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Strategic Proceedings towards Small and Medium Industries

A speech By

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Small and Medium size industries are the basis on which the pyramidal hierarchy of the Industry relies, in whichever period or place. They are also important for the uplifting of small industries considered as the nutrients of support for the larger sized industries.

Whenever the basis of the of small and medium sized industries expands, it enables the basis of the industrial pyramid to rise without any infringement to its balance until it becomes qualified to build an export capacity constructed on a high tech basis , as well as leading to an increase in the value added cost of the Egyptian industrial component.

Small and medium sized industries play an important role in participating towards the increase of the National income, in addition to its fair distribution through out the geographic area .

The nature of their positive role in the raising of the value of paid labor is also an addition. Hence leading to the establishment of income sufficiency and increasing the capacity of this business agreement.

It is not possible for any industrial society to progress without depending on a comprehensive basis of small and medium sized industries to interact with it on a give and take basis construed on three levels: as regards the production unit and all that is considered relevant to it ; all the while upgrading industrial of individuals within all specialties.

The role that it plays following reaching a fully developed phase , in the form of an industry that is a nutrient to bigger industries on the assembly level to an industry with high technological and export trends .

Since the fact is that what we export is in reality considered as a value added point .

The Strategic trend of Small and Medium Sized Industries

In fact, strong efforts have been spent and are being spent on a number of different scales that need to be linked as regards their trend thus upgrading mechanisms, without reducing the seriousness and degree of success of each trend by itself.

At this point a question jumps to the surface :

What is the strategic trend of small and medium sized industries in the absence of a clear strategy, and is there a partial strategy which is capable of catching up with the overall strategy?

In answer to this question and in order to know the future trend of these industries and how ready are they to stand up on an equal status with their equal within international industries.

It is a fact, that a National Strategy is a matter which is only in need of a legal frame to smoothly organize the relation between the parties without any conflict or repetition of efforts on the arena within the different trends .

This matter does not prevent the setting up of a partial strategy (Macro) which is to be latter incorporated smoothly in the overall national strategy of the state without conflict .

To achieve this, it is necessary to start with the benefit ratio and up to a competitive benefit which is considered to be the natural characteristic of this concept, then to proceed to find out how positive these trends are for the population of high locality concentration .

As an example- the industry of pottery drinking jars (olla) that are crafted in the governorate of Kena , located in Kena Governorate .

In order for this industry to reach a competitive characteristic would have to be through the development of this particular characteristic and incorporate it within the China and pottery industry.

Another point to consider is to have these drinking jars mechanically produced and not manually. Additional crafts are to be incorporated as well , but they should have artistic values.

Date plantations of the Siwa, Oasis, are another example, these could be a source of income generated from packaging of the dates, and marketing them locally and regionally. .

Processing of fish in the High Dam Lake, Al Bardawil Lake can be marketed locally and regionally

Drying of fruits and agricultural produce

Extracting of oil from the olive growing sites , as well as grains

Pressed and tomato concentrates

Strategic Objectives Underlying the Upraising of Small and Medium Industries.

The achievement of the strategic objectives which the state and the Egyptian Federation of Industries hold on to in their aspiration for the raising up of these industries constitute following :

First target having an economic trend

This is obtainable through the following axis:-

Equitable distribution of Egyptian income represented by the support of the population activity all along the geographic area , as well as magnifying the returns

- Percentage of local savings , which in turn raises the rate of investment and the return for national investment on the one hand , on the other , it also deals with curbing the rates of inflation . It also has an annual produce which serves to rationalize consumption
- Increase in the use of local raw materials or local inputs which in turn has a yield for raising these inputs or raw materials once there is an increase in demand. It is also linked to the concept of quality. It also diminishes wasted value, if not directed to its natural use.
- Participates in the realization of a steadiness in the balance of payment by the substitution of imports by local produce

- The reuse of non used material for larger industries which have a bigger surplus of industrial remains which in turn decreases industrial waste
- Saves some demand for local technology which opens a market for cheap technologies and researches for development which can be provided by the local research centers at the level of young researchers
- To approach the field of re-exportation and little by little lead to exportation according to its larger economic concept, and to include a local added value to the industrial imported component, to have an overall local component ready to be exported.

Second target aiming at human development through complying with the following :

- 1- Provides actual job opportunities having a production return that reflects positively unemployment
- 2- Raises the skill of untrained and half skilled labor; leading to progress in jobs
- 3- Establishes industrial concepts, starting with the non industrialized community by means of adding new concepts about work such as , punctuality, quality improvement of production ,use of suitable tools for every industrial process, encourages innovation on the village, small city level.
- 4- Provides greater opportunities for families so as to become productive and integrates with the simple industrial community at the small industries scale by performing tasks of collection, sorting out, and

packaging at individual and family levels which would convert them into productive families on the outskirts of simple industry .

Third Target having a technology trend:

- 1- Employs professional skilled labor, which would integrate with the industrial community, and be more organized thus helping assess the skilled professionals. And provides marketing through a pre set sales plan that follows the way of depending on a more systematic and skilled level of marketing.
- 2- To deal with bigger industries in the form of a feeder , which provides a new benefit having an economical state by means of supplying materials, and components with technical composition for bigger industries.

To proceed having as a target the view of total integrated industry in its practical and applicable concept.

This covers the exchange of benefits, between small industries and bigger sized industries on the industrial inputs or the industrial services as is.

In view of the above

The present situation can no longer be considered as a polemic issue, since the upgrading of small and medium sized industries have become a priority in view of the need to restructure the internal plans of the Egyptian scheme.

It has also become a necessity to overcome the problems and obstacles that stand in the way of these industries; and to be armed with a new concept which would glide smoothly within the targets of the First Annual Conference of the National Democratic Party.

Being the need to come up with unconventional solutions and mechanisms to meet the requirements of the next phase.

God Almighty is the Initiator of all success!

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