

**Problems of E-Commerce Application in the Field of
Exporting Egyptian Agricultural Products and
Means to Overcome them**

Date 19/5/2011

:Summary of the study

The introduction of information technology and the subsequent tributaries such as e-commerce has become one of the most important growth factors in the economies of the countries, especially when they are used to increase export rates, and a lot of developing countries have become the preparation of its various institutions to interact with these systems of modern technology, so that they can exploit them for the benefit of the growth of their economies as in developed countries with the lead in this area. It is therefore necessary to step up Egyptian efforts to catch up with these countries with the lead, and work on the good use of these modern technology for the growth of the Egyptian national economy in general and the .agricultural economy in particular

The study has included five sections, the first entitled the entrance to the study, and included an introduction and then the problem of the study, which was in the non-arrival rates of agricultural export in Egypt with the rates desired, despite the efforts made to increase, despite the use of modern technological methods such as e-commerce, which indicates the existence of problems impeding the use and prevent successfully used to increase Egyptian exports of

agricultural. The objective of this study is to identify these problems, which hinder the use of e-commerce in the aspects of agricultural export in Egypt, and to develop solutions to these problems in order to increase the effectiveness of e-commerce, which will benefit Egyptian agricultural export production. This included also section on the way in research that has been followed in this study, data sources, along with reference and review, which dealt with previous studies, which dealt with the use of e-commerce in export, and the position of the current study of these previous studies

The second section was titled the theoretical framework of the study, consisted of three chapters, the first was to review the key concepts of e-commerce, and the second to show a mechanism of Egyptian agricultural exports from traditional business to e-commerce. This mechanism involves three stages, first stage of which include the identification of target of the transition to e-commerce system, and the second to make sure the compatibility of this goal, which was previously defined with the potential exporters and to develop a strategy to ensure the success of reaching the goal in the future, the third phase, it is to do the steps the Executive approved the Strategic which was detected in the previous phase. In the third chapter of this section , the types of e-commerce tools that can be used by exporters of agricultural production have been reviewed

The third section of this study was entitled the reality of e-commerce in Egypt compared to other countries of the world, and through this section turned out the evolution of the use of e-commerce through direct indicators of volume of financial transactions exchanged during the use of e-commerce, due to the lack of methods to measure this dealings accurate only in the United States and some other developed countries, therefore, was to resort to indirect indicators to identify the picture close to reality to see how the evolution in electronic commerce in the world and Egypt. These are indirect indicators of ICT indicators considering that e-commerce is one of the most important tributaries of this technology, may be inferred

**evolution incident in e-commerce through the features of development
.of information technology in general**

As well as through the previous section, trends in the use of e-commerce in companies exporting Egyptian agricultural production have been identified, through the results of the first questionnaire, which was conducted on 40 companies from the export of the Egyptian agricultural production, which was entitled the reality of the use of e-commerce companies have exported Egyptian agricultural production, also has been identified on the reality of this use by those companies through the second questionnaire, which was aimed at identifying the ability of companies to use e-commerce for exporting Egyptian agricultural production and the expression of this index measures this ability by a degree of per cent, it has included a sample of the second questionnaire the number of 16 companies from the agricultural export Egyptian, and it became clear from the results of this survey that the amount of the average of the values of the index of the total companies included in the sample had reached about 26.5%, and indicates that the amount of success achieved by those companies in the use of e-commerce was small and not up the required level. It also became clear through this section to identify the reality of the use of e-commerce agricultural field in some countries in the world such as the United States as a leader in this area, and Taiwan, as a developing country, and South Africa as similar to Egypt economically and geographically, the reality of the use of those States has been identified through the Questionnaires that were made by reliable bodies with international credibility this area to ensure access to a true picture of the reality of the use of e-commerce in the agricultural field in those countries. It is also through this section the types of benefits that accrue to agricultural exporters as a result of the use of e-commerce in their export potential have been identified

Also evident in this section and through statistical analysis and assessment of function of linear regression, that the increase in the level of e-commerce by 10% leads to the increased benefit generated from e-commerce 7%, and increasing internal problems by 10% leads to decreasing in the benefits of e-commerce by 6.6%, and also the increase in the problems of Foreign Affairs by 10% leads to decrease in the benefits of e-commerce by about 5%, and these last two relationships are counterproductive

It also became clear from the function assessment that, despite the supposed negative impact of the recent global financial crisis on exporters as a result of the decline of export markets, the use of e-commerce by agricultural exporters who have been included in the study sample has led to the disappearance of this negative impact and the emergence of a positive impact and that was simple

The results of the statistical analysis have indicated that the increase in the effects of the global financial crisis on the agricultural exporters who use e-commerce by 10% has led to increasing the benefits of e-commerce by an estimated rate of 2%

In section IV of this study, which was titled the problems faced by exporters of agricultural users of e-commerce, the problems of using e-commerce in the agricultural field globally have been shown through a questionnaire by the Food and Agriculture Organization of the United Nations, also these issues have been identified internationally to take the example of South Africa which is similar to Egypt economically and geographically

The problems facing agricultural exporters Egyptian who use the e-commerce have been identified by the results of the first questionnaire, which included a sample of those exporters, it became clear from that the problems of e-commerce in the area of agricultural export can be classified into two classes, first classified by cluster, and

includes governmental problems, and technical and technological problems, and problems of financial and banking, and finally .commercial problems

The second category of problems depending on what came from the results in this survey was depending on the source of these problems and includes all of the internal problems and external problems. The internal problems are represented in the lack of legislation and laws regulating the electronic handling, and the lack of banking systems and modern means of electronic payment and the lack of technological support of the government, and lack of training providers, rehabilitation technology, in addition to the absence of a formal guarantor of electronic

transactions and inadequate agreements of foreign trade, and the lack of technological expertise of agricultural exporters and that they are not convinced of the benefits of e-commerce, as well as lack of technological infrastructure

high cost of information technology tools. The external problems as indicated by the results of the questionnaire have been in the laws of reduction of import imposed by importing countries of the Egyptian agricultural reduction, and the problems of quarantine, customs, and exaggeration in terms of quality and matching the goods to the specification and the dominance of marketing intermediaries

intermediaries on agricultural markets of Foreign Affairs, as well as lack of appropriate methods of payment, and the terms and timing of shipping and, finally, the time of the request does not suit with the .time of the offer

In section V, the last of this study, which was titled the means to overcome the problems of the use of e-commerce in Egyptian agricultural export, has been addressing these means from the

perspective of the U.N organization (UNCTAD) through a proposed strategy on their part to increase the effectiveness

effectiveness of the use of e-commerce world wide , also through the recommendations of the Organization of the ESCWA (Economic and Social Commission for Western Asia) to develop information technology systems and e-commerce in the organization's states which amount to 13 countries and incident involving the Arab states in the Asia, in addition to Egypt , Was taken as the means to overcome the problems of e-commerce, when used in the field of agricultural export in Egypt during the review of opinions and proposals of the Egyptian agricultural export companies, which were included in the sample of .the first questionnaire in this study

Also this section has dealt with a range of mechanisms which can increase the effectiveness of the use of e-commerce in the export of Egyptian agricultural production

These mechanisms were represented in providing the basic possibilities for the use of e-commerce by the Egyptian agricultural exporters, and seek to hold more trade agreements, foreign and strengthening of the Egyptian commercial relationships internationally , and regionally, and work to increase the competitiveness of the Egyptian firms which exports the egyptian agricultural production. through the use of methods of modern technology and the use of e-commerce in their work, and the development of the Egyptian banking and financial services to help exporters in the use of e-commerce, along with creation and preparation of society in general to use e-commerce, and the development of systems of lading, and the provision of a conducive legislative and legal environment for the use of electronic commerce, in addition to completing the establishment and development of the infrastructure of the receipts and information networks, and organization of information content and web pages and links between them, and setting standards and technological standards of the trade over the Internet, and finally, the researcher proposed the

scheme of stablishment of a agricultural information network, as an integrated system of information for the service of electronic agricultural export in Egypt. This proposal has included the goal of establishing the network and the benefits that can be obtained at its inception, along with an explanation of components and axes of the system of the proposed network, and the map of the information flow within the network and operation inside it , in addition to a cost .estimate for the creation and establishment of this network