The Impact of Phasing-out Textile Quota on the Egyptian Textile and Clothing Sector (Case studies from Alexandria)

Hanan Abouel-Farag  
Assistant Lecturer of Economics  
Damanhour University, Egypt  
hanan_3a@yahoo.com

El-Sayeda Moustafa  
Professor of Economics  
Alexandria University, Egypt

Ahmed Mandour  
Professor of Economics  
Alexandria University, Egypt  
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Abstract

Quantitative restrictions on “Textile and Clothing” (T&C) trade were completely removed in January 2005. Consequently, Egyptian T&C exporters have lost the quasi-guaranteed market access to the “European Union” (EU) and “United States” (US) markets and they became subject to fierce competition in global market. This research aims to empirically investigate the effect of quota abolishment on the Egyptian T&C sector during the period 1995-2008. Quota phase-out had a negative effect on exports especially to the EU market. However, liberalizing T&C trade was not the only factor causing the
declining trend of exports, as several domestic and international challenges facing the sector led to reduced competitiveness. Those results were proved by a number of case studies using some of the T&C companies in Alexandria as a sample. The results of this research provide guidelines for a development strategy to flourish the sector.

**Keywords:** Egypt; quota phase-out; textile and clothing

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**References**


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