

CAL/MED CONSORTIUM WORKSHOP III

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**International Relationships:
Multilateral and regional options in
Mediterranean Agriculture**

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1. Are there International options for Mediterranean Agriculture?

- Liberalization vs status quo
- If liberalization: Multilateral vs Regional
 - Multilateral: WTO
 - Regional:
 - EU – Mediterranean Partner Countries / Africa
 - US – NAFTA / Americas

2. Is there a case for liberalization?

- Economics:
 - Presumption that free trade in Mediterranean products will enhance welfare
- Politics:
 - Difficult to explain that agriculture is excluded from FTA or Association Agreements
- Social:
 - Does it make sense keep bringing illegal immigrants to work in Spanish F&V farms?

3. Does liberalization make a difference for Mediterranean products?

- The size of the “wall”
 - Tariffs are relatively low for F&V
 - But complex: entry prices... and “sensitive”
 - Other border protection: SPS, price agreements...
- The size of the “hole”
 - Preferential agreements, normally under quotas
- Other factors may be more important
 - Perishable P., Price variability, strategies and imbalances in the food chain, private standards, labelling, quality...

4. Are there arguments for status quo?

- Difficult trade-off between market access and local economic adjustment (Turkey)
 - F&V from MPCs to EU
 - Grains & livestock products from EU to MPCs
- Preference erosion
- Some products –fresh F&V– have specificities
 - Marketing Orders in the US, Producers Organizations in the EU

5. Will different products have different potential paths?

- Olive oil & wine
- F&V:
 - The “Wall and holes” system
- In there room for other public strategies?
 - “working together”: Statistical, Market Monitoring, Transparency, technical cooperation
 - Export enhancement. Food aid. SPS