

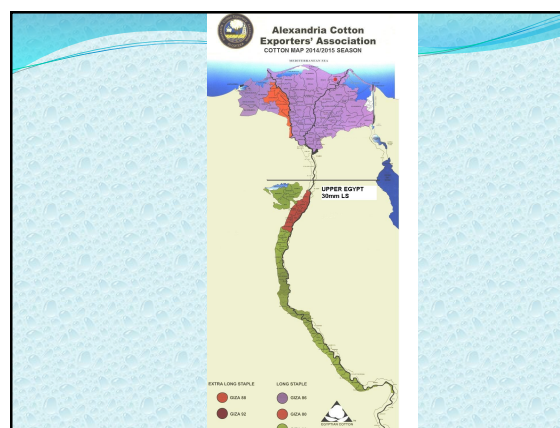
Current Situation and Future Potentials of Cotton in Egypt

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Introduction

- The “Egyptian Cotton” is a peculiar type of cotton that is characterized by high quality, and gained a world-wide reputation for more than a century and half as being of the highest lint quality among world cottons. Nowadays, Egyptian cotton is grown in various parts of the world, but mainly in the United States, where it is known as American-Egyptian or Pima; however, Egypt still

- The Egyptian cotton, production, processing and trade, after more than eighteen decades of being a national asset, seems to be at cross-roads in its country of origin “Egypt”. If the current policies of its production, manufacturing and trade continued, we have to expect more deterioration and losses for the national economy.



- But if we managed to study the current situation and future prospects carefully and with open mind understanding of the opportunities made available by the economical progress at local and world-wide levels, we will, undoubtedly realize that the future of the “Egyptian cotton” and “Cotton in Egypt” under the rules of WTO has dramatic positive potentialities.

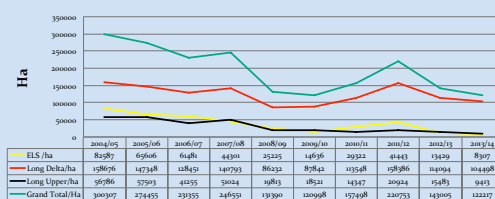
- The objective of this study is simply to contribute a new thinking to open a new page in the history of the “Egyptian cotton”.

In planning for the future, we have to remember that during the period 1980-1984:

- The cultivated area of cotton was 456,000 hectare.
- The yield per hectare was 1000 Kg.
- Total production was 457,000 tons.
- Cotton was the main source of finance for industrial development, provided hundreds thousands of work opportunities, national sufficiency of clothes, substantial proportion of edible oils for human and feed concentrates for animal production .
- Egypt occupied the seventh position among main production Countries.

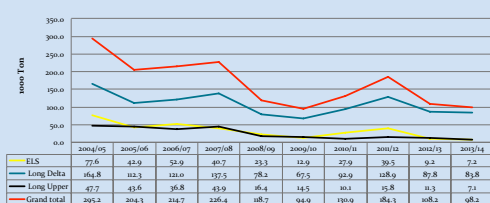
Now, by the middle of the second decade of the 21st century:

Figure 1. Area of production /Ha



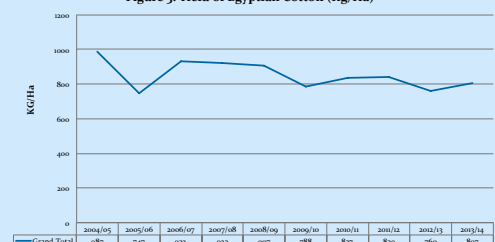
Production:

Figure 2. Production of Egyptian Cotton classified by Category



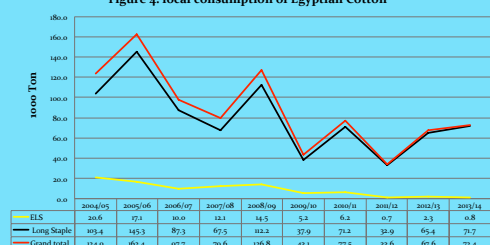
Yield Stagnation

Figure 3. Yield of Egyptian Cotton (Kg/Ha)



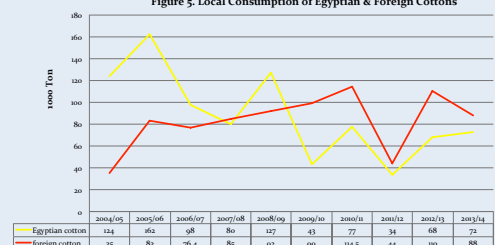
Local Consumption

Figure 4. local consumption of Egyptian Cotton



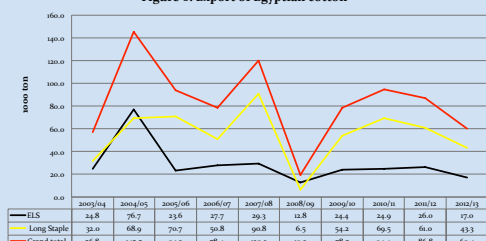
Consumption of Egyptian & Foreign Cotton

Figure 5. Local Consumption of Egyptian & Foreign Cottons



Export

Figure 6. Export of Egyptian cotton



- This situation had a negative impact on the local situation and led the country to the cross-roads: To follow the road of increased production, processing and export, the road chosen by many countries such as Turkey; or to follow the current road towards more deterioration?

- We have to realize that “Egyptian cotton” (in Egypt) faced severe hardships during the last two decades and that its center of gravity migrated from Egypt to other countries, which benefited from the problems of Egypt.

Handicaps constraints that should be examined on the road to the better future

- (1) **Quality conformity to industry needs:**
- Available information mentions 15% of Egyptian Cotton to produce fine count; this means that only 15% of the total consumption of raw cotton could be form LS and ELS categories. On the other hand, 85% of the yarn production, i.e. coarse and medium counts, should be spun from imported cheaper MLS cotton.

Two industries

- It may be better to look at the Egyptian cotton textiles industry as two fairly separate industries.
- (a): A mainly export-oriented fine spinning industry based on ELS and LS cottons, and
- (b): local consumption oriented industry based on MLS locally grown cotton.

(2). Yield stagnation and continuous increase of production costs:

- The situation of introducing new variety to raise the roof of productivity has been stagnant, similar to actual yield, for about two decades. This situation should be studied and changed.

Conclusion

- The highly required, now and in the future, improvement of the role of cotton in Egyptian Economy, under the current and future expected world conditions could be achieved if its potentialities are used effectively.
- This necessitates a new organization of the agricultural, manufacturing, trade and export activities that ensures effectiveness in policies and their implementation and realizes:

- increased productivity and decreased production costs, modernization of the industrial sector so as to make better use of the comparative advantages of the Egyptian cotton and expansion in production based on better quality accompanied by reducing exports of raw cotton, and modernization of the trade sector locally and in the world markets.

THANK YOU