Summary

Introduction :

Foreign trade plays an important role in economic development attainment. Egyptian exports in general and agricultural exports in particular raise national income and secure an access to foreign exchange required for financing the developmental activities.

The objective of this study is to identify potentialities of the studied vegetable crops from foreign markets perspective under the context of the world recent economic order. This effort is done with the purpose of maximizing Egyptian share in foreign markets to utilize acquired foreign exchange in bridging trade balance & balance of payments deficit.

The study includes six parts, beside an introduction covering problem and objectives of the study, methodology and sources of data.

The first part handles references review and previous studies related to the theme of this study. The second part tackles the economic significance of the studied vegetable crops in terms of the comparative importance of vegetable area and exports, area and production of the studied crops (potato, tomato, green beans,artichoke and cucumber) and eventually major producing governorates.

The third part discusses the economic importance of the studied vegetable exports indicating the geographical distribution of such exports and major importing markets and countries.

The fourth part covers marketing activities in two chapters. The first chapter exhibits domestic marketing with emphass on quantity, price, marketing efficiency and constraints. The second chapter deals

with foreign marketing throwing some light on institutions involved in marketing and differences in marketing of potato, tomato, green beans, artichoke and cucumber. It also discusses cost of marketing per ton for exports of potato, tomato, green beans, artichoke and cucumber.

The fifth part sheds some light on Egyptian position in terms of foreign competition and principal competitors with respect to potato and tomato through identifying production, export price in and out of Egypt.

The sixth part includes the summary, recommendation, references and conclusion.

The First Part : *References Review :*

This part presents a references review for some studies & economic researches conducted on production, marketing and export of vegetables addressed by this study. Identifying statistical & economical data, recommendations and results have been the main reason behind the efforts exerted in surveying the relevant studies.

The Second Part : *The Economic Importance of Vegetable Crops :*

Due to the comparative advantage that vegetables have, this part covers the following topics :

a- Comparative advantage of vegetables area.

b- Comparative advantage of vegetables exports.

Concerning the point (a), area of vegetables reached 1.14 million feddans representing 60% and 9.8% of horticultural (1984-1993).

Concerning the point (b), value of exported vegetables reached L.E. 204.4 millions representing about 8.8% of total agricultural exports estimated at L.E. 2317.2 millions or 44% of total value of exported horticultural crops which is estimated at L.E. 464 millions (1989-1994).

This part handles also the copmarative importance of vegetables addressed by this Study (Potato, tomato, green beans, artichoke and cucumber) 1985-1994. It also handles cultivated plantings, cash value, major producing governorates and yield/feddan for each of the aforementioned vegetables.

Firstly : *Potato Crop :*

Over the period 1985-1994 potato area averaged 179 thousand feddans and production 1559 thousand tons annually representing 15.5% and 14.6% of total area and production of vegetables. It is worth to mention that potato is positioned in the second place after tomato which is on top in terms of production and area.

Reviewing evolution of potato area over the same period revealed an annual decline of 2.9 thousand tons or 1.6% of annual average of potato area amounting to 179 thousand feddans. Likewise, production declined at an annual average production amounting to 1.6 million tons.

Potato crop is concentrated mainly in four governorates : Behaira, Menufia, Giza and Gharbia respectively. Total area of potato in those governorates constituted 71.6% of total area of potato at national level over 1990-1994.

Secondly : *Tomato Crop* :

Tomato is on top of all vegetables in terms of area and production. Its area reached 373 thousand feddans and production 4365 thousand tons representing 32.2% and 40.8% of total area and production of all vegetables respectively (1985-1994).

Evolution of tomato area over 1985-1994 revealed a decline rated at about 4.2 thousand feddans or 1.1% of annual average area of tomato which amounted to 373 thousand feddans. Similarly, production increased annually by 78.3 thousand tons or 1.8% of annual average tomato production amounting to 4.4 million tons.

Tomato is concentrated mainly in six governorates ranked orderly as follows : Behaira, Sharkia, Giza, Qena, Alexandria and Fayoum. Total area of tomato in those governorates constituted 55.8% of total area of tomato (1990-1994). Behaira is on top of tomato producing governorates 13.5% of total tomato area at national level. It is followed by Sharkia 9.9%, Giza 9.8%, Qena 8.6%, Alexandria 7.3% and Fayoum 6.7% respectively 1990-1994.

Thirdly : *Green beans Crop* :

Green beans area reached 31.8 thousand feddans and production 139 thousand tons representing 2.8% and 1.3% respectively of total area and production of vegetables (1985-1994).

Evolution of green beans area showed that it increased annually by 0.4 thousand feddans or 1.3% of total green beans area which amounted to 31.8 thousand feddans. Meanwhile, production increased annually by 3.55 thousand tons or 2.6% of annual green beans production which amounted to 139 thousand tons.

thousand tons or 3.8% of annual average production of cucumber which amounted to 271.6 thousand tons.

Cucumber is mainly cultivated in Giza, Behaira, Ismalia, Beni Suife, Alexandria and Sharkia which cultivated 65.9% of total cucumber area in Egypt (1990-1994). Giza is positioned on top of producing governorates as it cultivates 20% of Egypt's area of cucumber. It is followed by Behaira 13.7%, Ismailia 13.5%, Beni Suif 9.3%, Alexandria 5.6% and Sharkia 3.8% respectively (1990-1994).

The Third Part :

This part tackles comparative & economic importance of vegetables, major markets and importers and monthly evolution of Egyptian exports. The study stated that vegetable exports constituted 9.5% of total value of agricultural exports which averaged L.E 2201 millions 1989-1994.

Comparative importance of Egyptian vegetable exports value ranged between 5.9% in 1989 and 12.3% in 1994 meaning it has almost doubled.

Firstly : *Egyptian Potato Exports :*

Annual average of exported amount of potato (1989-1994) was 171 thousand tons representing 56.6% of total exports of vegetables. Also, value of exports exceeded L.E. 103 millions representing 50.6% of total vegetable exports value during the same period.

Estimation of potato exported amount trend revealed that it incremented at a rate of 6.9 thousand tons representing 4.5% of average exported amounts of potato totaling 154 thousand tons. It was also found out that value of exported potato has increased annually at a statistical significant rate of L.E. 12.8 millions with a change rate of

17.2% of average value of the referred to period. Average price per ton of exported potato was L.E. 381.4 (1985-1994). Price of exported potato took an upward significant trend at a rate of change estimated at 17.8% of average export price/ton during the period of the study. It was also found that major importing markets of Egyptian potato have been the EEC and Arab States. Their imports of Egyptian potato were 135 thousand tons and 37 thousand tons respectively representing 77.8% and 21.3% of to total exports of potato (1990-1994). The study also indicated that the period from January up to May is the best in terms of exported amounts and from June up to October is the best in terms of export price (1990-1994).

Secondly : *Egyptian Exports of Tomato :*

Average exported amount of tomato 1989-1994 reached 26 thousand tons annually representing 8.5% of total exports of vegetables. Export value exceeded L.E. 21 millions or 10.2% of total value of vegetable exports. Trend relationship of tomato exports in terms of amount revealed that it grew at an incremental rate of 1.8 thousand tons representing 8% of annual amount of exported tomato which is estimated at 22 thousand tons. Average value of annual tomato exports reached L.E. 14.3 millions (1985-1994). It increased at an annual significant rate estimated at L.E. 333 millions with a change rate of 20.7% of the average value of the referred to period. Price per ton of tomato took an upward significant trend estimated at L.E. 86.2/ton with a change rate of 14.9%. Arab market is the biggest importer of Egyptian tomato. It accommodated in average 27.1 thousand tons valued at L.E. 22.6 millions representing 97.7% and 98.1% respectively of amount & value of exported tomato during (1990-1994). Arab market is followed by the EEC which imported 567 thousand tons valued at L.E. 13.3 millions representing 2% and 1.6% respectively of amount and value of Egyptian exports of tomato.

The study found out that the period from September up to January is the best time of export in terms of amount and the period from April up to August is the best for tomato exports in terms of price (1990-1994).

Thirdly : *Egyptian Exports of Green Beans :*

Annual average of green beans exports reached 7 thousand tons representing 2.3% of total exports of vegetables. The annual exports of this crop is valued at L.E. 6.3 millions representing 3.1% of total value of vegetable exports (1985-1994).

Average annual amount of green beans exports reached 8.9 thousand tons (1985-1994). The trend of exported amounts showed a decline estimated at 0.9 thousand tons or 10% of annual exports of green beans. Average value of green beans exports reached L.E. 6.5 millions during the said period. In terms of value, green beans took an upward trend estimated at L.E. 0.9 million at a change rate of 6.5% of average value of exports during the period of the study. Average price per ton for exported green beans reached L.E. 756.2 and it took an upward statistically significant trend rated at L.E. 134.7/ton. EEC market is on top of importing markets in terms of amount and value. It imported 4.4 thousand tons valued at L.E. 5.07 representing 68.8% and 67.13% respectively of amount & value of exported green beans. Arab market came and W. Europe next to EEC in terms of amount and value of green beans exported from Egypt. The two markets (Arab states & W.Europe) imported in average 1.3 thousand tons and 0.6 thousand ton representing 20.3% and 9.7% respectively of Egyptian exported amounts of green beans. It was found out that July to December is the best period for exportation in terms of amount and December to April is the best for getting the highest price.

Fourthly : *Exports of Artichoke :*

Annual average of artichoke exported quantities reached about 2.9 thousand tons representing 1% of total vegetable exports (1989-1994). Value of its exports reached L.E. 4.5 millions or 2.2% of total value of vegetables exports. Average of exported amounts of it reached 2.3 thousand tons (1985-1994). Exports of it took an upward trend rated at 0.3 thousand tons a year representing 0.01% of all artichoke exported during the period of the study. Export price per ton took a statistically significant upward trend rated at L.E. 194.8 /ton with a change rate of 16.9% of average export price/ton during the period of the study. Arab, EEC and West Europe markets are the main importers. These three markets accommodated respectively 1556, 1329 and 266 tons/year representing about 49.5, 41.9 and 8.4% of average exported amounts of artichoke over 1990-1994.

In terms of value, the three markets paid L.E. 2262, 22.9 and 495 thousand representing 45.4%, 44.3% and 9.9% respectively of average value of artichoke exports (1990-1994). The period from December up to May is the best for exportation in terms of quantity and from April to May is the best in terms of value.

Fifthly : *Egyptian Exports of Cucumber :*

Average exported amounts of cucumber reached 400 tons representing 0.13% of total exports of vegetables 1989-1994. The cucumber exports were valued at L.E. 600 thousand representing 0.29% of total vegetables value during the same period. Value of cucumber exports rose from a minimum level of L.E. 180 thousands in 1989 to a maximum level of L.E. 1.072 millions in 1994. Average price per ton of exported cucumber reached L.E. 1514 (1989-1994) indicating that it rose from L.E. 894/ton in 1989 to L.E. 1674/ton in 1994. EEC, West Europe and Arab markets are the principal importers of Egyptian cucumber. March, May, July, August and September are the highest in terms of

quantity and February , June, August, October and December are the best in terms of price.

The Fourth Part :

This part handles domestic and foreign marketing of vegetables:

Firstly : *Domestic Marketing of Vegetables :*

This item deals with major marketing steps including sorting out, grading, packing, transportation, storage ..... ect. . Lack of care during the marketing trip leads to high rate of waste & losses. The study found out that share of potato grower in retail price is averaged at 55.7% during 1989-1994. This means that middlemen took 44.3% of retail price during the same period. The total marketing differences reached about L.E. 0.31 per kg. broken down to L.E. 0.18/kg. to wholesaler and L.E. 0.13/kg. to retailer over the period 1989-1994. It was also found out that marketing efficiency of potato has reached 43.9% in average for the same period.

Tomato grower's share in retail price reached 53.1% over the period 1989-1994. Total marketing differences reached L.E. 0.34/kg. broken down as L.E. 0.16/kg. for the wholesaler and L.E. 0.18/kg. for the retailer (1989-1994). Marketing efficiency of tomato reached 28.1% in average during the same period.

Green beans grower's share in retail price reached in average about 57.8% 1989-1994. Total marketing differences per kg. reached L.E. 0.27 broken down as L.E. 0.16/kg. for the wholesaler and L.E. 0.11/kg. for the retailer. The marketing efficiency of this vegetable crop reached 32% as an average for the same period.

- Cost of packing came on top of cost items representing 28.6%, 65.8%, 60.6%, 62.4% and 61% respectively of total cost of marketing.

The study throws intensive light on major export constraints and problems and recommendation to overcome such problems.

The Fifth Part :

This part deals with the position of Egypt among the other competition in the world markets of potato & tomato. It was found out that major competitors to Egypt's potato export have been Holland, Spain, Turkey, Cyprus and Morocco. But major competitors to Egypt's tomato export have been Holland, Spain, Turkey, Morocco and Jordan.