

## **A MARKET ANALYSIS STUDY ON THE IMPACT OF THE QIZ ON THE PROCESSED FRUIT AND VEGETABLE SECTOR**

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### **ABSTRACT**

As it stands, the QIZ Protocol is neither a strategy for export-led growth nor an economic "road map to peace" in the region. It is primarily an initiative supported by textile manufacturing interests in Israel, Jordan, and Egypt. The provisions of the QIZ allow uncompetitive labor-intensive industries to remain afloat in spite of dramatic changes in the global economy. The QIZ does not promote much-needed reform and restructuring in Egypt's processed fruits and vegetables sub-sector or the economy at large. Although the agreement does provide a fresh stimulus for exports and an injection of capital investment, it will not create enough jobs to revitalize Egypt's economy. The type of jobs that are created will be labor-intensive and low-skilled in areas that are not internationally competitive without a political agreement.

In general, QIZs aim at developing the social and economic life in Egypt where they have affected the economy at the macro level by increasing job opportunities to many unskilled laborers as well as increasing foreign currency earnings due to the increase in exports.

### **INTRODUCTION**

This study provides an overview of the Qualified Industrial Zones (QIZ) Protocol and current issues in the U.S. - Egypt trade relations with the aim to elaborate a detailed up-to-date analysis of the situation of the QIZ for the processed fruit and vegetable industry with the aim to find out the strengthening and opportunities for Egyptian products within this sector.

The United States has been Egypt's leading foreign trade and investment partner since the time of Egypt's Open Door Policy and the Camp David Accord in the late 1970s. Despite short-term fluctuations, bilateral relations have been marked by an upward trend in trade and investment and supportive partnerships and agreements.

#### **Objective of the study**

Elaborate a detailed up-to-date study / analysis of the situation of the QIZ for the processed fruit and vegetable industry with the aim to find out the strengthening and opportunities for Egyptian products within this sector and to prepare conclusion / recommendation to be successful in the U.S. market incl. where the challenges for this sector are. The conclusion / recommendation will be addressed to several Egyptian authorities (e.g. QIZ unit by the Ministry of Trade and Industries, Export Food Council ... etc.).

### **MATERIALS AND METHODS**

The study relied on questionnaire based-interviews with heads of processed fruits and vegetables firms (25 of the most important companies in the processed fruits and vegetables sub-sector) as a method to assess their needs, explore their problems and identify their challenges regard to the QIZ Agreement. The study considered 4 main sub-sectors in the processed fruits

and vegetables sub-sector which are: frozen fruits and vegetables, Pickles, Herbs and Spices, and Canned fruits and vegetables) The study relied as well on focus meetings with processed fruits and vegetables experts such, Chamber of Food Industry (CFI) with the collaboration of the German Technical Cooperation (GTZ), International trade Component.

The study applied as well a descriptive analysis on secondary trade data in order to investigate the export performance of the processed fruits and vegetables sub-sector

#### **I. Qualified Industrial Zones (QIZ)**

##### **I.1 Background and Egyptian - U.S. trade relations**

Before September 1994, the two major bilateral trade agreements between Egypt

And the United States were

- The Bilateral Investment Treaty signed in September 1982
- A Market Access Agreement for Textiles & Clothing signed in 1973.

In September 1994, the U.S.-Egyptian Partnership for Economic Growth & Development has been signed and was an important milestone in the two countries' trade relationship.

In July 1999, Egypt and the United States of America have signed the Trade & Investment Framework Agreement (TIFA) as a preliminary step towards a Free Trade Agreement (FTA) between these two countries.

An FTA between the United States and Egypt would bring additional benefits to both countries.

In general, a FTA would not only reduce tariffs for Egypt but also be the right signal sending out to the international community about the soundness of Egyptian economic policies and therefore, perhaps the greatest benefit for Egypt. It is to be expected that Egypt could increase its exports to the United States by about 50% under an FTA, mostly from these sectors that currently export to the US while US exports to Egypt could go up 40%.

From the point of view of the United States, a FTA with Egypt would have minimal economic importance because Egypt is a small trading partner. However, an FTA could be important in promoting the broader trade goals of the United States. As for a wider Middle East Free Trade Area (MEFTA), Egypt is skeptical about the apparent American notion that such an agreement could reduce terrorism. However, Egypt would not object to a MEFTA as it is to be expected to bring benefits to the region.

##### **I.2. Qualified Industrial Zones Protocol**

Proceeding in that same direction, the Bush Administration announced the formation of Qualified Industrial Zones (QIZs) in Egypt on December 10, 2004 between Egypt, Israel, and the United States, under which companies manufacturing in Egypt will be able to export to the U.S. market under the same terms governing trade as under the U.S.-Israel Free Trade Area Agreement providing that certain requirements for Egyptian and Israeli content are met.

Qualifying Industrial Zones (QIZs) a concept proposed by the United States was first introduced in 1996 when the U.S. Congress aiming at reinforcing peace in the Middle East issued decree 6955 which authorized duty-free entry for industrial products manufactured including manufactured

food products into the U.S. The principles behind the QIZ legislation enacted in are the following:

- To foster the development of deeper relationships in the region through economic cooperation;
- To demonstrate to the region the benefits of economic integration, through job creation and greater trade flows; and to increase trade volume between the region and the United States.

Under U.S. law, Egypt and Israel can establish Qualified Industrial Zones or "QIZs" and export products manufactured in these QIZs to the United States duty-free. In order for a QIZ article to gain duty-free entry, QIZ factories must add at least 35% to the value of the article. This 35% minimum content figure can include costs incurred in Israel, Egypt, or the United States. By protocol between Egypt and Israel, Egypt and Israel must each contribute at least one-third (10.5%) of the 35% minimum content requirement.

Under the Egyptian QIZ program, goods manufactured (including fruits and vegetables processing) in designated industrial areas in Egypt (figure 1) utilizing Israeli inputs will receive duty-free treatment when imported into the United States.

While this protocol is a non-reciprocal arrangement between Egypt and the United States, it is expected to be a step towards a Free Trade Agreement (FTA) between the two countries. Under the Egyptian QIZ program, which is a by-product of the US-Israel Free Trade Agreement (USIFTA), goods manufactured in designated industrial areas in Egypt utilizing Israeli inputs will receive duty-free treatment when imported into the United States. QIZs must encompass portions of Egypt and Israel, though the areas do not have to be contiguous.

Also The QIZ agreement provides a new channel for Egyptian exports targeted toward the U.S. market. Although Egypt had to be prodded into reviving its trade ties with Israel by a combination of domestic interest-group pressure, global economic threats, and market access incentives, the Egyptian government quickly came to see the agreement as a political and economic "stepping stone" to a bilateral preferential trade agreement (PTA) with the United States. Strengthening social and political relations with Israel was never an important objective.

**The QIZ general conditions are:**

- ✓ Assures Duty and Tariff free access to the US market.
- ✓ No Quotas on export to U.S. market for products manufactured in the QIZ.
- ✓ Total Income and Social Tax exemption.
- ✓ Imported materials are not subject to Custom Duties.
- ✓ No restriction on Project ownership.
- ✓ No restriction on Foreign Currency transactions.
- ✓ No time limits or renewal requirements for QIZ's.
- ✓ Full repatriation of capital and profits and salaries.

Other important factors of the QIZ for Egypt are:

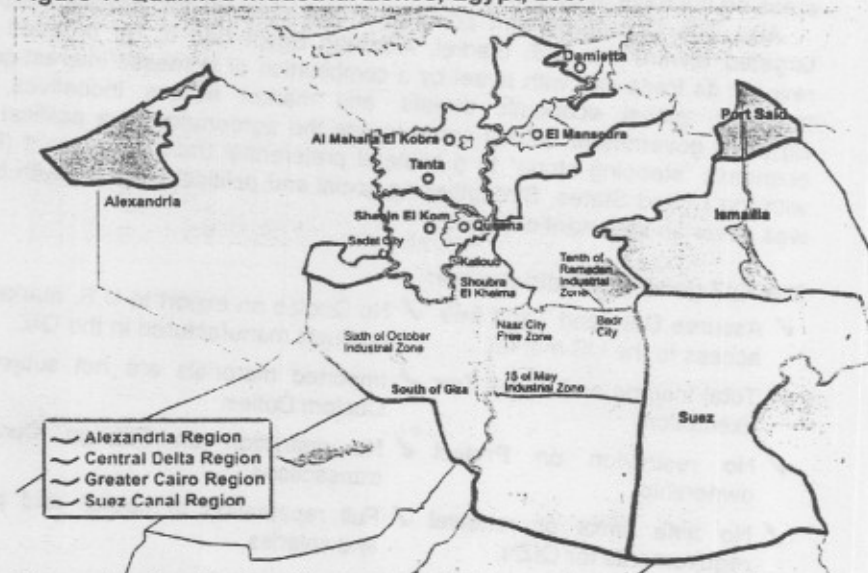
- 1-All products benefits from the free access: The tariff exemption applies to all products include the processed fruits and vegetables, whether produced by the public or private sector, by small, medium or large enterprises.
- 2-Flexible application of the requirements: The protocol has established flexible rules such that the Israeli content is not revised for every single shipment of exports to the USA, provided that this factory's cumulative exports every quarter satisfy the agreed upon ratio.
- 3-No quotas on exported products: The free access of the products is not limited by any quotas on quantities nor seasons.
- 4- Open ended validity of the protocol: As can be seen from reading the actual protocol, it is not timed and has no preset end date.

Four industrial zones have been identified as satisfying all three criteria:

- Greater Cairo: Giza, Shubra Al Kheima, Nasr City, 10th Ramadan City , 15th May City , Badr City ,6th October City , Obour City , Kalyoub City and The industrial Area in Gesr El Suez.
- Alexandria.
- Suez Canal Area includes: Port Said , Ismailia , Suez.
- Middle Delta includes governorates : Gharbia , Dakahlya , Monofia , Dommiata .

As QIZ-related activities increase and new geographical areas grow more dedicated to and competitive at exporting to the U.S. market, more QIZ zones may be added to the already-existing four QIZ zones upon the approval of the government of the United States.

Figure 1: Qualified Industrial Zones, Egypt, 2007



Source: American chamber of commerce in Egypt

### II.3. The QIZ in the view of the Egyptian business community

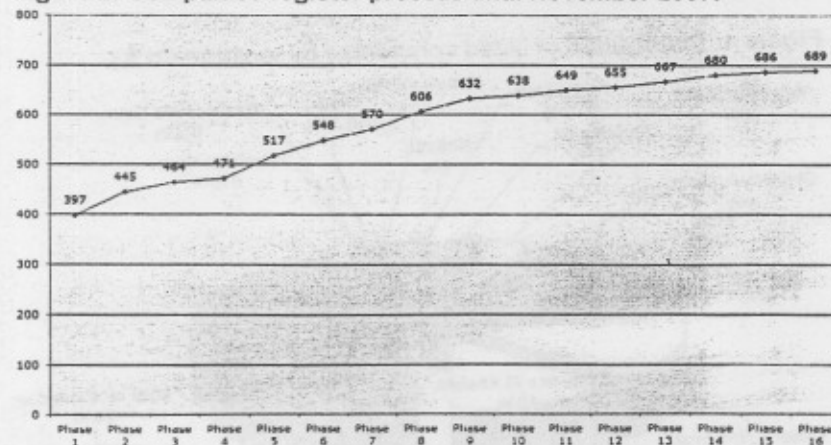
From the point of view of the Egyptian companies dealing with this agreement, a QIZ with the U.S. has maximum economic importance because it will encourage an increased volume of trade between partners; it is also "trade diverting" as trade with third parties is sacrificed to take advantage of zero-tariff rates within the framework of the agreement. For example, an American manufacturer may feel compelled to purchase expensive inputs from an Egyptian firm rather than cheaper inputs from a Turkish firm in order to take advantage of the duty-free provisions of the QIZ. While the customer benefits from lower priced goods, a QIZ may encourage inefficiency and delay the discovery of a natural comparative advantage. It is for this reason that QIZ is best viewed through a political rather than an economic lens.

Another important point from the point of view of the Egyptian business men is that all Egyptian products on entering the US market go through very high tariffs, which are nevertheless decreasing, but they remain a huge obstacle towards entering Egyptian products, making them unable to stand competition in the US market. However, the US has free trade areas with many countries (North American Free Trade Agreement (NAFTA), - U.S. Israel Free Trade Area Agreement, Asia-Pacific Economic Cooperation (APEC), and Free Trade Area of the Americas (FTAA)), making the entrance of Egyptian agricultural produce especially processed enter free of tariffs. The only hope for Egyptian products is the latest the QIZ agreement, because of the duty free access to the US Market: This preferential treatment entails free access to all Egyptian products manufactured in QIZ to the US market without tariff or non-tariff barriers, as long as these products comply with rules of origin requirements.

### II.4. Present situation and recent development

As of November 2007, a total of 689 companies have been approved under the QIZ Protocol (figure 2).

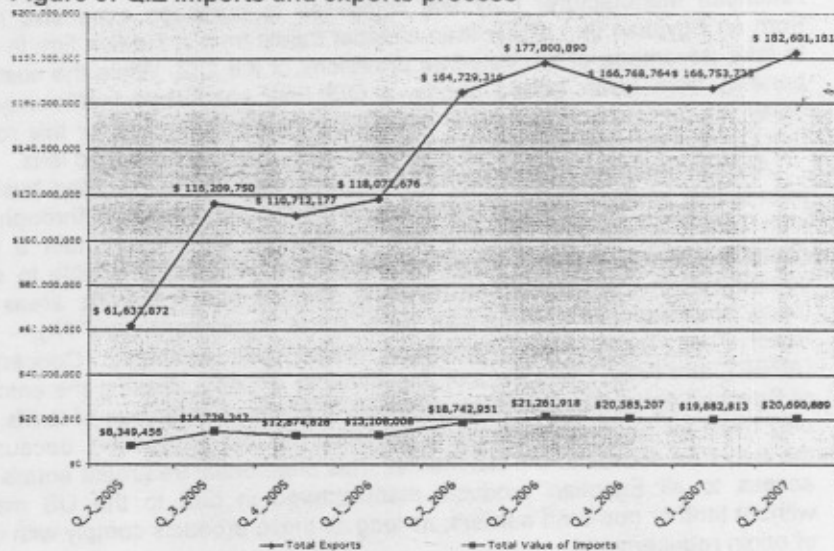
Figure 2: Companies register process until November 2007.



Source: Ministry of Trade and Industry, QIZ Unit, 2007.

These companies established under QIZ had exports valued at \$182.6 million during Q2 of 2007 (figure 3). Of these 689 companies, 278 companies have exported before QIZ agreement to the U.S market (40%) and 411 companies have not exported before to the U.S market (60%).

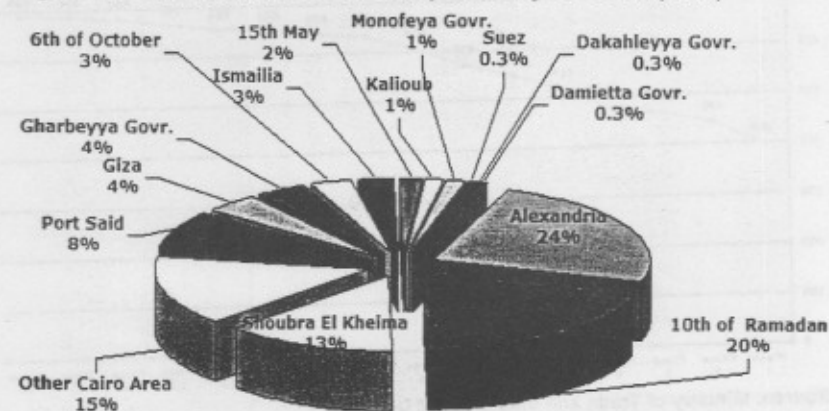
Figure 3: QIZ imports and exports process



Source: Ministry of Trade and Industry, QIZ Unit, 2007.

Alexandria is among the top zones attracting QIZ projects. It currently holds 167 projects followed by 10<sup>th</sup> of Ramadan which holds 138 projects (figure 4, table 1).

Figure 4: Distribution of listed companies by location (in %)



Source: Ministry of Trade and Industry, QIZ Unit, 2007.

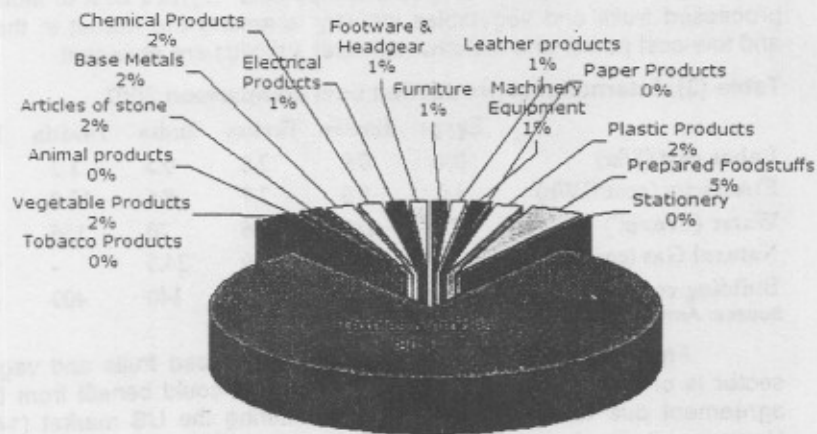
**Table 1: Distribution of listed companies by location**

<b>Location</b>	<b>Freq.</b>
<b>Alexandria</b>	<b>167</b>
<b>10th of Ramadan</b>	<b>138</b>
<b>Shoubra El Kheima</b>	<b>90</b>
<b>Other Cairo Area</b>	<b>103</b>
<b>Port Said</b>	<b>55</b>
<b>Giza</b>	<b>29</b>
<b>Gharbeyya Govr.</b>	<b>27</b>
<b>6th of October</b>	<b>20</b>
<b>Ismailia</b>	<b>20</b>
<b>15th May</b>	<b>11</b>
<b>Kalioub</b>	<b>10</b>
<b>Monofeya Govr.</b>	<b>9</b>
<b>Suez</b>	<b>4</b>
<b>Dakahleyya Govr.</b>	<b>4</b>
<b>Damietta Govr.</b>	<b>2</b>
<b>Total</b>	<b>689</b>

Source: Ministry of Trade and Industry, QIZ Unit, 2007.

In relation to the distribution of listed companies by sector, the leading beneficiary of QIZ implementation has been Egypt's Textile and Clothing industry. TC manufacturers account for 80% of Egyptian companies participating in the QIZ protocol (figure 5).

**Figure 5: Distribution of listed companies by sector.**



Source: Ministry of Trade and Industry, QIZ Unit, 2007.



Trade between Israel and Egypt in this sector has grown 144% between 2004 and 2007, from \$58 million to \$142 million. Imports from Israel include fabrics, chemicals and accessories.

Investment in a QIZ is particularly attractive to industries subject to high tariffs in the U.S. market. In addition to textiles and clothing, these include, (table 2). On 9/10/2007, and following negotiations between Mr. Elisha Elishi, Israeli Minister of Trade, Industry and Labor, and Mr. Rashid Mohamed Rashid, Egyptian Minister of Trade & Commerce, the protocol of qualified industrial zones has been altered, thereby reducing the Israeli components in QIZ products from 11.7% to 10.5%. Rashid says this is a very important step since it is a step towards the Israeli reduction of components which is to the advantage of the Egyptian product especially in the sector of processed fruits and vegetables where the percentage of Israeli components poses a huge problem. However, this sector still needs a reduction of Israeli components to a maximum of 6%.

**Table 2: Potential gains in other sectors**

Description	U.S. Duties*
Dairy products	10-77.7%
Processed fruits and Vegetables	14-29.8%
Beverages, Spirits, and Tobacco	14.67-50%

\* Includes ad valorem and specific rates

Source: American Chamber of Commerce in Egypt, 2007

### III. The Processed Fruits and Vegetables Sub-sector and the QIZ

The importance of the U.S market for Egyptian business men in the processed fruits and vegetables sub-sector is that it is growing, and the agreement would help and will contribute significantly to Egypt's ongoing efforts to enhance export, investment, secure widespread employment and achieve the required growth rates. Furthermore, Egypt offers very competitive operating costs compared to global competitors. Egypt's cost of labor in the processed fruits and vegetables industry is among the lowest in the world, and low-cost power and water/wastewater supplies are abundant.

**Table (3): International production cost comparison 2007**

	Egypt	Jordan	Turkey	India	Tunisia	Italy
Labor cost (\$/hr)	0.4	0.9	2.8	0.5	1.2	15
Electricity (cent/KWh)	3.0	5.0	7.7	8.6	10.0	9.0
Water (Cent/m <sup>3</sup> )	21	180	46	70	156	28
Natural Gas (cent/m <sup>3</sup> )	2.5	-	26.0	24.5	-	21.0
Building costs (\$/m <sup>2</sup> )	120	200	180	140	400	480

Source: American Chamber of Commerce in Egypt, 2007.

From table 2 it is obvious that the processed fruits and vegetables sector is one of the most important sectors that could benefit from the QIZ agreement due to the rise in tariffs for entering the US market (14-29%). However, it is obvious through Figure 12 that the processed fruit and vegetable companies registered in QIZ do not exceed 2%, exactly 16 factories.



Using the data available from the Chamber of Food Industries, and after statistical analysis, it could be stated that there are 246 companies in the processed fruits and vegetables sub-sectors, between herbs and spices, frozen, canned, pickles, juices, etc. Of these companies, there are 127 companies that are located in qualified industrial zones. They are distributed as follows: in Alex there are 28 companies, 27 in West Delta, 8 in Suez Canal, 64 in Greater Cairo. However, of these 127 companies, only 16 have the QIZ certificate, and therefore geographical distribution is not the main reason for processed fruits and vegetables companies' reluctance to obtain the QIZ certificate.

Through the latest news in Egyptian newspapers lately, it can be inferred that Egyptian businessmen and investors, and within the state's plan for developing the south of Egypt, have plans to build projects in south Wadi governorates. The Egyptian government has approved the starting of 17 new company projects in Upper Egypt, and there are 9 more companies on the way. However, the data shows that the processed fruits and vegetables sub-sector will not benefit from this expansion since all governorates in Upper Egypt have 18 companies, distributed between 6 in Assiut, 2 in Minia, 3 in Beni Suef, 4 in Fayoum, 2 in Sohag, and 1 in Aswan. Therefore, this sector will not benefit much from the joining of Upper Egypt districts to qualified industrial zones.

Through the meeting with Mr. Saied Sakr, Executive Manager of Egyptian Herbs and Spices Exporting Developing Association (ESHEDA), he stated that the herbs and spices sector will not at all be affected by the QIZ agreements since the US has in fact laid zero tariffs on herbs and spices products exported from Egypt, and where Egypt already has comparative advantage, such as fennel, coriander, marjoram, jasmine, etc. However, the products that are still not being exported to the US still have tariffs that reach up to 29%.

As for the other four sub-sectors under study, and based on interviews with Mr. Hussein Al-Herrawy, Chairman of Froca company, Mr. Mohsen Abo-El Dahab of Cold Alex Co., the problems existing in the sector could be classified into two categories: problems related to the US market in general, and problems related to the application of the QIZ agreement on these sub-sectors.

### **III.1. General Problems of the PF&V sector in conjunction to the US market:**

- 1-The US market is a very difficult and large market (a market in every state and every part of the state, each with a different taste, and a variety of ethnic trends, etc). This is why there is difficulty in dealing with the US market.
- 2- Much of the offers from the US market require samples and are from non-serious parties, in addition to that the cost of sending samples over there is very high, which causes many problems.
- 3- Other difficulty of sending samples to the US market, especially in a sector like frozen, where the temperature must be -18 degrees, and any rise in

temperature means a bad sample. This makes sending samples very costly especially since there is only one company doing this sample transportation (ARAMEX). This poses a very important problem for companies. Another problem with sending samples is that dry ice is being used in transportation, and this dry ice expires in 48 hours, which means that any extra hour leads to a rise in temperature of the product, which negatively affects its shape, taste and quality in general. The only solution towards solving this problem is through trade fairs and exhibits, which is also very costly.

- 4- Same thing of low quality applies if samples will be sent by airfreight, even when the box is kept in cold stores, temperature will go higher due to the transit time, and the sample is subject to rejection by the FDA.

### **III.2. Problem of the PF&V sector related to the application of QIZ Protocol**

#### **III.2.1 Israel input quota and costs**

The textile and clothing sector where there are many inputs (buttons, thread, carton, etc.), which means it is very easy to reach the 10.5% of the inputs from Israel. This is not available in the processed fruits and vegetables sector, especially frozen, olive oil, herbs and spices, since most of the inputs are raw materials (the agricultural product) where extra inputs do not exceed cartons and nylon (packaging materials), which do not exceed 4-5%, which is a huge discrepancy from the 10.5%.

For example, (diagram 1) the average price of a ton of frozen artichokes is from LE 10,000 to 11,000 and a carton costs LE 4, for every 10 kilograms, which means carton costing LE 400 is needed for each ton. Nylon bags cost around LE 100 per ton, which means we buy from Israel at a total of LE 500 for every ton, and export the ton to the US at a value of LE 10,000, so the Israeli component does not exceed at all 4-5%.

The Israeli inputs are much more expensive than the Egyptian inputs (about 20-30%), and when Israelis know that these materials will be used for QIZ, they increase their prices even more, with the overheads added, this raises the cost greatly. And since most of these companies in the sector of processed fruits and vegetables has the European market as its target market, these inputs cannot be used for the products going to Europe since they are very expensive and raise the cost, and lessens competitiveness.

#### **III.2.2. Relation between component from Israel and its validity**

Every quarter, QIZ companies have to submit the papers proving the value of their imports from Israel, and the value of their exports to the US. What they buy from Israel in a quarter should be exactly what they export. If they have any leftovers, they have only one chance to export in the following quarter. This generated business among the companies, and allowed companies to give the Israeli invoices of their leftovers to another company, regardless of the kind of the raw material of this invoice.

This is a good solution for those who need a small amount of money to complete the value of their imports from Israel (10.5% of the total invoice) to export to the US, but the problem was that these companies sell the invoices of their leftovers for a certain amount of money, in general asking for 1

Egyptian pound for every 1 US\$ invoice. This means that the companies which buy the invoice have to pay about 20% of the value of each invoice without getting any raw materials, meaning pure expenses with no added value.

Providing that the Israeli component should be 10.5% of the value, this means that the extra cost will be about 2.5-3%, an amount that could increase or decrease according to the demand and supply rule. Also the risk involved is that the company who wants to buy an invoice from others might not find leftovers when they need to export.

Another problem related to the previous problem is that if you export by 10,000 dollars to the US, you have to present an invoice at 1050 dollars from Israel, each quarter separately (diagram 2). Therefore, you could buy an invoice at 1050 dollars and not use it, and you lose its validity after two quarters, after which you have to present another invoice as explained before. This raises the cost greatly, especially in some sectors of the processed fruits and vegetables where its entrance to the US market with 14% tariffs. Therefore the difference between using the QIZ in exporting and not using it is very small and not very profitable.

### **III.2.3. Relation between component costs from Israel and export to the US market**

Previous problems lead to raise the total cost up to 8-9%. Some processed fruits and vegetables sub-sectors enter the US market at tariffs 14% only, so the difference between 14 and 9% is very low, considered the high degree of risk.

The calculations show that buying the cheapest Israeli components, companies cost will increase by about 8.5-9%, so in case of their products are exempted from duties due to QIZ Protocol, they will save the difference between 14% normal duties for the most important products on the sub-sectors and 9% increase in cost which equal about 5% saved (diagram 3). If the 14% duties are on C&F value, companies shall save the full 14% on the Ocean Freight, and if the Ocean freight portion is around 30% of the C&F value, so companies shall save about 14% of the 30% which equal 4.2% so the total saved will be 5% on FOB value + 4.2 on ocean freight = around 9.2% which is a good number for saving.

However, unfortunately the numbers are not calculated for C&F values but for FOB values in the U.S, which means the total savings will be 4-5%, a small number especially given the risk resulting from that the US market is very far, the high cost of ocean freight, and other exporting problems that make the whole business unbeneficial.

All these are problems for exporting companies awaiting solutions.

### **Recommendations**

The main observation taken into account at the end of this report is that the processed fruits and vegetables sub-sector is one that has a special nature. If it is to achieve the same success achieved by the textile and apparel sub-sector in the QIZ agreement, there must be efforts and negotiations on some major issues, including:

- 1- The Israeli component must not exceed 4-5% since processed fruits and vegetables do not have many inputs that need to be imported from Israel. Also, the high percentage of Israeli components in the Egyptian QIZ (10.5%) than their equivalent in Jordan (8%) cannot be explained except that this agreement was refused by Egypt earlier so Israel wanted to punish Egypt especially that the percentage offered in the first refused project was 8%. There are no other political or economical reasons that affect this percentage.
- 2- Another major point in need of negotiation is the validity of the Israeli invoice since each two quarters the Egyptian exporter needs to present an invoice of 10.5% of its exports must be Israeli components. After the two quarters, the invoice expires. After interviews with several businessmen in the sub-sector it was found that making the validity of the invoice period each four quarters instead of two would be very beneficial for the sector.
- 3- As mentioned in the problems of the sub-sector, Israeli suppliers raise the costs of inputs for the QIZ by 20-30% for the Egyptian exporters. This is a major problem since it raises the cost on the Egyptian exporter who finds that if he exports out of the QIZ it will differ by 2-3%. A possible solution would be that Israeli suppliers not know that this product is for QIZ, but this is a difficult solution since the Israeli suppliers must fill forms related to QIZ. To solve this problem, the Israeli Ministry of Trade & Commerce must intervene and exercise control over the issue.
- 4- The study found that negotiations with the Israeli and US sides to add new qualified industrial zones are currently not important since this is not the main problem. There are over 127 companies in the referenced sector in the current qualified industrial zones with only 16 participating in QIZ. However, negotiations to add four zones in Upper Egypt will lead to the entrance of 11 new companies in the processed fruits and vegetables sub-sector, if done successfully. Other locations that could be negotiated are Sharkia where there are 20 companies, although the author of this report tends to think that location is not at all the problem.
- 5- Since the Israeli inputs are very expensive as previously mentioned, the raw materials entering must be cheap to minimize cost and ensure profit, which affects the quality and reputation of the product. Also obtaining second hand raw materials at large quantities is very difficult
- 6- To reduce expenses of imports, full container loads are best. This is too much risk for processors as this quantity could remain in stock more than 2 quarters.
- 7- To get best prices from Israeli products, the solution is buying a raw material with least added value can be close to the Egyptian prices. Example, buying Israeli LDPE granules to be manufactured to PE bags in Egypt. But this is not easy to be done due to
  - 1- Risks of the Temporary admission technique.
  - 2- Feasibility of manufacturing small quantities in Egyptian factories.

Generally, it is excellent that Egypt searches for foreign markets and takes parts in protocols and agreements, however before all that a main question remains: With its current state, can the Egyptian agricultural product, either fresh or processed, compete within these new potential markets,

especially that the US market that Egypt is trying to reach through this QIZ protocol, is a very difficult market that lays many technical and health restrictions as revealed by the previous study prepared by the author in collaboration with the GTZ on the US market.

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### دراسة تحليلية لآثار اتفاقية الكويز على قطاع الفاكهة والخضار المصنعة خالد احمد عبده و وليد يحيى سلام قسم الاقتصاد الزراعي-كلية الزراعة- جامعة القاهرة

يتمثل الهدف الاساسى لتوقيع مصر الاتفاقية فى تمهيد الطريق لتفعيل اتفاقية تجارة حرة مع الولايات المتحدة الامريكية و الحفاظ على فرص العمل فى مجال صناعة المنسوجات التى تستوعب نحو ١٥٠٠٠٠ فرصة عمل اضافة الى فتح المجال للصناعات الغذائية وادماجها فى منظومة التجارة العالمية حيث تم تسجيل نحو ٤٧٠٠ منشأة يعمل بها نحو ٧٥٠٠٠٠ فرصة عمل . ويرى اصحاب الصناعات الغذائية فى مصر ان فى الاتفاقية فرصة رائعة لدخول المنتجات المصرية الى الاسواق الامريكية دون ان تتعرض للضرائب العالية التى تمنعها من الدخول فى اغلب الاحيان .

وتحتل الشركات العاملة فى مجال التصنيع الغذائى نحو ٢% من اجمالى عدد الشركات المصرية المسجلة فى الاتفاقية ، و اوضحت النتائج التى توصلت اليها الدراسة ان تلك الصناعات تمتلك مزايا تنافسية عالية خاصة فى جانب تكاليف الانتاج نظرا لانخفاض اجور العمالة وكذلك تكلفة الطاقة و المياه و تكلفة معالجة المخلفات مقارنة بعدد من دول العالم الا ان اتساع السوق الامريكى و اختلاف متطلباته ، كذلك صعوبة ارسال العينات التى تحتاج الى اشتراطات خاصة فى النقل و التخزين و التدلول مع عدم ضمان التأكد من جودة الطرف المستورد ، و ارتفاع تكلفة النقل لبعيد المسافة تعد جميعها من المشاكل التى تعيق اتسياب الصادرات المصرية من المصنعات الغذائية الى الاسواق الامريكية .