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## Potentials of Egypt Agricultural Bilateral Trade with the Arab Counteries: Gravity Model Evidence

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### Abstract

*The paper aims at evaluating the determinants of agricultural bilateral trade flows of Egypt with the Arab countries. A gravity model has been used in addition to some other indicators such as relative importance of intra-trade, tendency to export and import, and degree of openness. Two models have been estimated; one is for the Egyptian agricultural exports and the other is for the imports. The biggest Arab partners who represent the majority of the Egyptian bilateral trade are; KSA, Syria, Libya, Sudan, Jordan, UAE, Kuwait, Lebanon, and Iraq. The main features of the gravity model have been introduced well. The gross domestic product has a positive impact on both agricultural exports and imports, and the distance between Egypt and the target countries has a negative impact. Both factors are statistically significant. It's recommended that Egypt encourage foreign investment within the agriculture sector and maintain the road transportation with Arab countries.*