



Context

Ever since the Pharaohs, Egypt has pioneered and perfected farming methods in the fertile Nile Valley. For more than five thousand years, the country was an important producer and exporter of various crops to Europe, North Africa and the Middle East. Today, the agro-industrial sector accounts for 20% of the country's total exports, most of which are exported to the European Union (EU).

Interestingly, and due to different harvest periods, Egyptian farmers are able to offer a wide range of produce without competing with farmers in European countries. However, because of their lack of traceability compliance and quality control systems, Egyptian exporters have been faced with trade barriers, which resulted from EU regulation on food safety and circulation. Thus, UNIDO's assistance was requested by the Ministry of Foreign Trade.

Strategy

UNIDO established the Egyptian Traceability Centre for Agro-Industrial exports (ETRACE), which was funded under an Italian-Egyptian Debt-for-Development Swap programme. Through financial and technical assistance, ETRACE aims at making Egyptian agro-industrial export safer, more competitive and compliant with stringent market standards and regulations.

When setting up local capacities, much attention was paid to training national experts so that they, in turn, could help Egyptian producers in the development and implementation of traceability schemes, especially conformity to international quality and safety standards. Also, numerous producers and exporters across the entire food chain were involved, as well as food transporters and other service providers.

Results

ETRACE achieved the following:

- 45,000 farms, and almost five million people, were reached by the project

- 1,500 persons trained, including 52 trainers
- 90 out of 200 packing houses, which account for approximately 85 per cent of total exports, were trained

Traceability systems have helped Egyptian exporters to:

- Timely overcome barriers to trade, ensure continuity of exports and minimize risks for businesses and employees
- Improve management of the food supply chain
- Reduce recall expenses
- Mitigate contagious diseases and protect food chains
- Increase demand and competitiveness of Egyptian products
- Attract new foreign direct investments in the agro-industrial sector, thus creating more jobs

Impact/Outlook

ETRACE has had a substantial impact on the development of Egypt's agro-industrial sector; it is now the Egyptian "Agriculture and Agro-Industrial Technology Centre", which is directly affiliated to the Technology Development Sector of the Ministry of Trade and Industry. As a sign of its strong support, the Italian Development Cooperation is to finance a new project that will extend ETRACE's activities and provide assistance in establishing similar structures in other developing countries and countries in transition.

For more information on this project: tcb@unido.org

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At a glance:

Goal:	Traceability of Egyptian food products
MDG:	8. Develop a Global Partnership for Development
Thematic area:	Trade Capacity-Building
Donor:	Italian-Egyptian Debt-for-Development Swap Programme
Partners:	Italian Development Cooperation, Egyptian Ministry of Trade and Industry of Egypt
Budget:	USD 7,600,000
Status:	completed
Duration:	October 2004 – June 2009