

SIXTH INTERNATIONAL DATE PALM CONFERENCE (SIDPC)

A COMPARATIVE STUDY FOR COMPETITIVENESS OF DATES FROM THE GCC COUNTRIES IN THE WORLD MARKET

19 – 21 March 2018, Abu Dhabi, UAE

Date palm production

- A strategic sector in most Golf Cooperation Council (GCC) economically and culturally:
 - Domestic consumption: nutritive and spiritual value
 - Employment
 - Income generation
 - Trade (fresh fruits or high value confectionery)

RESEARCH BACKGROUND

International trade market of dates is highly-competitive

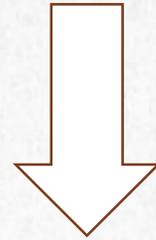
GCC contributed to 25% of world exports in 2013



Competitiveness analysis permits to set targets and trade strategies through the assessment of GCC countries performance in world market

OBJECTIVES OF THE RESEARCH

Competitiveness and performance analysis of GCC countries in international palm date trade market



Calculate and discuss of a set of competitiveness indicators of palm date production subsector in order to draw patterns of intra trade flows among GCC countries

METHODOLOGICAL FRAMEWOK

- Selection of a set of widely-used indicators in competitiveness studies
- Use of primary data from UN COMTRADE and FAO annual time series (from 1961 to 2011) of all national aggregates including average yield, total country production, consumption, export, and import to calculate the following indicators

1) Market share (MS): identifies size advantages and degree of specialization of a country on the international market of a given commodity

$$MS_{ij} = X_{ij}/X_{iw}$$

Where X_{ij} is the export of commodity i of country j ; and X_{iw} is the world export of commodity i

METHODOLOGICAL FRAMEWOK

2) Revealed Comparative Advantage (RCA): measures international trade competitiveness of a given country for a given commodity

$$RCA_{ij} = \frac{X_{ij} / \sum_i X_{ij}}{\sum_j X_{ij} / \sum_i \sum_j X_{ij}}$$

X is the export of commodity i by country j

$\sum_i X_{ij}$ are total exports of country j

$\sum_j X_{ij}$ are total world exports of commodity i

$\sum_i \sum_j X_{ij}$ are the total world exports

METHODOLOGICAL FRAMEWOK

3) Trade Balance Index (TBI): determines if a country is a net-exporter or a net importer for a specific group of products

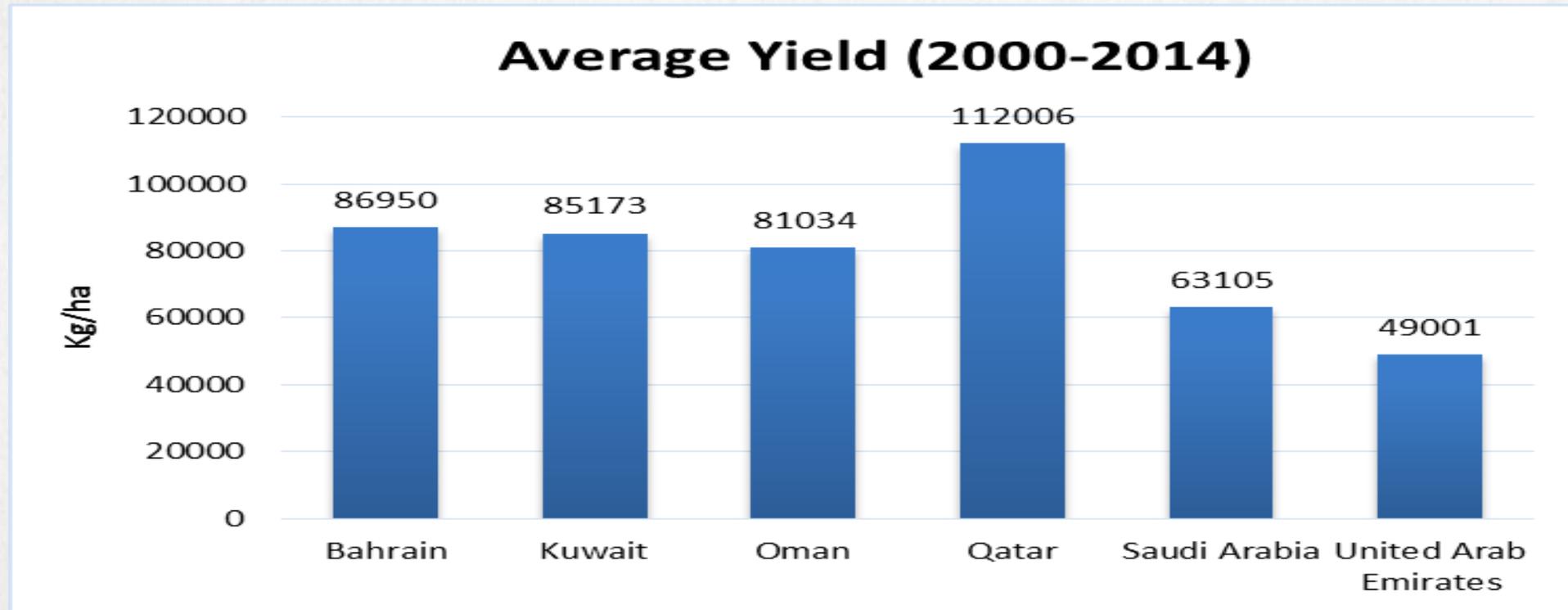
$$TBI_{ij} = (X_{ij} - M_{ij}) / (X_{ij} + M_{ij})$$

Where X_{ij} and M_{ij} represent exports and imports, respectively, of country i for product j .

RESULTS AND DISCUSSION

➤ *Production and consumption trends, and patterns of date palm in the GCC countries:*

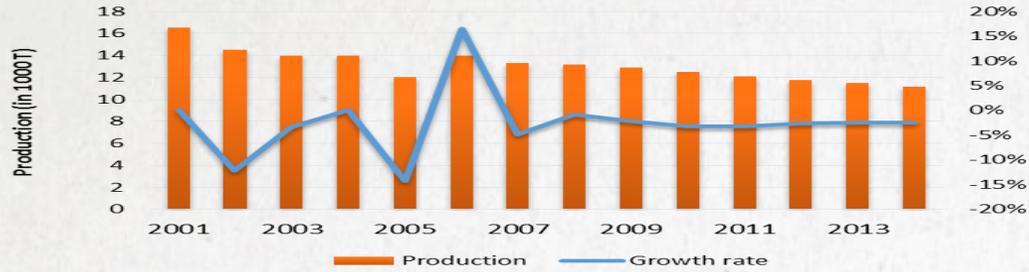
- Average yield of dates in GCC countries calculated over the period 2000-2014



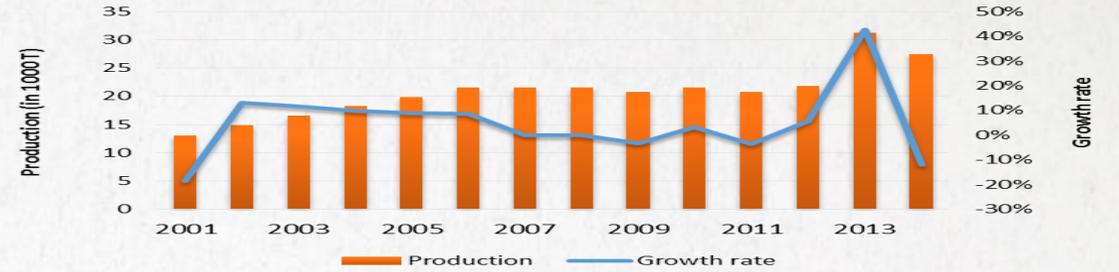
RESULTS AND DISCUSSION

PRODUCTION TRENDS OF DATES IN GCC COUNTRIES

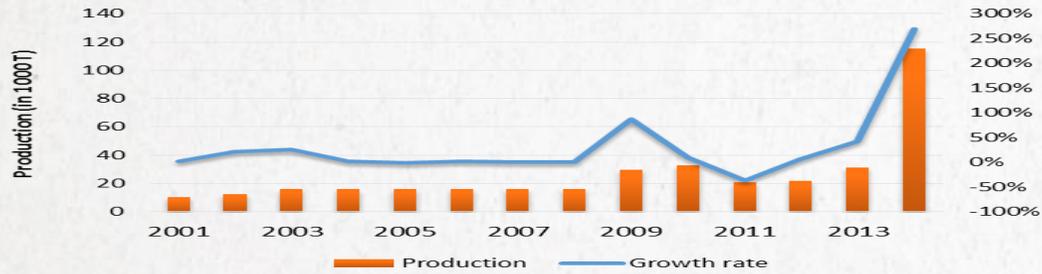
Bahrain



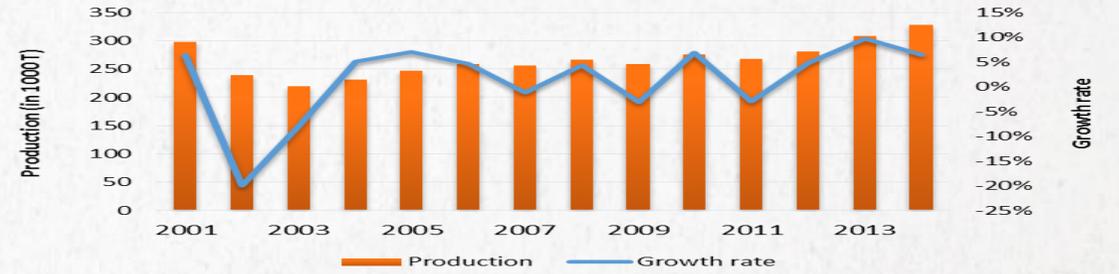
Qatar



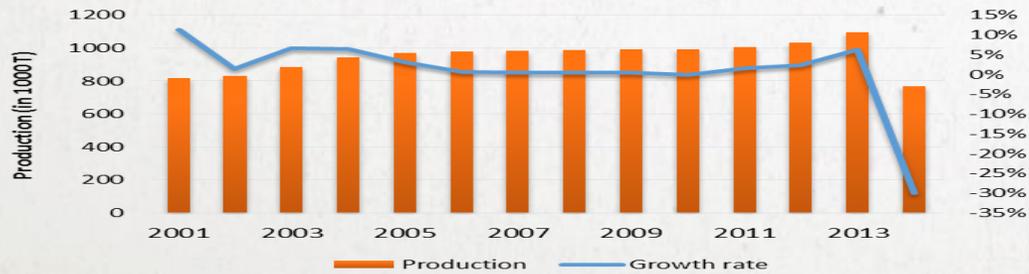
Kuwait



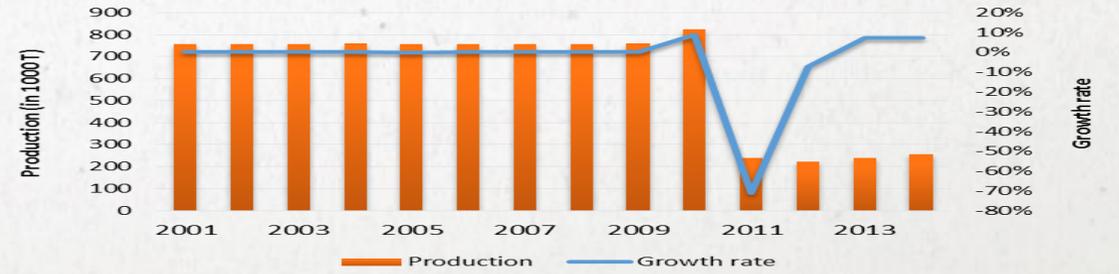
Oman



Saudi Arabia

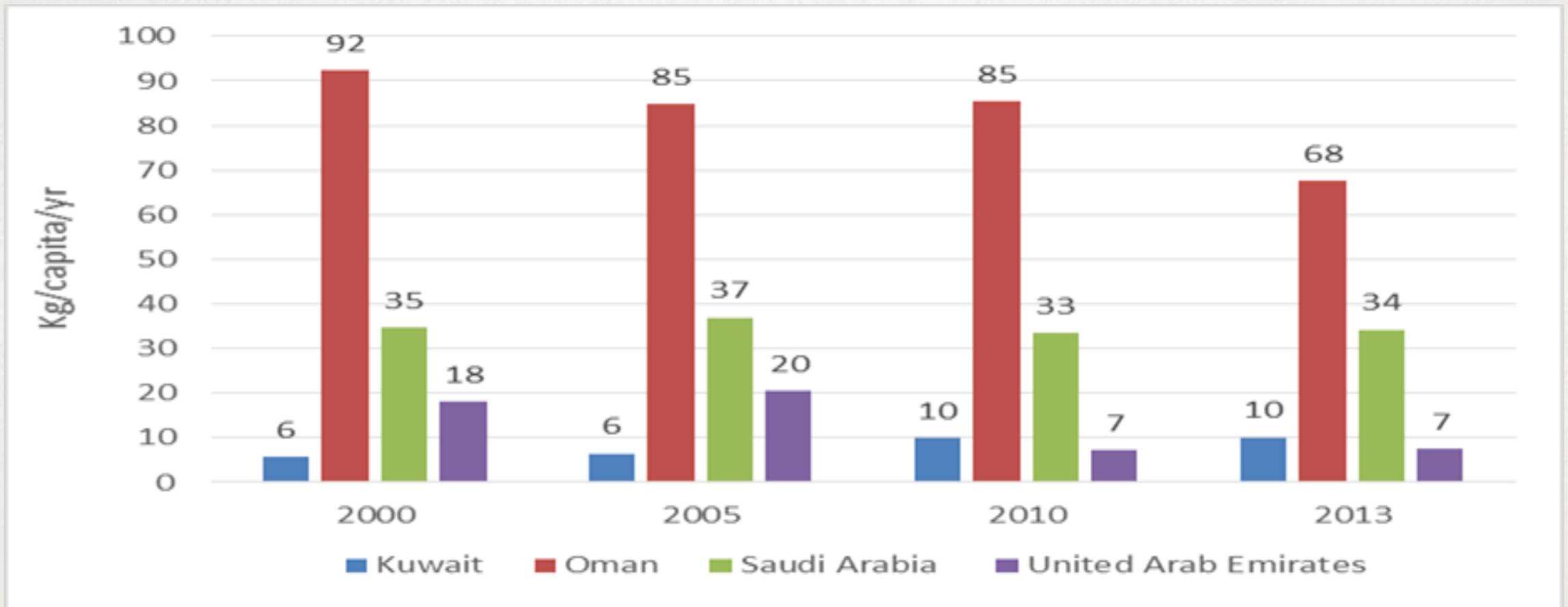


United Arab Emirates



RESULTS AND DISCUSSION

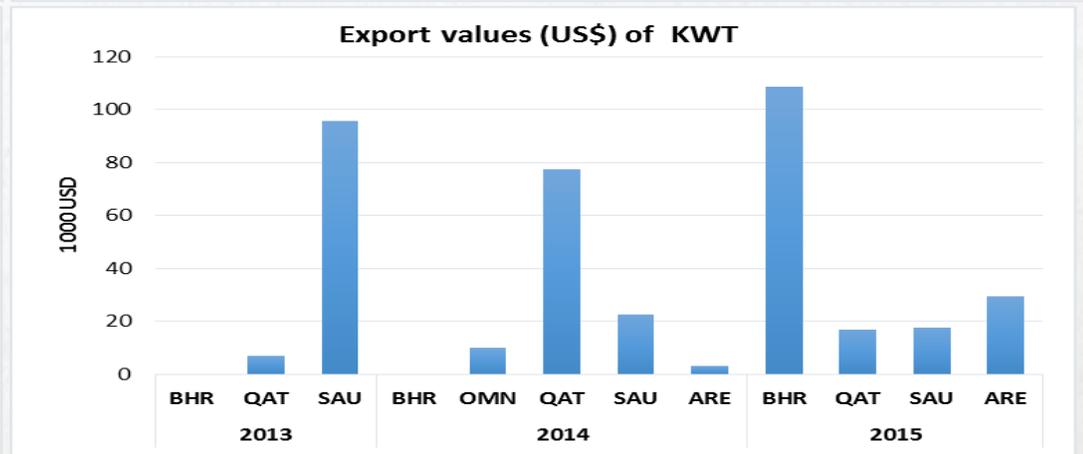
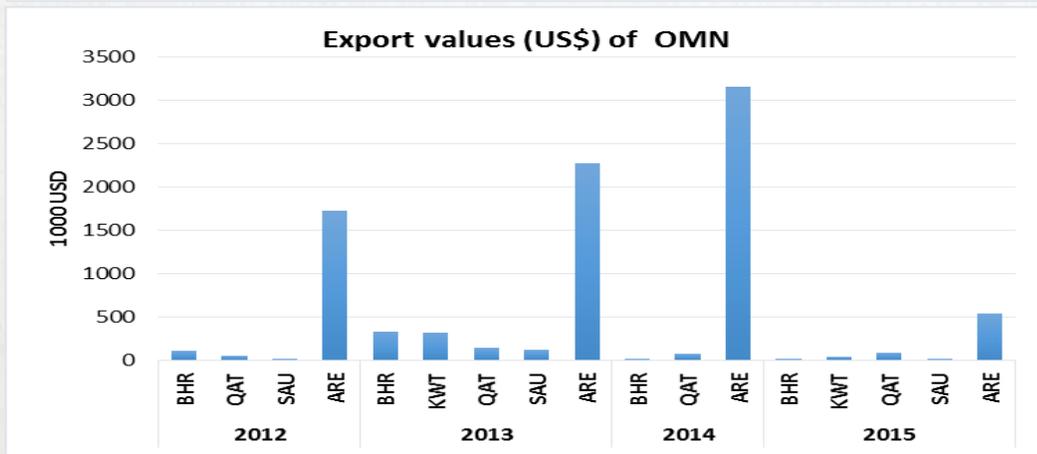
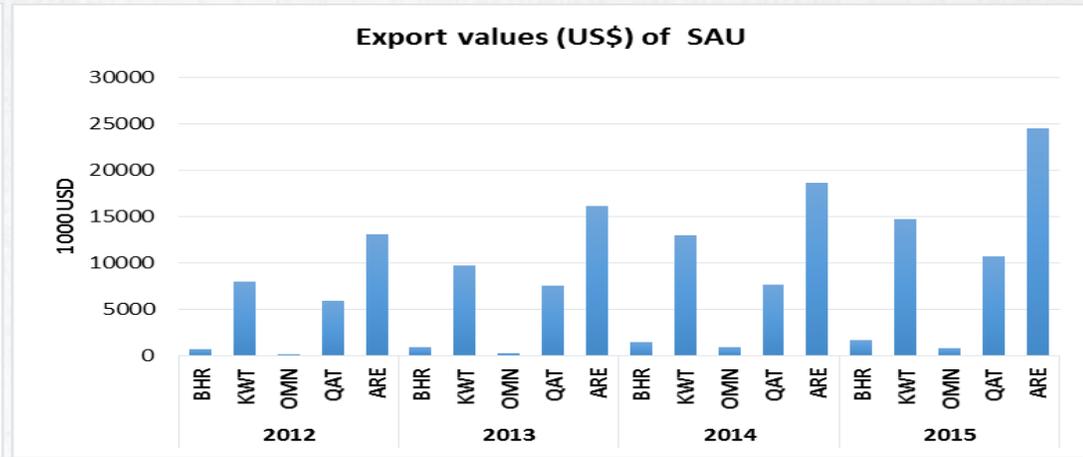
Trend of Dates Consumption per Capita & Year (in Kg)



RESULTS AND DISCUSSION

➤ *Palm date trade matrix of the GCC countries:*

Export trade of dates among the GCC countries

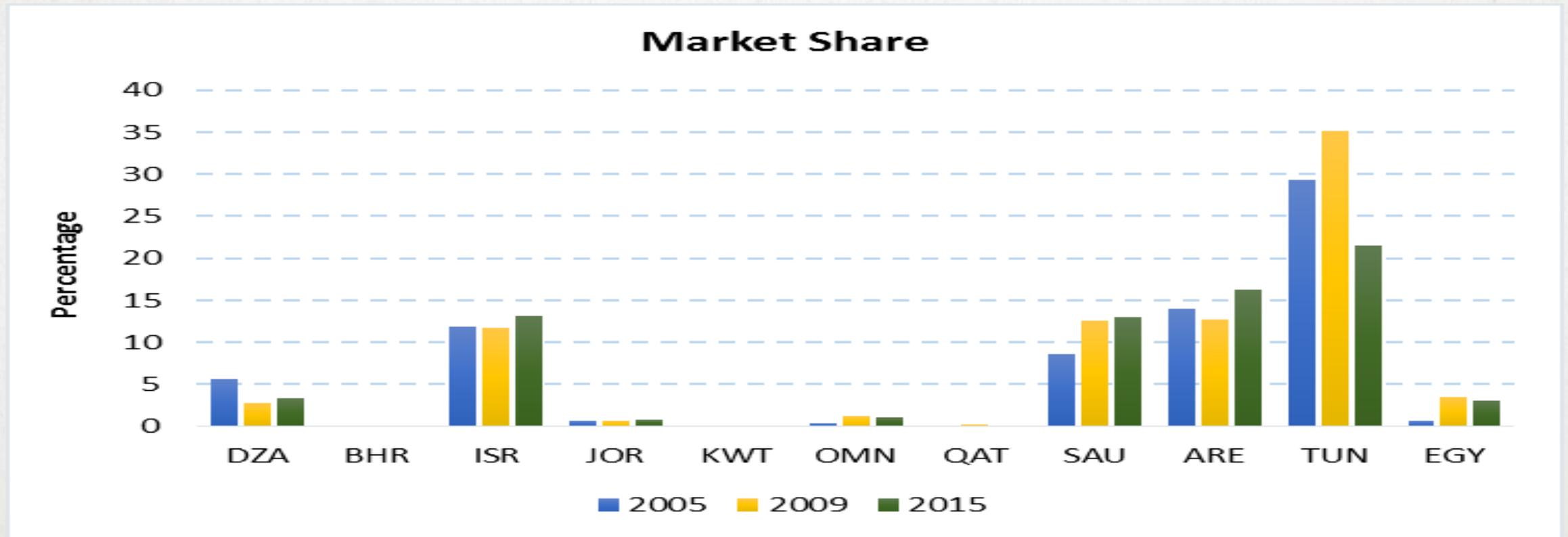


RESULTS AND DISCUSSION

➤ *Trade performances of dates: Results of indicators calculations*

1) Market Share Indicator (MSI):

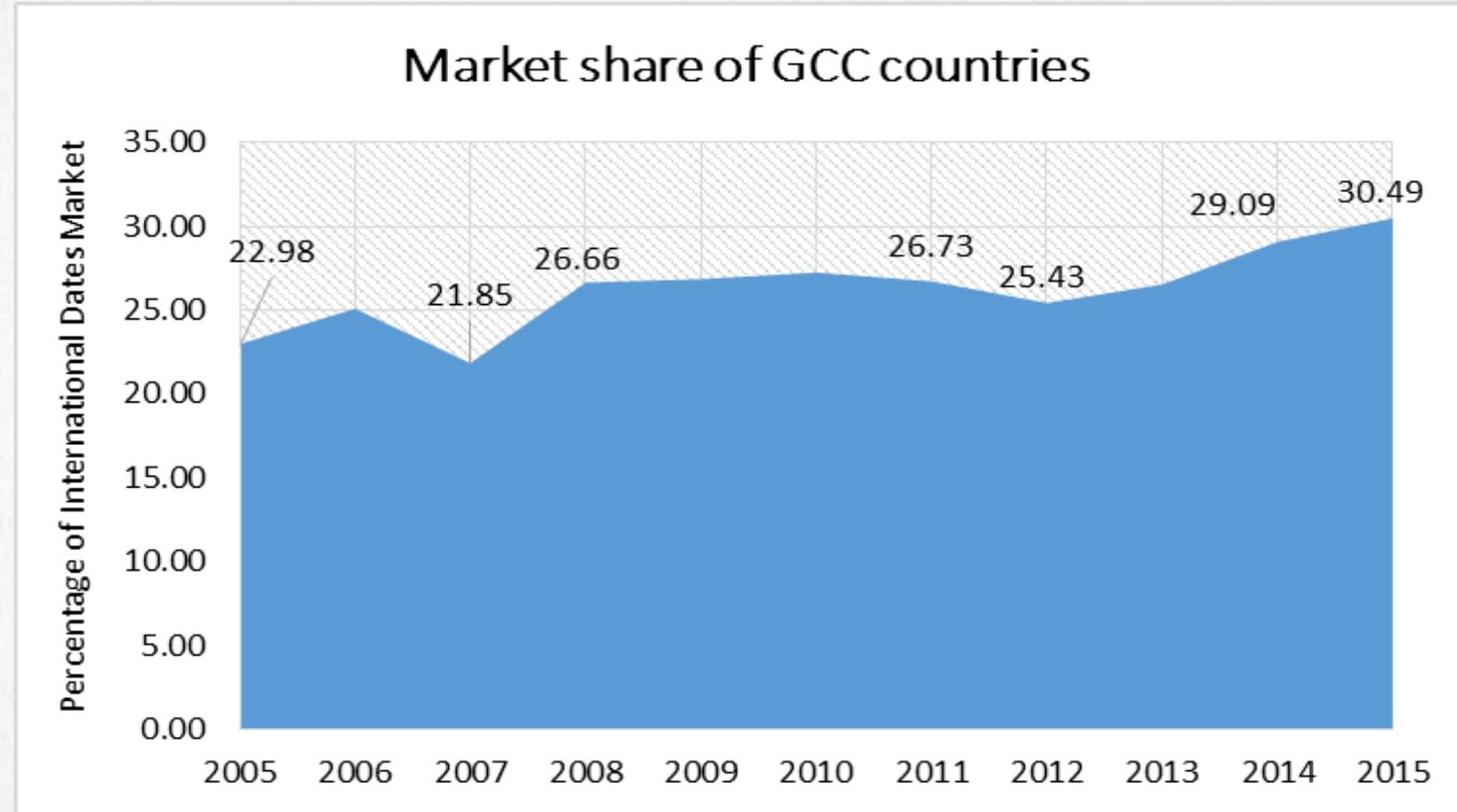
Market Share of Selected Dates Exporting Countries (Including GCC Countries and their main Competitors)



RESULTS AND DISCUSSION

- The sum of market shares of the 6 GCC countries was about 30% of the international date market during 2015.
- these countries together have strong potential for dominating the dates market
- Total share was constantly progressing as shares of KSA, UAE and Oman have rapidly-increased during last decade

Trend of the GCC market share during the last decade(2005-2015)



RESULTS AND DISCUSSION

2) Revealed Comparative Advantage” of Dates for the GCC Countries (RCA):

RCA of date trade for the GCC countries and their competitors

➤ The higher the RCA index value, the greater the importance of date exports relatively to other agricultural exports.

➤ With an RCA index of 43.5 for Saudi Arabia in 2013, its dates export share for 2013 is 43.5% higher than its share in total world export of agricultural goods.

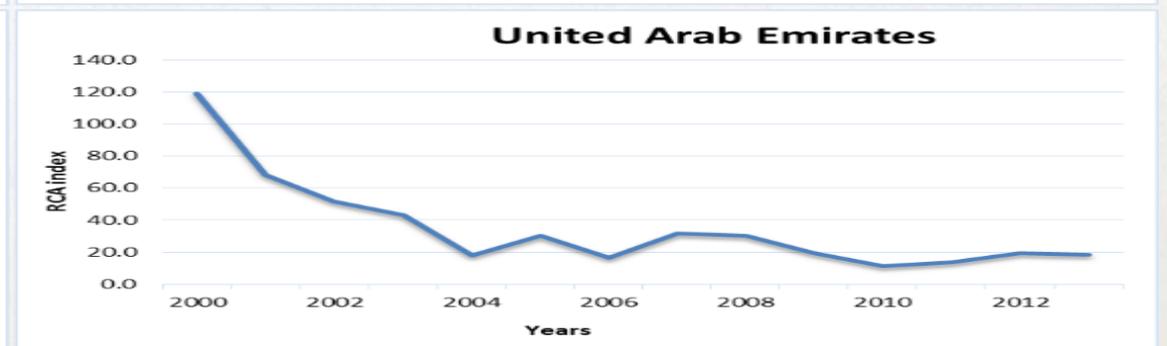
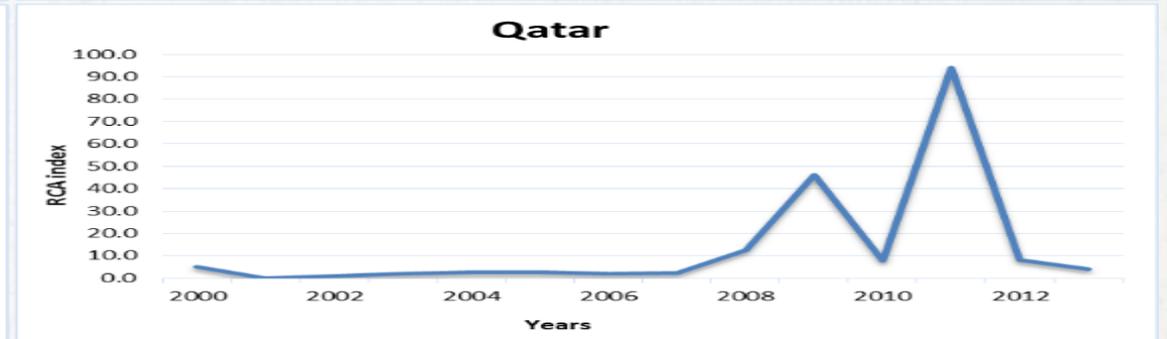
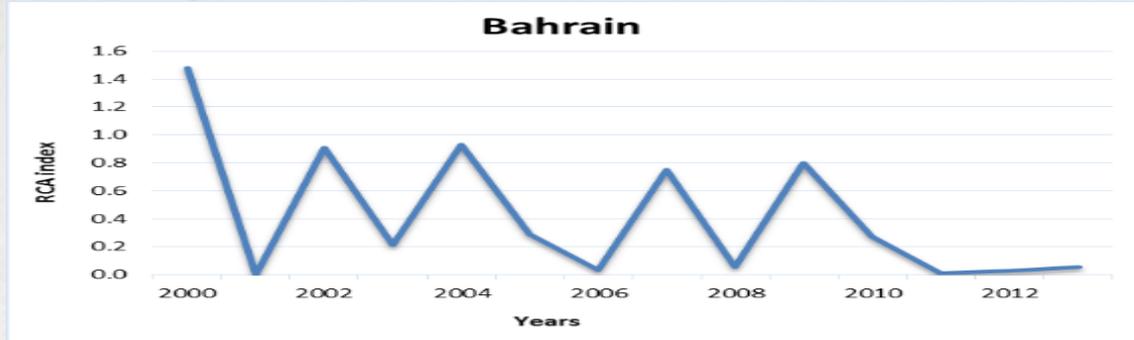
➤ Kuwait and Bahrain have no RCA during study period

Countries	2002	2005	2007	2010	2013
DZA-Algeria	672.79	384.06	436.61	318.33	110.97
BHR - Bahrain	1.51	0.37	0.94	0.36	0.06
ISR - Israel	32.04	60.66	44.62	54.06	78.38
JOR - Jordan	4.97	6.30	6.83	7.71	7.08
KWT - Kuwait	4.09	na	0.73	1.71	1.04
OMN - Oman	9.71	5.39	22.67	17.29	12.98
QAT - Qatar	1.48	3.17	2.94	na	na
SAU - Saudi Arabia	104.68	45.11	31.67	47.13	43.51
UAE - Emirates	na	37.54	40.35	na	45.10
TUN - Tunisia	463.26	199.43	227.93	323.80	228.73
EGY - Egypt	7.23	4.02	3.43	14.67	10.19

RESULTS AND DISCUSSION

Trend of the Revealed Comparative Advantage of Date Trade for the Considered GCC Countries

(for the period 2000 - 2013)



RESULTS AND DISCUSSION

3) Results of “Trade Balance Index” (TBI):

- TBI value comprised between -1 and +1 indicates that the country is both importing and exporting date on the international market.
- Negative values of TBI refer to countries that are net importers while positive values refer to net exporter countries.

Trade Balance Index of dates for the GCC Countries and their Competitors

Countries	2001	2005	2008	2010	2013
DZA-Algeria	1	1	1	1	1
BHR – Bahrain	-0.83	-0.95	-0.67	-0.90	-0.97
ISR – Israel	1	1	1	1	1
JOR – Jordan	-0.72	-0.50	-0.40	-0.41	-0.44
KWT – Kuwait	-1.00		-0.99	-0.95	-0.91
OMN – Oman	0.98	-0.32	-0.60	-0.18	0.01
QAT – Qatar	-1	-0.95	-1	-1	-1
SAU – Saudi Arabia	1	0.90	0.83	0.96	0.95
UAE – Emirates		0.17	0.05		0.14
TUN – Tunisia	1	1	1	0.99	0.99
EGY – Egypt	-0.04	0.77	0.55	0.84	0.68

CONCLUDING REMARKS AND POLICY IMPLICATIONS

- The six countries together have strong potential for dominating the international date market
- Saudi Arabia is the only net exporter in the region with a positive trade balance
- Despite the high RCA of UAE, its TBI was lower than KSA showing that UAE is also importing a higher proportion of its exported dates.
- The date trade patterns among the GCC countries shows that there is a wide scope of coordination between the different trade strategies of these countries, through specialization and division of tasks
- Dates producers and producers organizations in major GCC producer countries should interact regularly with dates processing and packaging manufactories and learn about exigencies and requirements on different markets
- The assessment and comparison of these indicators among the considered countries can be used for setting improved trade strategies and access to more valuable market opportunities.

RESEARCH STUDY TEAM MEMBERS - DONORS

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THANK YOU

QUESTIONS !!!