

## Summary

The finance plays an active role in developing the agricultural sector. It helps to promote the private sector which represents about 96% out of the agriculture sector. There are some aspects and features for the Egyptian agriculture which lead to the importance of the agricultural credit, and its role to achieve the Efficiency and vitality in the agricultural production field. This study aims at acquiring the role of the bank and its financial institution in financing the agricultural marketing activities in Egyptian agriculture. The study concentrated on the various sources of finance before and after the economic liberalization, and the importance of agricultural credit for the agricultural crops marketing. The study consists of four chapters, in addition to the introduction which includes the problem of study and aims, the methods and resources of data. Chapter one included the literature and previous studies in two sections, the first one included the researches and studies concerning the financial institutions of agriculture sector in Egypt and the second section is interested in finding out the inefficiencies and efficiencies for the role of financial institution in agricultural sector and the inefficiencies in financing the agricultural marketing activities.

While the second chapter reviewed the sources of agricultural credit in Egypt and its efficiency. It included also the sources of financing under the economic liberalization policy. While the third chapter included agricultural credit and its influence on agricultural crops marketing in Egypt. In addition to the importance of loans for the crops marketing and the main hindrances and difficulties of home and foreign loans in Egypt. The fourth chapter included the relative importance of agricultural loans especially in the agricultural marketing activities for cotton, wheat, and

rice. It is noticed that according to tables (1), (2), (3) in the statistical appendix the cultivated area of cotton decreased by 22.3%. According to the productive condition and unsuitable price policies in addition to the imposed farm prices which are lower than the alternative crop prices the regression equations to the three crops showed that, there are significant effect on both exported quantity, exporting price, consumption quantity, average costs of production, and the total loans. Comparing the developing of real and many total loans for cotton crops, it is noticed that the amount was 800956 thousand and rose to i.e. 2490819 thousands after liberalization period which means that it was increased by 303.4% these increases were due to abandoning the supports and subsidies on input and the monopolizing of private sector in marketing the inputs concerning the wheat crop, the total loans offered before the liberalization period were i.e. 200655 thousands increased to total 852768 thousands equal to 923.1 %, were to that the bank was not distribute the inputs and for the increasing of price concerning rice crop, the offered total to i.e. 858328 after liberalization period with increased percent amounted to 523.97 this increase was due to the rice increase of input prices, the increase of marketing costs and the monopolizing of private sector in marketing inputs.

After this review, it is clear that,

- (1) The applied marketing policies throughout the period (1979/1980-1994/1995) involved in its targets employed the agriculture sector to finance the needs of development the offer sectors. it leads to increasing the form of governmental interfering in the marketing system of food, processing and exporting crops. This situation was corrected after adopting the economic liberalization system in Egyptian agriculture without nevertheless, the agricultural marketing liberalization and the increasing of various crop prices in the latest

years attributed with the technological changes in arrived to the huge axecesses in the production of defferent agricultural crops and increasing the agricultural exports.

- (2) It is noticed that diversion and meomerous agancies and supervised on the cooperative marketing system for the traditional crops, is due to increase in the value of marketing cost, the possive effect on farmer income because they refused to prices by the government this situation changed in the last year when the government free the agricultural marketing agency hence, the farmers are dealing with only private sector traders and the big marketing firms.
- (3) It must be offered suitable available loans to the producters and marketing profects besides the service profects to einable farmers who connot afferring credit guarantee to the bank in the short and long run. It is also necessary to expand the insurance programmes on the agricultural crops.
- (4) It must be in creasing the agricultural investments equireent with the agricultural sector role in the development it is also necessary to prepaire feasihility studies to the balanced pricess plans for the main strategy agricultural crop and the virious marketing activities.