSA will manage the strategic wheat reserves and ensure the Kingdom's food security objectives. GFSA is expected to privatize only a part of its grain storage silos to provide a smooth transition for the new flour mills. GFSA's post-flour mill privatization roles will include the following:

- Issue import permits for unsubsidized wheat to interested flour mills.
- Establish regulations related to wheat flour quality.
- Inspect flour mills to ensure compliance with quality regulations.
- Encourage and regulate competition among private flour mills.
- Ensure enough wheat flour is produced and delivered.

Marketing

Licensed bakeries, supermarkets, and almost all industrial end-users purchase their flour directly from GFSA's flour mills or assigned agents in their respective areas. There are more than 525 appointed distributors, and they serve approximately 11,700 establishments, of which 6,500 are licensed bakeries. The distributors provide packaged flour to licensed bakeries in 45-kg sacks and retailers in one, two, five, and 10-kg sacks. Industrial users purchase in bulk (metric tons).

Market Development Activities

Since the resumption of wheat imports in 2008, the U.S. Wheat Associates (USWA) regional office has coordinated market development and trade servicing activities in Saudi Arabia. Though no recent market development activities have been conducted, USWA has conducted several capacity-building activities, including seminars, training, and exchange programs to assist GFSA's purchasing staff understand U.S.

wheat varieties better. USWA has also offered workshops on wheat purchasing, risk management, contract terms, quality specifications, wheat inspections, and freight and shipping costs.

Prices

Flour prices to bakers and industrial clients have not changed for the past four decades, but the wholesale price of consumer-packed flour increased by 50 percent from \$0.27/kg to \$0.40/kg in 2017. Large bakeries and industrial users purchase wheat flour directly from the four flour mills, while smaller bakeries and retailers receive their assigned quotas from GFSA-appointed distributors. GFSA's wholesale prices vary based on the flour type and extraction rate. Bakers purchase at prices from \$5.30 to \$8 per 45 kg based on flour extraction rates and flour type. Industrial users purchase in bulk between \$117.30 and \$160 per MT. Prices to bakers and industrial clients have not changed for decades.

Exports

Saudi Arabia does not export wheat grain. However, in MY 2023/24, Saudi Arabia exported approximately 132,000 MT of wheat products (e.g., macaroni, pasta, spaghetti, and bakery products) to GCC countries and other foreign markets. The demand for wheat products in Yemen has been very strong in recent years, and this marketing year, Saudi wheat product exports are projected to reach 250,000 MT due to food aid to nearby Arab countries.

Table 3. Wheat Production, Supply and Distribution (PSD)

Wheat Market Year Begins Saudi Arabia	2023/2024		2024/2025		2025/2026	
	Jul 2023		Jul 2024		Jul 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	250	200	250	200	0	250
Beginning Stocks (1000 MT)	3504	3504	4012	4012	0	4091
Production (1000 MT)	1200	1200	1500	1200	0	1500
MY Imports (1000 MT)	3890	3890	3200	3569	0	3200
TY Imports (1000 MT)	3890	3890	3200	3569	0	3200
TY Imp. from U.S. (1000 MT)	4	0	0	0	0	0
Total Supply (1000 MT)	8594	8594	8712	8781	0	8791
MY Exports (1000 MT)	132	132	250	150	0	250
TY Exports (1000 MT)	132	132	250	150	0	250
Feed and Residual (1000 MT)	0	0	0	0	0	0
FSI Consumption (1000 MT)	4450	4450	4550	4540	0	4630
Total Consumption (1000 MT)	4450	4450	4550	4540	0	4630
Ending Stocks (1000 MT)	4012	4012	3912	4091	0	3911
Total Distribution (1000 MT)	8594	8594	8712	8781	0	8791
Yield (MT/HA)	4.8	6	6	6	0	6

(1000 HA) ,(1000 MT) ,(MT/HA)
 MY = Marketing Year begins with the month listed at the top of each column
 TY = Trade Year, which for wheat begins in July in all countries. TY 2025/2026 = July 2025 - June 2026 OFFICIAL
 DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

BARLEY

Production

Saudi barley production is estimated at approximately 4,000 MT and is used for human consumption. There is no feed barley production in the Kingdom. Locally grown barley is used primarily in specialty food items, such as soups and traditional Saudi dishes during the fasting month of Ramadan. Households use a small quantity of barley tea.

Consumption

Imported barley is used exclusively for animal feed as there is no beer production in Saudi Arabia. Total Saudi feed barley consumption for MY 2024/25 is estimated at 3 MMT, up by approximately 49 percent from last year's USDA official estimate due to lower barley prices in the local market, equal to or less than processed animal feed produced domestically. A potential increase in world barley supply could result from reduced regional conflicts in the Black Sea region, decreasing international barley prices and upsurging barley demand in Saudi Arabia by approximately 10 percent to 3.3 MMT in 2025/26. Last MY, domestic barley prices were competitive due to the entry of more local companies in barley imports and trading.

In a few years, the demand for barley by livestock farmers may not be as strong as farmers learn how to better to reduce waste, thus buying less barley and purchasing more nutritional and competitively priced processed animal feed. Also, the planned ban on domestic production of alfalfa hay to be fully enforced in MY 2027/2028 is projected to significantly increase domestic prices of alfalfa hay and reduce the demand by livestock farmers, forcing them to depend more on processed locally produced animal feed. Traditionally, livestock farmers feed their herds a mix of alfalfa and barley - increased hay prices will make the mix uneconomical animal feed. The government provides hay import subsidies to feed processors and dairy farms. It is not clear if the subsidy will be extended to livestock farmers when local alfalfa production ends. Currently, the government does not offer hay import subsidies to livestock farmers, however, the subsidies are offered to local feed processors to increase the competitiveness of their manufactured feed compared to grain barley and to enable them to produce more processed animal feed that should be consumed by local livestock to increase their productivity (increased weight) as opposed to feeding grain barley with limited nutritional value.

On January 1, 2020, the Saudi government revised its long-held animal feed subsidies regime and limited animal feed import subsidies to feed fibers (hay, straw, etc.) based on their protein and energy contents. The import subsidy ranges between \$121 and \$304 per MT. For instance, imported alfalfa hay, with a protein content of 17 percent and energy of 2,450 per MT, receives a subsidy of \$304 per MT while \$121 import subsidy is paid for barley straw, pellet, cubes, and brickette with the protein level of 11 percent. The table below shows the current import subsidies and requirements for some feed fibers.

Table 4. List of Animal Feed Fibers that Receive Government Import Subsidies

Animal Feed	Harmonized System Code (HS Code)	Protein Percentage	Energy per ton	Import Subsidy Rate Per MT
Alfalfa Hay	121490900002	17	2450	\$304
Alfalfa Hay Alfalfa Pellets	121410000000	11	1900	221
Rhodes Grass	121490900003	5	1600	157
Sudan Grass	121490900004	5	1600	157
Wheat straw, pellet, cubes and brickette	121300100006	2	1500	128
Corn straw, pellet, cubes and brickette	121300100008	2	1500	128
Barley straw, pellet, cubes and brickette	121300100007	2	1400	121

The above subsidies are paid to local commercial dairy farms and animal feed processors.

Demand for Processed Feed

Local animal feed processors report that demand for their products has nearly tripled in recent years due to their nutritional value and more competitive prices than grain barley. Processors report that livestock farmers understand processed feed's nutritional and cost values versus barley imports. Locally produced feed uses corn as a main ingredient, and demand for barley by livestock farmers is expected to drastically shrink in the next few years for at least for the following reasons:

- 1) Domestic alfalfa hay production will cease in the next two years, making imported hay more expensive for livestock farmers. Traditionally, the farmers feed their livestock a mix of barley and hay. The increased prices of hay will make this combination costly.
- 2) Local farmers have been educated about the cost-saving benefits of processed feed. Benefits of processed feed include cost savings and higher productivity ((weight gain). It is reported that 1 kg of processed feed replaces 1.5 kg of barley.
- 3) Increased distribution of processed feed. Even though barley distribution is more extensive than processed animal feed, local feed processors are increasing their reach by opening distribution networks outside of their production regions. Traditionally, the demand for barley decreases when competitively priced feed alternatives are widely available to farmers.

According to some experts, replacing barley with processed feed benefits livestock farmers in two ways:

- 1 According to Arabian Agricultural Services Company (ARASCO), the largest animal feed processor in Saudi Arabia, one kilo of manufactured livestock feed named "wafi" equals 1.5 kilos of grain barley. ARASCO markets wafi as a complete animal feed consisting of cereals,

wheat bran, soybean meal, molasses, alfalfa, minerals, and vitamins. ARASCO uses the most price competitive feed ingredients available to reduce production costs (feed wheat, barley, sorghum, corn or DDGS) in wafi production.

- 2 Processed feed is more fully digested, nutritional, and better for weight gain. (Note: MEWA reports that more than 30% of raw barley fed to livestock is discharged without being digested, thereby providing no benefit to animals regarding weight gain or nutrition.)

Animal Production Subsidy

The animal production subsidy was implemented in January 2020, giving direct monthly payments to small livestock farmers. Small farmers receive a subsidy per head of livestock and can have a maximum of 300 animals from each of the four livestock categories (sheep, goats, camels, and cattle). The total subsidy budget for this category is \$320 million a year. Livestock producers, the dominant users of barley, receive monthly per-head subsidies of \$2.13 for goats and sheep, \$10.67 for camels, and \$16 per head for cattle. The direct monthly payments to livestock producers are intended to help farmers purchase the feed of their choice, particularly between barley and processed feed.

Sheep and goats consume the largest portion of imported barley followed by camels. Barley for poultry feed is estimated to be less than five percent of imported barley. When readily available at competitive prices, barley is often used in place of forage products, although animals require a certain level of forage in their diets to remain healthy. Historically, local feed processors have lobbied the Saudi government to cease direct or indirect subsidies to keep the domestic feed barley prices lower than processed feed. The government is currently encouraging the expansion of existing feed meals to reduce the country's heavy reliance on feed barley. Many experts predict Saudi Arabia will continue pushing for greater local animal feed consumption.

Table 5. The Number of Livestock in the Traditional Farming Sector

Year	Sheep	Goats	Cows	Camels
2020	21,724,724	6,739,154	302,060	1,500,241
2021	17,535,421	6,095,789	354,276	1,390,091
2022	21,804,724	6,779,154	312,060	2,000,242
2023	20,577,359	7,417,684	501,975	2,210,197

Source: MEWA

There is no official explanation for why most livestock numbers (sheep, goats, and camels) decreased significantly in 2021 and for nearly 6 percent decline in sheep number in 2023.

Total Saudi barley imports in 2024/25 is estimated at approximately 3 MMT, up 15 percent from the USDA's official estimate of 2 MMT imported a year earlier. Many attribute the significant increase in Saudi barley imports to the availability of more Russian barley for exports and perhaps increased exports by Ukraine, which should significantly decrease the CFR and make barley more competitive domestically, increasing demand by livestock farmers. According to trade sources, Australia is exporting most of its Barley to China, forcing many Saudi importers to focus on Barley from the Black Sea or EU, whichever is more competitive. Though the CFR barley prices as of March 2025 at the \$240-\$260 range

per MT, the price is expected to decline if an immediate ceasefire is signed between Ukraine and Russia in the currently running peace talks in Saudi Arabia. The recent entry of several large local grain importers in the barley imports and trading has increased competition in the local market. Some local feed processors are importing barley to develop unique kinds of feed sold at premium prices. Demand for barley is strong due to the entry of large grain importers into the barley trading business and the production of special feed barley using ARASCO, which calls it premium Wafi. Forecasted price competitiveness and other uses of barley are projected to increase total barley imports to 3.3 MMT in MY 2025/26. Saudi importers tend to import more barley than needed if prices are more attractive.

According to data compiled from the Trade Data Monitor, LLC, and local trade sources in MY 2023/24, Saudi Arabia imported approximately 80 percent of Barley from Russia. EU27 and Ukraine were distant second and third. The overall decrease in imports in the past few years reflects the reduced demand for barley due to higher domestic prices compared to processed feed and the uncertainty of supplies from traditional suppliers, mainly the two black sea countries of Russia and Ukraine.

Graph 4. Saudi Barley Imports

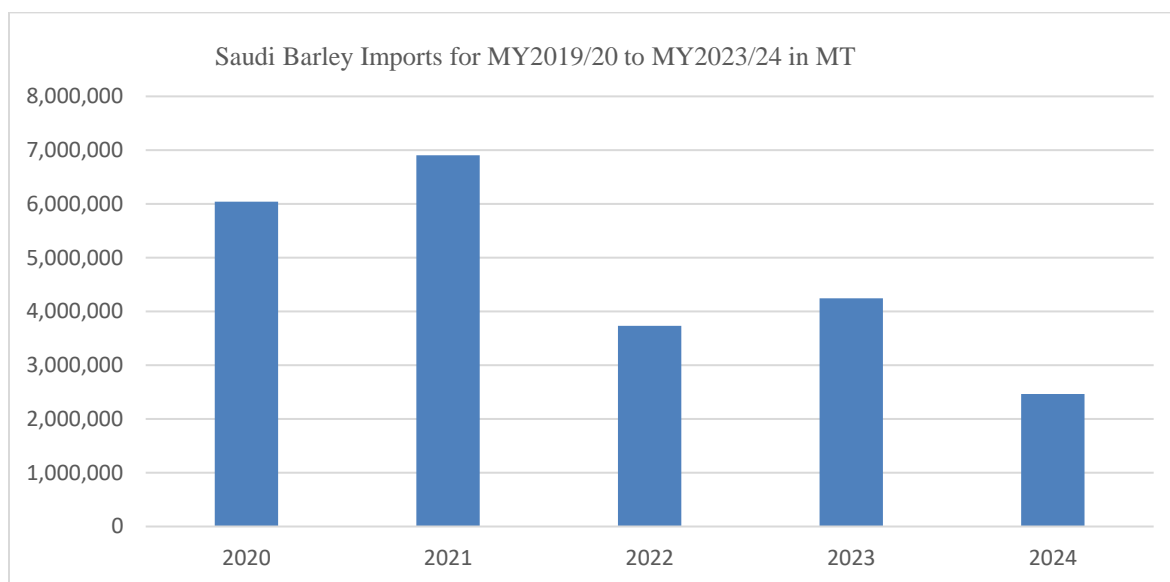


Table: 5. Barley Imports in MT

Exporters	MY 2019/2020	MY 2020/2021	MY 2021/2022	MY 2022/2023	MY 2023/2024	Market Share
Russia	1,776,916	2,687,723	N/A	331,524	1,976,991	80%
EU 27	2,726,234	1,282,168	574,670	1,203,405	357,084	14%
Ukraine	1,382,717	334,225	372,776	0	131,539	5%
Australia	0	2,602,579	2,784,224	2,710,004	21	0%
Other Countries	156,065	331	149	153	86	0%
Total	6,041,932	6,907,026	3,731,819	4,245,086	2,465,721	100%

(Source: Trade Data Monitor, LLC) and trade sources for Russian exports

Stocks

No official stock level is available, but importer facilities estimate a stock level of approximately 20 percent of total consumption.

Table 5. Barley Production, Supply and Distribution Table

Barley Market Year Begins Saudi Arabia	2023/2024		2024/2025		2025/2026	
	Jul 2023		Jul 2024		Jul 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	2	2	2	2	0	2
Beginning Stocks (1000 MT)	980	980	967	933	0	920
Production (1000 MT)	12	12	12	12	0	12
MY Imports (1000 MT)	2000	2466	2600	3000	0	3300
TY Imports (1000 MT)	2600	2000	2600	2200	0	2800
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	2992	3458	3579	3945	0	4232
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Feed and Residual (1000 MT)	2000	2500	2600	3000	0	3300
FSI Consumption (1000 MT)	25	25	25	25	0	25
Total Consumption (1000 MT)	2025	2525	2625	3025	0	3325
Ending Stocks (1000 MT)	967	933	954	920	0	907
Total Distribution (1000 MT)	2992	3458	3579	3945	0	4232
Yield (MT/HA)	6	6	6	6	0	6
(1000 HA) ,(1000 MT) ,(MT/HA)						
MY = Marketing Year, begins with the month listed at the top of each column						
TY = Trade Year, which for Barley begins in October for all countries. TY 2025/2026 = October 2025 - September 2026						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

CORN

Production

MEWA data shows that Saudi Arabia produced approximately 135,000 MT corn in MY 2024/25 on a planted area of 31,000 HA with an average yield of 4.4 MT per HA. Domestic corn production has been consistent over the past several years because Saudi corn growers do not receive government support through direct production subsidies or government-guaranteed prices. Saudi's government policy discourages the domestic production of water-intensive crops, including feed corn. While white corn is used for human consumption, yellow corn is used for animal feed.

Corn planting occurs twice a year in the spring and summer. The spring planting is in March, with harvest in August, while summer planting is the last week of June, with harvest from mid-November until the end of December. Approximately 60 percent of corn production is from the summer crop.

Consumption

Imported corn is primarily used for animal feed. Approximately 250,000 MT is used to produce food processing ingredients, such as starch and sweeteners. Approximately 98,456 MT of white Corn was harvested in MY 2023/24 and used for human consumption as corn-on-the-cob or milled for flour by small neighborhood flour mills. The 36,544 MT yellow corn produced was used for animal feed. Corn is a significant feed grain for poultry farms, accounting for approximately 60 percent of poultry feed formulations. It is also a key feed grain used by domestic dairy farms and commercial feed processors.

Feed accounts for approximately 70 percent of broiler meat production costs. A typical local poultry ration comprises 60 percent corn, 30 percent soybean meal, and 10 percent other ingredients. Corn is preferred because it is highly digestible and a good dietary energy source, while soybean meal is preferred for its high protein content.

MY 2024/25 total corn consumption is estimated at approximately 4.85 MMT and is projected to grow by roughly 4 percent to 5.1 MMT by the end of MY 2025/26. The main factor for the significant increase in feed corn demand is continued expansion in the local chicken meat production sector. The country wants to meet 85 percent of its total chicken meat demand from local production in the next few years, but last year's production was approximately 1.1 MMT or 70 percent of the total chicken meat consumption. However, the government's intended goal is to achieve self-sufficiency by 2030. The intensive use of corn by local chicken farms will cause exponential corn demand growth over the next several years. This growth should keep Saudi Arabia a reliable corn market for several years.

Though the poultry and dairy sectors are consistent with their corn use in their feed formulations, the local animal feed processors, such as ARASCO, determine their corn usage depending on prevailing international prices. Historically, Saudi commercial livestock feed processors increase corn usage by up to 40 percent when prices range between \$230 - \$240 per MT. On the other hand, when the cost of corn and other grain alternatives are high, larger feed processors increase the use of fiber sources (e.g., wheat bran, alfalfa, and soy hulls) to reduce the need for corn. In MY 2022/23, the CFR Saudi port of entry price was approximately \$340 per MT, and processors increased the use of fiber sources instead of corn.

Industrial Use

The Middle East Food Solution Company (MEFSCO), a joint venture between ARASCO and Cargill, is the most important end-user of corn and manufactures starch-based products for the Saudi Arabia (Kingdom) market and the MENA region. MEFSCO's plant produces starches, sweeteners, glucose, high fructose corn syrups, and other food processing ingredients for confectioneries, juices, and bakeries. Based in Al-Kharj, MEFSCO depends on imported corn and crushes approximately 200,000 MT of Corn annually. The factory produces 3,000 MT of corn gluten feed (CGF) and 1,000 MT of corn gluten meal (CGM) daily, which then is shipped to local dairy farms. Another animal feed processor based in Al Yanbu seaport, United Feed Company, processes an estimated 50,000 MT of Corn to produce similar products.

Trade

Available supplier data shows that the Kingdom imported 1,357,865 MT of feed corn in the first five months of MY 2024/2025, down by approximately 2 percent compared to the last marketing year. Trade sources indicated that the record-high imports in MY 2023/2024 (approximately 5 MMT) left a high ending stock at the beginning of this marketing year, slightly reducing expected total imports for the current MY. In the first five months of this marketing year, Argentina accounted for 50 percent of total Saudi corn imports, followed by Brazil at 33 percent and the U.S. at 17 percent. Saudi importers prefer Latin American corn over the U.S. because of its breakage rate of less than 2 percent compared to up to 5 percent for U.S. corn.

According to our trade contacts, total Saudi feed corn imports are forecast to decline by approximately 10 percent to 4.5 MMT this marketing year. Imports in MY 2025/2026 are projected to increase by 4 percent, reaching 4.7 MMT. The Kingdom imported a record quantity of Corn in MY 2023/2024 for several reasons: favorable world corn prices and increased local demand driven by the expansion of chicken meat production farms. Traditionally, local imports of commodities rise when international prices are perceived as attractive (i.e., low).

Table 6. Reporting countries Corn Exports to Saudi Arabia

Exporter	Oct 24/Feb 25 (MT)	Market Share	Oct 23/Feb 24 (MT)	Market Share
Argentina	680,260	50%	299,467	22%
Brazil	445,909	33%	793,558	57%
US	228,199	17%	261,987	19%
Other	3,497	0%	27,274	2%
Total	1,357,865	100%	1,382,286	100%

Source: TDM

Corn Imports Subsidy

In January 2020, the Saudi government stopped providing direct per MT corn import subsidies to importers to purchase corn from international markets. However, it still provides up to \$187 million annually as a direct production-based subsidy to the poultry industry, of which approximately \$112

million is used to purchase corn from local corn importers or directly from the international market. However, poultry farms claim that the current production-based subsidy is insufficient to balance the increased CFR cost of imported corn.

Graph 5. Saudi Arabia Feed Corn Imports (MY October-September in MT)

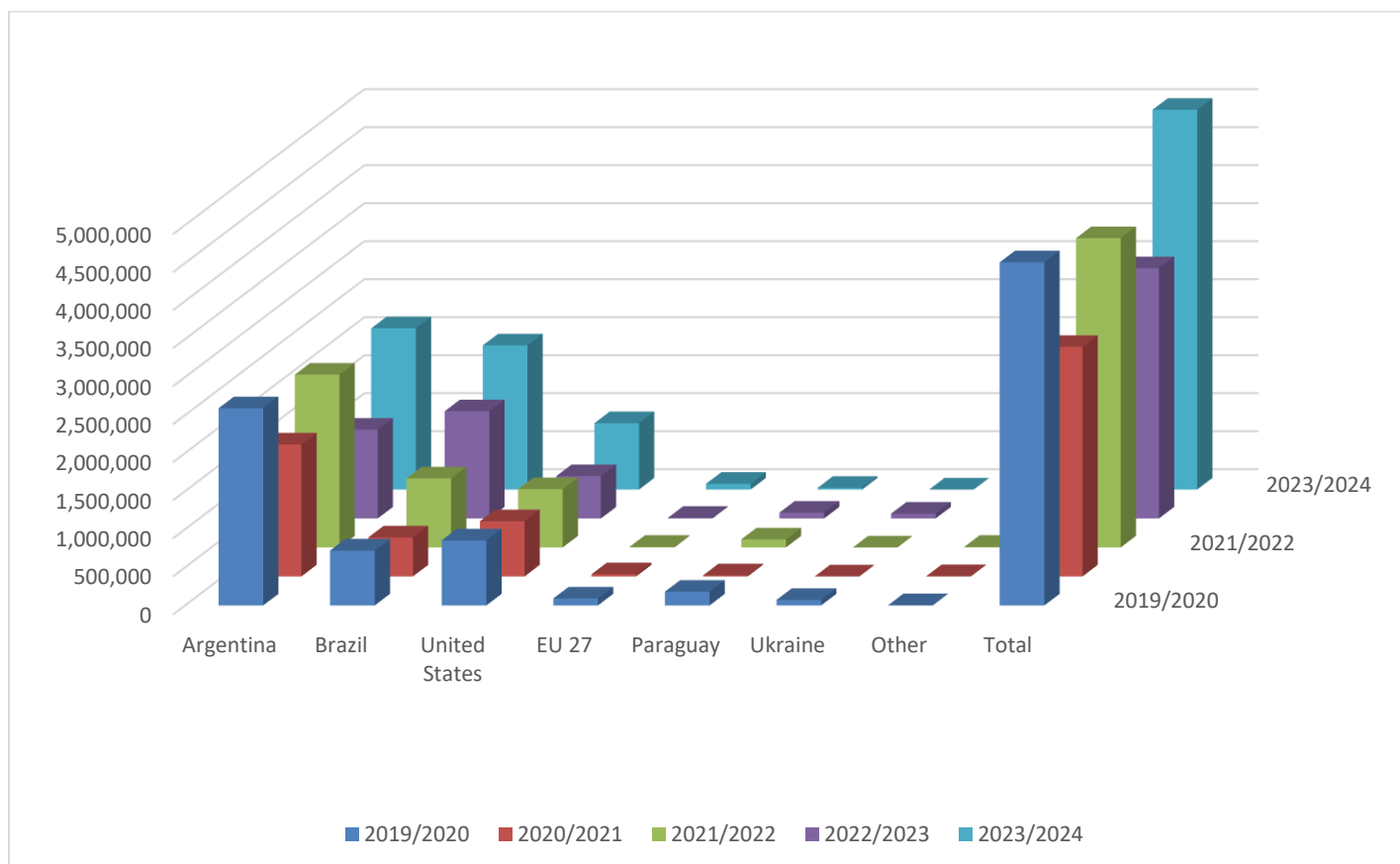


Table 7. Saudi Arabia Feed Corn Imports (MY October-September in MT)

Exporter	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Argentina	2,589,988	1,733,133	2,271,681	1,166,818	2,120,103
Brazil	721,337	512,146	906,808	1,408,900	1,895,753
United States	854,047	724,557	766,034	556,168	871,658
EU 27	91,169	28,903	8,082	8,279	74,692
Paraguay	180,018	14,393	106,152	76,948	21,204
Ukraine	71,733	0	0	63,034	0
Other	2,758	3,168	8,578	11,286	11,845
Total	4,511,050	3,016,300	4,067,335	3,291,433	4,995,255

Source: TDM

Imports of Distillers Dried Grains with Solubles (DDGS) - HS code 230330

In MY 2023/24, Saudi Arabia imported 24,266 MT of DGGs, down approximately 49 from a year earlier, and virtually all of it was from the United States, apart from 112 MT imported from India. The demand for DDGS increases when its price is more competitive with grain corn and soybean meal. DDGS imports peaked last year primarily due to its favorable prices. Over the past five years, the U.S. has been effectively the only supplier of DGGs to Saudi Arabia, as shown in the below trade matrix:

Table 7. Saudi DGGs Imports in MT

Exporter	Oct 2019/Sep 2020	Oct 2020/Sep 2021	Oct 2021/Sep 2022	Oct 2022/Sep 2023	Oct 2023/Sep 2024
United States	23,677	22,457	9,262	47,257	24,154
India	0	0	0	0	112
EU 27	0	24	0	0	0
Total	23,677	22,481	9,262	47,257	24,266

There are two groups of customers for DDGS in Saudi Arabia:

- 1 **Dairy Farmers:** Most farmers import and use it for dairy rations when prices are competitive with corn. The dairy sector is the primary user of DDGS in Saudi Arabia, and DDGS reduces costs while producing higher milk rates.
- 2 **Local Feed Processors:** Demand for DDGS in this industry materializes if the price is comparable to other fiber sources. Most local processors use DDGS as a source of fiber in their feed formulation to replace other sources, such as hulls and straws.

The Saudi animal feed market depends heavily on corn and soybean meal for its feed formulations, and DDGS is mainly used as a replacement for fibers if prices are competitive. According to local feed processors, if DDGS prices are comparable to hulls, they are preferred due to their nutritional attributes. According to sources, a local livestock meal processor reportedly imports wheat bran for less than \$200 CFR per MT.

Stocks

There is no official data on corn stock levels in Saudi Arabia. Still, major feed processors indicate they keep at least a three-month supply to ensure the supply chain isn't interrupted due to market, transportation, or other logistical issues.

Table 8. Corn Production, Supply, and Distribution Table

Corn Market Year Begins Saudi Arabia	2023/2024		2024/2025		2025/2026	
	Oct 2023		Oct 2024		Oct 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	25	31	25	31	0	31
Beginning Stocks (1000 MT)	415	415	414	1295	0	980
Production (1000 MT)	110	135	110	135	0	135
MY Imports (1000 MT)	4989	4995	4600	4000	0	4500
TY Imports (1000 MT)	4989	4995	4600	4000	0	0
TY Imp. from U.S. (1000 MT)	869	869	0	0	0	0
Total Supply (1000 MT)	5514	5545	5124	5430	0	5615
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Feed and Residual (1000 MT)	4900	4000	4500	4200	0	4500
FSI Consumption (1000 MT)	200	250	200	250	0	250
Total Consumption (1000 MT)	5100	4250	4700	4450	0	4750
Ending Stocks (1000 MT)	414	1295	424	980	0	865
Total Distribution (1000 MT)	5514	5545	5124	5430	0	5615
Yield (MT/HA)	4.4	4.3548	4.4	4.3548	0	4.3548

(1000 HA) ,(1000 MT) ,(MT/HA)
 MY = Marketing Year begins with the month listed at the top of each column.
 TY = Trade Year, which for corn begins in October for all countries. TY 2025/2026 = October 2025 - September 2026

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

RICE

Production

Saudi Arabia has no commercial rice production, and the country relies on imports to meet its domestic needs.

Consumption

Saudi Rice consumption in MY 2024/25 (January – December 2025) is projected at 1.56 MMT, down by approximately 7 percent from the USDA's official estimate for that year. Trade contacts estimate the Kingdom's annual rice consumption between 1.5 MMT and 1.6 MMT. Rice consumption has been going up in the past several years from 1.2 MMT a decade ago for a couple of main factors discussed below:

- 1 **An increase in the labor force.** Saudi Arabia is bringing in millions of workers to facilitate the construction of several trillion-dollar projects throughout the country. Post anticipates that the demand for rice will remain strong over the next several years to meet the increasing number of consumers in the country. Historically, rice and other food products demand peaks during Ramadan and the Hajj season.
- 2 **An increase in tourism.** In 2024, total inbound tourists were estimated at 30 million, an increase of approximately 9 percent over the 27.4 million visitors in 2023. The government projects that 70 million international tourists will visit Saudi Arabia by 2030. Saudi Arabia started issuing tourist visas at the end of 2019.

Saudi Arabia is a long-grain rice market, mostly basmati (long-grain white rice and parboiled "sella" basmati rice). Rice is a staple food in Saudi Arabia for lunch and dinner. A traditional dish called "kabsah" is widely consumed in Saudi and expatriates' homes. In 2024, the total Saudi population was estimated at 35.3 million, and nearly all residents included rice as a significant part of their daily diet. The population estimates indicated that the Saudi population grew by 4.7 percent in 2024, mainly because of the arrival of an estimated 1.5 million new expatriate workers.

Rice is among the most competitively priced grains and is abundantly available in Saudi Arabia. A kilo of Indian basmati rice ranges between 80 cents to \$3.30 per kg, depending on its variety and grade. U.S. parboiled long-grain rice is sold for \$2.15 per kg, while Australian Calrose rice is sold for \$1.45. In 2023, the Saudi population was estimated to have a per capita rice consumption of approximately 44 kg.

Basmati (aromatic rice from the Indian subcontinent) is the most popular rice variety in the Saudi market. The American long-parboiled and medium-grain Calrose rice varieties are well known, but Saudi consumers' preference has shifted to basmati varieties in recent years. While Indian basmati rice is mainly consumed in the eastern, central, and western regions of Saudi Arabia, American rice is popular in the southern region. It is also very popular in restaurants that prepare kabsah dishes.

Most consumers in Saudi Arabia prefer aged basmati rice, and Saudi rice importers store newly harvested basmati rice for several months to improve the cooking quality of the rice and maintain the

quality of their branded rice. According to some importers, newly harvested basmati rice is very soft and sticky if cooked before it is aged, and the aging process improves the quality by maintaining several key attributes (e.g., fluffy, fragrant, and long grain). Each year, major Saudi importers market their aged rice for several months before they offer the new year products. It is not unusual to find basmati rice stored in Saudi houses for aging purposes and as a reserve stock for several years.

Trade

Private companies freely import rice into Saudi Arabia. However, in recent years, GFSA implemented strategies with major rice importers to ensure adequate rice reserves are kept at importer's warehouses. Most major Saudi rice importers purchase the new Indian rice crop by December yearly and complete their imports by June—meanwhile, imports from other countries, such as the United States, last throughout the year.

MY 2024/25 Saudi rice imports (Jan. – Dec. 2025) are projected at 1.5 MMT, a decrease of approximately 16 percent from the record-high imports of 1.78 MMT in MY 2023/24 due to mainly lower prices in that year. Major Saudi rice importers consider the ending stocks adequate and have slowed down their rate of imports thus far this year. They believe 1.5 MMT is sufficient for this year. Total Saudi rice imports in 2025/26 are projected to reach 1.6 MMT, and the imports will continue to grow by more than five percent over the next several years due to expansions in the food service sector.

India continued to dominate the Saudi rice market in MY 2023/24. It exported 1.23 MMT of rice to Saudi Arabia, an increase of 14 percent over the previous MY, accounting for approximately 76 percent of the Kingdom's rice imports. Historically, India has been the largest rice exporter to Saudi Arabia, accounting for more than 75 percent of total imports annually.

Some of the main factors that contributed to India's continued dominance are:

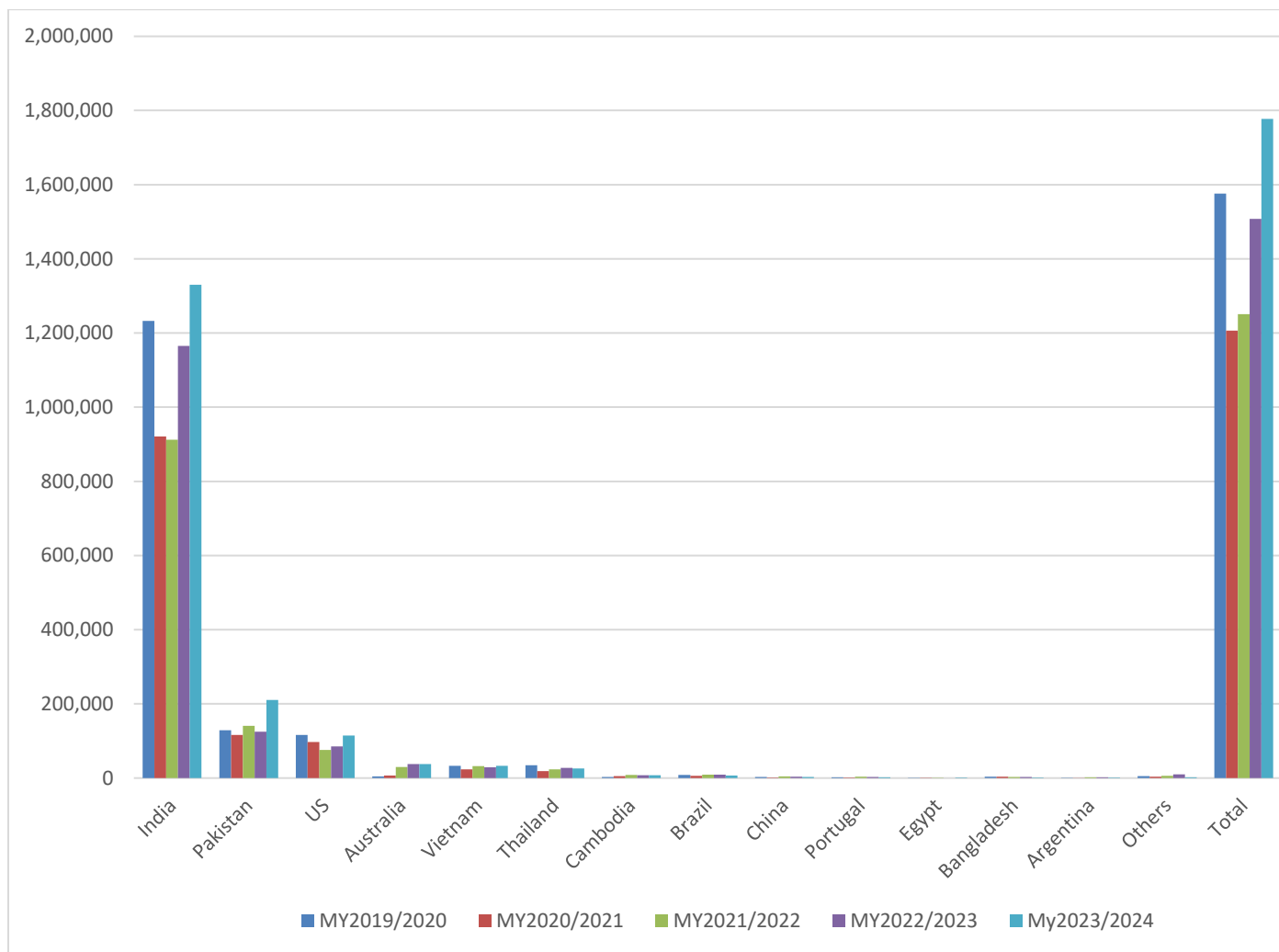
1. The country's capability to offer various varieties (basmati and non-basmati) and different grades of rice that meet consumer's needs.
2. Competitive prices.
3. Saudi importers have extensive knowledge of the Indian rice farming and trade sectors.
4. Most major Saudi rice importers have a strong relationship with Indian farmers and the country's rice processing/packing facilities.

With an estimated 12 percent of the market, Pakistan remained the second largest rice exporter to Saudi Arabia. Rice exports from Pakistan increased by approximately 68 percent from last year. Pakistani basmati rice is known for its superior quality and should remain integral in the Saudi market for years.

The United States was the third largest rice exporter to Saudi Arabia, with approximately six percent market share last year. In MY 2023/24, U.S. rice exports were 114,699 MT, an increase of roughly 34 percent over the previous year. The U.S. rice export is forecast to increase significantly this year due to the continued abundant supply of U.S. Calrose (medium-grain rice) rice variety at a very competitive rate compared to the previous year and the operation of a new parboiled rice processor in Acadia Parish, Louisiana. Although supplies are tight in the United States, there is substantial demand for an estimated 20,000 -30,000 MT of additional U.S. parboiled rice in the Saudi market.

Last year, U.S. long grain parboiled rice exports to Saudi Arabia reached 100,029 MT, an increase of approximately 17 percent over a year earlier. Total imports for the medium grain Calrose rice were 10,721.2 MT, an increase of nearly 100 percent over the previous year. According to trade sources, imports of this variety in the current marketing year are forecast to reach between 15,000 and 20,000 MT.

Graph 6 Saudi Rice Imports for Five Marketing Years in MT



Stocks

There are no government-maintained strategic rice reserves. However, GFSA encourages local rice importers to maintain a strategic stock level of approximately six months. As a result, major rice importers hold several months of strategic stocks in their warehouses. Most major rice importers usually keep a strategic stock of more than six months to ensure that all commitments to customers (e.g., catering companies, the food service industry, and retailers) are met without any interruptions. The aging requirement of long-grain white basmati rice increases the stock level to up to ten months.

Overall, it is the practice of nearly all major Saudi importers to maintain several months of rice reserves, and it is also not unusual for individual households to store several kilograms of basmati rice for aging purposes to increase the quality of the rice. Post anticipates the demand for rice to remain strong for several reasons:

- Rice is a staple food.
- The country does not produce rice.
- The need to maintain high-strategic stock reserves.
- An expected high demand when regular travel resumes to Saudi Arabia.

Competition

Currently, U.S. rice is facing relatively new challenges from Brazil, some East Asian countries (Cambodia and Vietnam), and some EU countries (Portugal, Italy, and Spain). Of particular concern is the labeling of Brazilian rice as American rice. In Saudi Arabia, people associate America with the United States of America and labeling a Brazilian rice variety as "American Rice" has created some confusion among end-users. As a result, significant marketing activities and competitive prices will help the United States maintain and increase its market share in Saudi Arabia. USA Rice is conducting several marketing activities to raise awareness of U.S. rice quality and increase demand.

Many Saudi rice companies importing from India allocate a significant part of their marketing budgets to promote their brand names, mostly on social media and FM radios. Indian and Pakistani rice exporters often participate in domestic food shows in Jeddah and Riyadh, providing buyers with point-of-sale materials. Promotions coupled with product tastings are also occasionally organized in local supermarkets.

Table 9. Rice Production, Supply, and Distribution Table

Rice, Milled Market Year Begins	2023/2024		2024/2025		2025/2026	
	Jan 2024		Jan 2025		Jan 2026	
Saudi Arabia	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	0	0	0	0	0	0
Beginning Stocks (1000 MT)	451	451	626	728	0	668
Milled Production (1000 MT)	0	0	0	0	0	0
Rough Production (1000 MT)	0	0	0	0	0	0
Milling Rate (.9999) (1000 MT)	0	0	0	0	0	0
MY Imports (1000 MT)	1750	1777	1750	1500	0	1600
TY Imports (1000 MT)	1750	1777	1750	1500	0	1600
TY Imp. from U.S. (1000 MT)	115	0	0	0	0	0
Total Supply (1000 MT)	2201	2228	2376	2228	0	2268
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Consumption and Residual (1000 MT)	1575	1500	1675	1560	0	1630
Ending Stocks (1000 MT)	626	728	701	668	0	638
Total Distribution (1000 MT)	2201	2228	2376	2228	0	2268
Yield (Rough) (MT/HA)	0	0	0	0	0	0

(1000 HA) ,(1000 MT) ,(MT/HA)
 MY = Marketing Year begins with the month listed at the top of each column
 TY = Trade Year, which for Rice, Milled begins in January for all countries. TY 2025/2026 = January 2026 -
 December 2026

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

Source: TDM suppliers and Saudi Data (for Australia and Vietnamese data)

Attachments:

No Attachments