ANALYTICAL STUDY FOR THE DETERMINANTS OF ONION CROP EXPORTS

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ABSTRACT

The study amid to investigate the stability of production and Egyptian exports of onion and analysis of production policy of the crop. This is to show the economic effects of taxation and the support of the crop on the production and the comparative advantage of the crop to redistribute the Egyptian exports of onions so as to increase the value of exports of the crop. The results of the analysis indicate that values of nominal protection coefficient of Tradable output, nominal protection coefficient of Tradable input were, 0.90, 0.93 and 0.90 in 2010 year, respectively indicating that producers did not obtain the real prices of their production which turned to the form of support to the consumer. On the other side, the Domestic Resource cost was 0.20 in the year of 2010 indicating the comparative advantage in the onion production. Results of stepwise multiple regression of the factors affecting the Egyptian exports showed that feddan productivity, the farm price and export price of U.S onion have statistical significant effect on the quantity of exports with F value being 17.82 the above factors contribute at 86% of the total factors affecting the onion exports during the study period (1995-2010). The results of linear programming showed that a minimum limit of Egyptian exports of onion to the importing countries, is necessary so as to the Egyptian exports of onion do not lose any foreign markets which, in turn, increase the value of onion exports by 44.64% compared to the current value in order to take advantage of importing the promising markets of onion crop, such as Saudi Arabia, Iraq, Jordan, the Netherlands and Italy.