

Voluntary Report – Voluntary - Public Distribution

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Report Name: First US refrigerated table egg shipment arrives in El Salvador

Country: El Salvador

Post: San Salvador

Report Category: Export Accomplishments - Market Access, Poultry and Products

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Report Highlights:

In the midst of the COVID-19 pandemic in 2020, FAS El Salvador identified an opportunity to seek market access for U.S. table-eggs. In February 2021, FAS obtained the equivalence needed to allow imports of fresh table-eggs from the United States, and the first shipment arrived in El Salvador on October 20th, 2021.

This success is due to the close coordination between post's marketing and policy/trade facilitation efforts. In 2020, at the height of the first wave of the pandemic, an importer expressed an interest in doing business with an export broker in the United States. The importer identified table eggs, one of the last remaining restricted products under the CAFTA-DR agreement, as a market opportunity.

Efforts to open the market had stalled in the past due to opposition from some private sector players and unwillingness to act on the part of the government. However, the new administration in El Salvador signaled an openness to increased bilateral trade, and the importer's request led to a renewed, and ultimately successful, effort to resolve this longstanding trade barrier.



SOME BACKGROUND

During the CAFTA-DR negotiations, El Salvador did not provide access for poultry, table eggs and egg products originating from the United States. The Agricultural Presidential Commissioner at the time, who owns the largest egg businesses in the Central American region, was central to the exclusions, arguing that U.S. poultry products presented a Salmonella threat, and that eggs were not considered a poultry product under the U.S. Code of Regulations. El Salvador granted the U.S. a poultry TRQ for chicken-leg-quarters under the Central America Poultry Export Quota (CAPEQ) mechanism, however the U.S. industry couldn't access it due to El Salvador's zero-tolerance policy for Salmonella.

After many attempts by USDA/FAS, APHIS and USTR to resolve the poultry access issue, in 2009, El Salvador finally accepted that U.S. products did not present a unique risk for Salmonella and allowed the United States to access the poultry TRQ. In December 2010, FAS and FSIS negotiated access for cooked and pre-cooked poultry products. However, eggs were not included in the access granted.

In 2016, USDA/FAS with the collaboration of FSIS, was able to gain access for processed egg products. Many of these products are now used by fast food franchises in their breakfast menus, including pre-cooked omelets, and sunny-side-up eggs for muffins.

In June 2019, a new Government of El Salvador administration took office. USDA/FAS began a series of meetings with the new Ministry of Agriculture officials, but progress was halted due to the pandemic restrictions. In August 2020 USDA/FAS was able to begin negotiating access for U.S. refrigerated table eggs. In February 2021, after extensive negotiations and close coordination with AMS, El Salvador granted access for U.S. eggs. On October 20th, 2021, the first shipment was delivered to the distributor in El Salvador.



Mr. Omar Platero, the owner of OMARES, the importer company for this first shipment of U.S. table-eggs.

First U.S. Table-Egg Shipment Quick Facts:

- Date of arrival at Distributor's Warehouse: October 20th, 2021
- U.S. Exporter: ISE America Inc.
- Producing plant: DBA Red Bird Egg Farm, LLC.
Address: 33265, Walnut Tree Rd, Millington, MD, 21651
- Volume: 903 boxes with 12 cartons each (30 units per carton), total eggs: 325,080
- Approximate value: \$30,000

The importer is also a retailer, and this is the promotion they launched at their stores, the “Solidary Kit”, which includes 10lbs of U.S. chicken leg-quarter and a carton of 30 eggs. This is an effort to help lower-income families to get their protein at an affordable price, given the current economic crisis caused in part by the COVID-19 pandemic. This promotion was so successful that they sold all of the eggs in three weeks!

According to Mr. Platero, his expansion plans will significantly increase his company’s imports of U.S. meats and eggs. They currently have 12 retails stores at key cities across El Salvador, but plan to increase to 100 nationwide in the medium term.

For 2022 they are forecasting import of between 5 and 7 containers, an estimated sale of over \$200,000.



Attachments:

No Attachments.