Challenges of Algeria exports dates; in light of the current competition

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ABSTRACT

Algeria, for its workforce of more than 18 million palm trees and 952 varieties, occupies an important place among countries producing and exporting dates in the world, even more, it ranks first in terms of quality, through the famous variety Deglet Nour. Despite the policies of the country since independence to develop the agriculture, which has paid great importance to the promotion of export, but several studies have shown that exports of Algerian dates are several obstacles and did not reach the fixed objectives, despite the comparative advantage available to it in the country. Its position in the list of countries that export this product retreated to eighth place in recent years. And exported quantities represent only 3% of national production in 2012 after it was almost 14% after independence. The bulk of these exports is limited in most cases of the variety Deglet Nour and ignored the other species. As well as the lack of diversity and global markets and focus on traditional markets, especially the French more than 80%. While other destinations for exports are much lower, they are cyclical and irregular. We will try, through this intervention to highlight the reality of Algerian exports of dates, as well as major impediments to its development, and the deterioration of its competitiveness, especially in the current changing world market dates: Expansion and increased competition. This weakness in exports dates in Algeria is mainly due to the combination of a series of technical constraints, socio-economic, natural, agricultural and administrative. One of the main causes is the lack of competitiveness in the international market and the instability of its position in key markets. and dysfunction of the chain date upstream and downstream. (Poor performance technical and economic).

Key word: Policies, promotion of export, dates, obstacles, comparative advantage, competitiveness, decline.

INTRODUCTION

The socio- economic and environmental importance of the phoeniciculture is far from negligible in the world (Dubost, D. 1990). It is regarded as the central pivot around which life revolves in the Saharan regions. In Algeria, the crop occupies a top position in the Saharan agriculture, mainly through its economic interest throughout, the settlement of more than 2.2 million inhabitants of the population Saharan areas, the employment market that it provides, the product it offers on the national and international market and by currency generated. (Benziouche, S. 2008)

Algeria, with more than 18 million palm trees and 952 varieties, occupies an important place among the countries producing and exporting dates, more, it ranks first in terms of quality, thanks to the famous variety Deglet Nour.. Algeria is currently representing 6.75% of world production of dates and it ranks sixth, it also carries 3.20% of world exports and also ranks eighth. Its exports contribute 48.25% of total export value of agricultural products .

However, these data do not reflect the true image of the dates sector in Algeria, many studies (Moulay Lakhdar, A. 1995. Benziouche, S.2000) showed that in this sector there are many difficulties in its operation at all levels (production and marketing) and fails to achieve its objectives since independence to date, although various policies implemented in this area. His place in the list of countries producing and exporting is in continuing decline. In parallel, the degree of integration of Algeria into the dates world market, has undergone considerable change downward until 4% in the last decade while he was over 25% in the sixties.

Other hand, if the production dates of Algeria is 3 times the production Tunisian, However exports of this country are higher than that of Algeria for four times. Although the agricultural policies implemented by the State to promote the sector since independence, but it has not achieved the objectives set

Through this communication, we try to identify the level of exports of dates, to analyze the dynamics of evolution and highlight the obstacles that hinder the development of exports of this fruit. So our problem is:

What are the constraints that prevent the growth of exports of dates in Algeria? ;

2. MATERIAL AND METHOD

In this work we have based on statistics collected from the Algerian Customs and FAO and field surveys at certain exporters of dates and of certain institutions with connections to the subject of exports. Thus, the steps of our methodology are:

Initially, we diagnose the situation of export of dates in Algeria, through an analysis of trends in quantity and value, and their structures by variety and destinations, and this during an analysis period that stretches from 1990 until 2011 to determine the general trend of exports. For this, we calculate regression functions after making tables and graphs of different types. Subsequently, we analyze the results of the latter with the use of survey results. This type of analysis allows us to illustrate the degree of disruption of exports and the causes of this situation.

3. RESULTS AND DISCUSSION

3.1. Analytical study of exports of dates in Algeria:

3.1.1. Position of Algerian dates in the international market.

Algeria is ranked seventh with 3.20% of world exports of dates on average during the period (1990-2011) estimated at 621. 52 thousand t. This share is still small compared to the United Arab Emirates,, Pakistan, Iran Tunisia, Saudi Arabia, who seized 28.11%, 14.38%, 13%, / and 9.96%, respectively (Table 1).

Examination of data (Table 2) revealed that the ranking of the largest exporters of dates depending on the value has changed completely. Indeed Tunisia took the lead from the list of exporting countries with an amount 60.14 million of U.S. $, or 26.41% of the total value of world exports during the period (483.67 million U.S. $). This reflects the high quality of its dates. Second is Iran with $ 30.97 million or 13.60% while third place is occupied by Algeria with an average value of 28.48 million U.S. $ or 12.50%. Pakistan, Saudi Arabia and France occupy the next three spots with an average export value of 22.88, 21.76, and 20.41 million dollars or 10.05%, 9.55% and 8.96% respectively.

3.1.2. Development of exports of dates in Algeria

Despite the increase in production, development of exports of dates from independence to date shows that Algeria exported only 12 093,67 T in average during the period 1990-2011 (Benziouche, S 2012), with 28143 t in 2011, and a minimum of 3763 t in 1994 (Figure 1). with Average annual rate of evolution does not exceed 36.6%. This evolution is characterized by: the sequential decline and volatility and instability in the development.

Indeed 89% of variation explained by internal factors, such as weakness in the sector and the poor quality of dates caused by the misconduct of palm, but also by climatic factors. And secondly, by external factors, including competitive pressure from Tunisia and the saturation of markets, which weigh all their weight. And thirdly by the constraints faced by exporters of dates and non-effectiveness of policies.

In parallel, (Figure 2) reveals that the average value of exports of dates of Algeria is 26 million U.S. $ in the period 1990-2011, and that this value varies between a minimum of 10.44 million U.S. $ in 2001, and a maximum of 79.12 million U.S. $ recorded in 1995. Moreover, the study confirms the general trend of increase of this value with an annual growth rate of 566.7 U.S. $ thousand, or an annual growth rate of 3.70%. These changes are attributed to 82% by the average price increase for export.

3.1.3. Evolution of the average price for export of Algerian dates.

The average price of exports experienced a general trend upward with a statistically significant annual growth, estimated at 46.72US $ / t. However, despite an increase of 341US $ / t in 1964 to 1744.60 U.S. $ / t in 2011, it remains below the average export price of the dates of some competing countries such as Tunisia (over 2300 U.S. $ / t in 2011). However, it remains above the average price of Iran and Saudi Arabia where it does not exceed 284 U.S. $ / t and 671 U.S. $ / t respectively. This is explained by 48% by the quality and variety type of dates exported as Deglet Nour while 52% for those changes back to other factors such as speculation in the markets. This helps to explain the decline in external demand.

3.1.4. Evolution of the rate of integration of the Algerian date.

This integration level (expressed by the ratio between the quantities exported dates and production of this fruit in the same period), know a irregular trend during the study period 1964-2011 (Figure 3). Indeed, after a slight increase during the first 3 years, which reduces from 15.75% in 1964 to 24.32% in 1966, it was subsequently submitted to a downward trend that reduces the level of 2.22% in 2011, it recorded its maximum of 24.32% in 1966, and the minimum in 1982 of 0.5%. While the average ratio during the entire period is estimated at 4.62%.

3.1.5. Structure of dates exports by variety and destination.

The analysis of the structure (Figure 4) exports of dates by variety (according to the classification of Customs) shows that Algeria's main exports the Deglet Nour and other small quantities of fresh dates as Tafzuine. this this variety, although slightly declining, remains predominant with 86% of the average quantity of dates exported between 1990 and pre 2011 and over 94% in value (Benziouche, S. 2012) . Regarding the soft dates, two groups dominate: the Ghars and date paste that 12% of total export volume during the period. The remainder consists of dry dates and the like (Degla-Beida, Mech-Degla) which represent only a very small proportion of 2% in export volume.

The Most of these exports is mainly for sale to the European Union, which represents the traditional client the largest and most stable of Algeria with 94% of Algerian exports of dates in value and 95% of the quantities exported betwen 2000-2011. In contrast, the French market remains the main partner with an import of 77% in quantity and 80% and the value of dates exported by Algeria during the period 2000-2011. This is the result of lack of efforts to diversify exports to other European markets.

3.2. Analytical study of problems of Algerian exports dates.

3.2.1. Constraints to production.

One of the main causes for weak exports dates in Algeria and the unstable position of the dates in major markets is primarily problems associated with the production of palm that are characterized by low yields of the palms and productivity in both quantity and quality due to the advanced age of the plantations because much of the palm trees over the age limit of production (80 years). This situation is aggravated by the low or even lack of renovation and expansion of new which would be aimed at both reducing the excessive density of trees and replacement palms. (Benziouche, S. 2005).

Bad, or even the lack of application of crop management in the conduct of the date palm cultivation. (Benziouche, S, F. Chehat. 2010). Indeed, it is clear that the orchards were abandoned because the maintenance of palms are rarely performed work such as soil, compliance with technical standards, cleaning orchards, which is regarded as a means to fight against pests dates, causing damage of 20 to 30% of harvest.

The low level of mechanization and the phenomenon of abandonment of oasis worsened since the advent of oil and especially with the growing number of economic sectors in the country. Work in the oasis appears increasingly burdensome for the local workforce in general, what makes that available to require compensation reaching high levels for some operations.

In most oases, the drainage problem has not ceased to exist. Increased irrigation water has further promoted the rise of the level of excess water that must be evacuated. In this sense, the inadequacy or lack of sanitation in the oasis is one of the main constraints to production-palm. This constraint has resulted in reduced production and a depreciation of the quality of date. (Bouamar, B. 2009).

The persistent water shortage in some oases generates low levels of satisfaction with irrigation as the irrigation rate not exceed 0.41l/s/ha in the oases of the region, a flow of 24,24 l / s and around the day of water exceeds 14 days. Among the constraints that are causing the low irrigation water, shortage and under-utilization of resources.(Benziouche, S and F, Cheriet. 2012)

The degree of attack of pests and diseases deferens is very high in the oasis. These pests and diseases cause significant impairment rather on production on the year and date palms region (Bouamar, B. 2009). Accentuated by the low fertilization and amendment en raison d'un handicap financier. tellement que certains phoeniciculteurs abandonné les traitements chimiques.

The low skills and lack of knowledge of the application of technical crops, accentue le besoin de sensibilisation et de formation, which until now has not resolved the technical problems of production and did not improve know-how.

3.2.2. Constraints related to marketing.

Regarding the constraints links marketing phase the most ultimate expression of income, are numerous including:

The lack of promotion of dates, especially for categories of so-called common varieties that remain unknown, severely limits the absorption capacity of the product at level nationally and internationally.

The lack of control over the quality aspect at farms and packing units. Secondly, packaging dates packing units that do not meet the requirements of the different distribution channels, in addition to high costs operations of harvesting, sorting and transportation that affect the price of dates that are no longer competitive on the international market..

The low flow of Algerian dates on the world market following the difficulties to retain existing markets and penetrating new markets. This situation resulted from the bad image on the dates given by some Algerian operators and secondly, due to lack of credit given to exporters on the world market.

The image dates strongly degraded by Algerian exports anarchic performed by non professionals. and non-proper application of laws enacted within its organization.

On the other hand, exports are governed by any rules of organization of the profession, especially when it comes to selection criteria specific to the export or distribution of export licenses. These exporters because of bureaucratic and administrative barriers at institutions involved in the export process (banks and customs and ports) and the lack of offensive spirit and consciousness among some exporters, this affects consequently on the credibility of Algerian exports dates.

The absence of a bold policy of integration and coordination that brings together exporters and other stakeholders in the profession and even some state institutions (embassies) hinders competitiveness, strengthening and consolidation of bargaining power scattered vis-à-vis the European importers and cope with foreign competition and penetrate new untapped markets in other regions.

The situation is also explained by:

- The limitation of Algerian exports to neighboring markets only traditional, effortlessly wise use of American markets, Asian and other markets promoters date.
- Exporters face major difficulties in the reservation and the landing of their containers following the anarchy that characterized the Algerian ports and insufficient of means(handling, storage and security).
- Lack of advertising culture in the minds of some officials of units of export.
- The mismatch between the packaging used by our exporters and international standards for packaging, is a major disability to compete with neighboring countries.
  The lack of rigor in applying the measures of quality of dates in the control and packaging establishments.
- The lack of programs to control pest of dates atØ all levels and non-rigorous application of existing laws dealing with this issue and at this level are many.

CONCLUSION

The main conclusion of this work, using data from surveys conducted on land at all levels of the division dates in Algeria is that exports of dates in Algeria are still weak and far from the objectives and effects and standards expected. This deteriorating situation resulting primarily from a series of constraints organizational, technical, socioeconomic, natural, agricultural and administrative. Despite the efforts and measures put in place to strengthen and promote exports of dates in the global market, particularly with the emergence of new competitors on the European market, but it seems that these policies have not yielded the required level and did not yield acceptable results,

Given this situation it is necessary to restructure the structures and institutions for foreign trade, and create other structures specifically to promote exports of dates. In addition, this sector will be integrated into the market economy, will not play this role if it has the adaptability and competitiveness. This will not be possible without the removal of various barriers at all levels.

And although the results are recorded, the dates division in Algeria is very efficient economically, particularly with the substantial income that is distributed to families in rural oasis, the reduction of rural depopulation and agricultural offers temporary employment created by all the actors in this sector, not forget the foreign exchange earnings generated by the export of this product.

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Tables:

Table 1. Ranking of countries exporting quantity of dates (1990-2011). *Source: (Algerian Customs, 2012, FAO, 2012.)*

Country	Average 1000T	Structure in%	Standings
E.A.U	96,41	25,68	1
Irn	92,67	24,68	2
Pakistan	57,05	15,19	3
Tunisia	27,74	7,39	4
Saudi Arabia	25,20	6,71	5
Iraq	15,17	4,04	6
Algeria	12,29	3,27	7
France	7,63	2,03	8
Oman	6,27	1,67	9
Israel	5,02	1,34	10
USA	4,77	1,27	11
China	3,64	0,97	12
Egypt	3,30	0,88	13
Other countries	18,34	4,88	14
Total world	**375,48**	**100,00**	

Table. 2. Classification of countries exporting dates by value during the period 1990-2011. *Source: (Algerian Customs, 2012, FAO, 2012.)*

Country	Structure in%	Average millions $	Standings
Tunisia	26,41	60,14	1
Iran	13,60	30,97	2
Algeria	12,50	28,48	3
Pakistan	10,05	22,88	4
Saudi Arabia	9,55	21,76	5
France	8,96	20,41	6
Israel	7,87	17,92	7

Country	Structure in%	Average millions $	Standings
E.A.U	7,34	16,73	8
USA	5,84	13,30	9
China	2,13	4,85	10
Oman	1,33	3,03	11
Iraq	1,28	2,92	12
Other countries	4,32	9,83	13
Total world	**100,00**	**227,74**	

Figures:

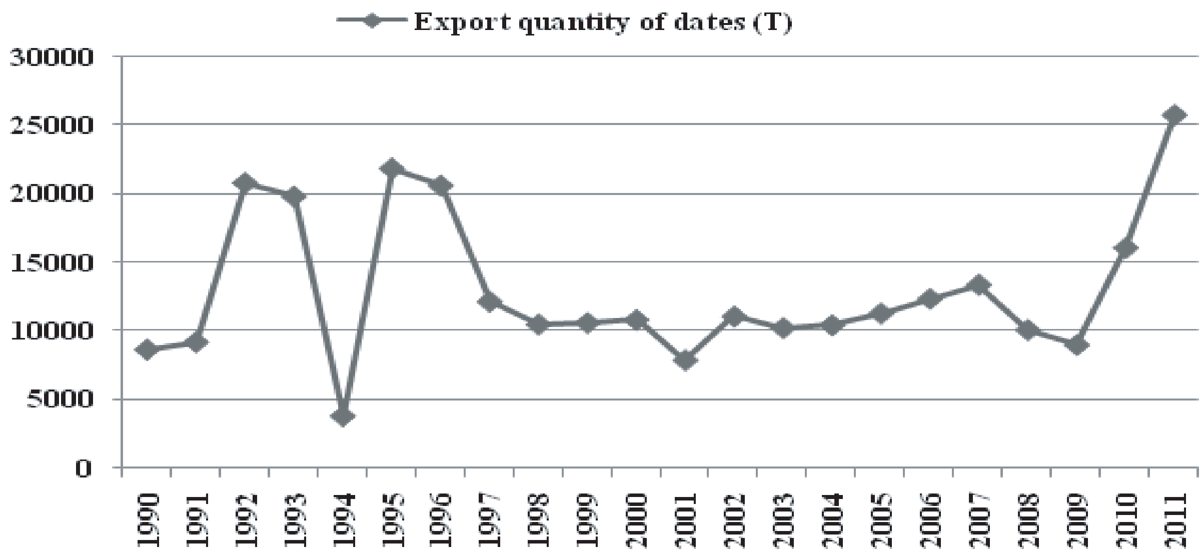

Fig. 1. Evolution of quantities of dates exported during the period 1990-2011 (T).

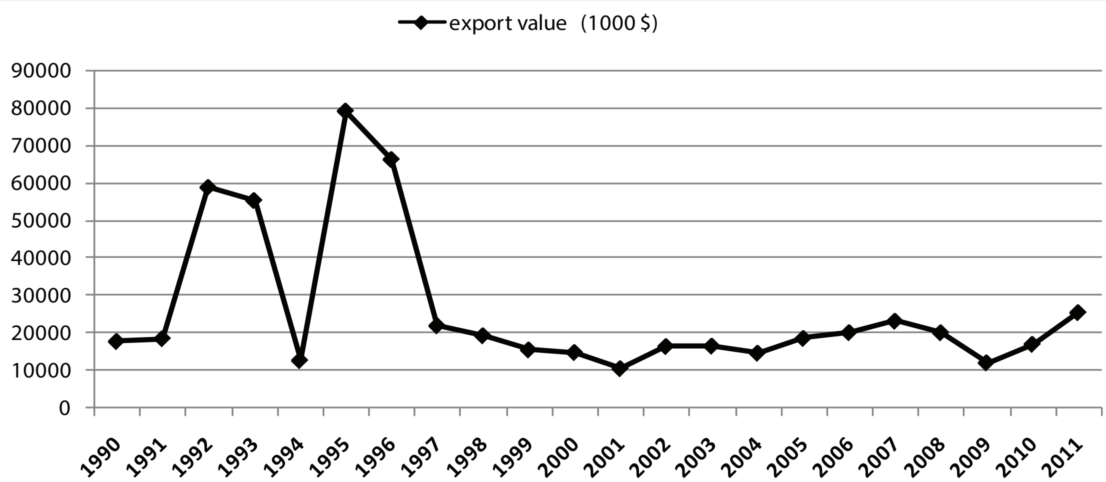

Fig. 2. Evolution of Algerian exports of dates in value between 1990-2011 ($ 1000)

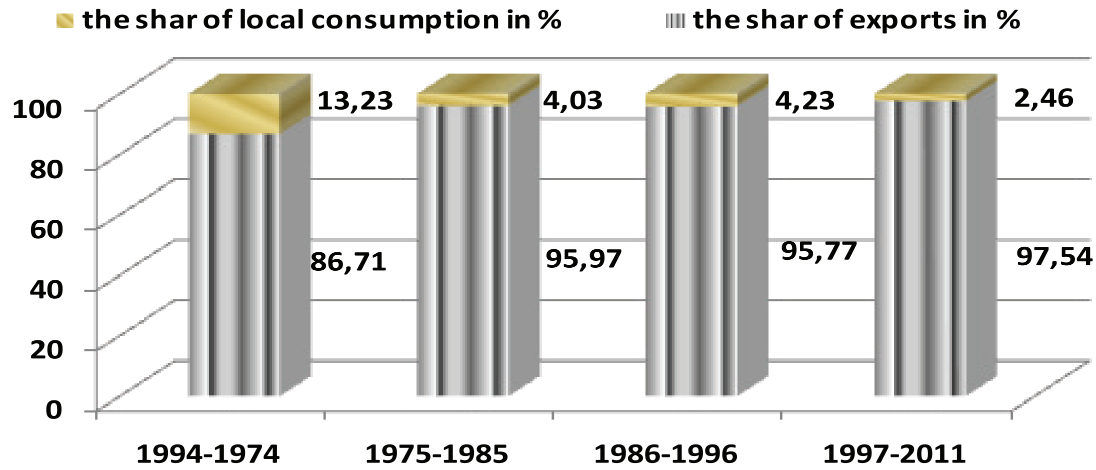

Fig. 3. Evolution of the integration rate of Algerian dates during 1964-2011 (%)

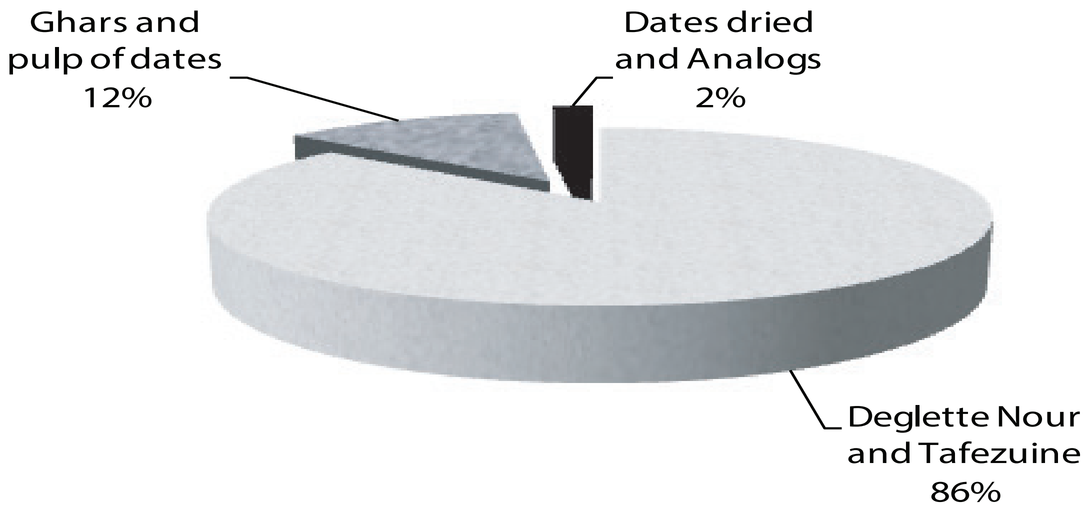

Fig. 4. Structure of exports by variety of dates in 1990/2011