

Egyptian Industrial Exports is a Pivotal Issue

Much has been said about the relative importance of the flow of Egyptian industrial exports to the world markets.

There has also been a lot of conjecture about comparing such kind of exports with other non-industrial exports, which have always been more in volume and value than industrial exports.

There is no doubt that other exports, whether strategic such as petroleum and gas or agricultural, are influenced by world stock market prices.

There are no obstacles to their flow to world markets, thanks to their strategic importance. Besides, the transactions of petroleum or gas exports are undertaken by countries, but in case of agricultural products they are carried out by exporters, wholesalers or distributors. Such exports are consumed quickly in short-term business cycles because, unlike industrial exports, they are consumables that do not require a long series of measures, preparation, proving credibility, or formulating an after-sales service mechanism to guarantee the completion of their marketing cycle.

From our point of view, the afore-mentioned introduction is important, so that the issue of industrial exports will not be confused with other exports of various consumer's goods. This will be followed by the following important questions:

Are good quality and competitive price enough for the success of industrial exports? What are the burdens of permanent financing of products abroad? What is the cost of establishing mechanisms of distribution, means of payment, after-sales service and its geographical dimensions, dealing with customers'

complaints, having the potential to satisfy the expected needs of the foreign consumer in the future?

Who is supposed to finance the above-mentioned burdens, including working capital and Egyptian industrial institution at the present time? Are there banking financing instruments that can be allocated for this purpose to boost Egyptian exports to increasingly reach world export markets?

On the other hand, it is obvious that the government has started an overall plan for tax, legislation and economic reforms, as well as the structural reform of State cadres, together with providing a suitable atmosphere for industrial development and investment. This plan is supposed to improve the performance of economy in general and make industrial export indices grow higher.

It is worth mentioning that the experiment introduced by the Ministry of Foreign Trade at the time came into force. It formulated a mechanism to support the exporting capabilities of some promising industries.

It was a pioneering experience, as it set out a support theory. The simplicity and easy application of this mechanism made it more successful and innovative.

It has not adopted complex calculations based on the cost, the value added, the percentage of the Egyptian component and production lines to direct workforce. Besides, it takes into account other calculations that may be useful, but the burdens and difficulties resulting from this mechanism are more serious than it.

The experiment has, in fact, been activated by Dr. Ahmed Nazif government. The export incentives and programs proposed by the board of directors of the Export Development Fund headed by Trade and Industry Minister Eng.

Rashid Mohamed Rashid to a number of unconventional industrial sectors were tantamount to a starting point to boost exports of a number of such industries. Thus, they would be qualified and competitive with other foreign counterparts.

Besides, in its support of the issue of exports, the government makes use of a lot of mechanisms, especially opening the door for investment in all fields of production, bringing developed and modern technologies, and offering necessary protection.

Expansion and diversification of exports have been controlled by certain standards to achieve quality with a reasonable cost, through the following:

Depending on suitable technologies, trained labor, efficient management, decreasing waste, using effective methods and standards to gauge quality during different stages of production, and ensuring final product quality.

The best way to promote a product is undoubtedly to say that it has been manufactured according to high standards, such as the German DIN, the British BS or the European EN. In other words, developing an Egyptian system of standards to a world level brand provides Egyptian products confirmed export opportunities.

The key to world export markets is to make the ESS (Egyptian standard specifications) a mark of confidence and quality in the world.

This issue remains as one of the greatest and permanent challenges on the way of industrial development in any part of the world.

The pivotal issue for manufacturers is to accept and make ready for future challenges. This can be achieved by renewable quality standards, searching for competitive points, and being ready for other requirements of the future that need a vision, technical progress and ability to make victory in the international competition, starting from the local market.

Finally, we have always believed over history that Egypt could only be built by the Egyptians, even if others participate in this process.