International options for EU Mediterranean products

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What I am not speaking (a lot) about

1. Multilateralism versus bilateralism and
2. A comprehensive approach to Mediterranean agreement
What I am speaking about

Mediterranean products and in particular:

1. Olive oil and table olives, and
2. Fruit and vegetables
Some comments on bilateralism versus multilateralism: Despite the current difficulties in the Doha process, it is still the EU priority
A comprehensive approach to Mediterranean agreement:
- Full liberalisation except a restrictive list of sensitive products
- different lists for different countries
What I am speaking about: olive oil I

- EU production leader: 79 % of word production
- EU consumer leader: 71%
- EU importer leader: 26 %
- EU exporter leader: 59 %
What I am speaking about: olive oil II

- EU companies are market leaders
- EU and world market without structural surpluses
What I am speaking about: olive oil III

- EU position clear:
- We are leader and we take our responsibilities in:
  - developing the market
  - increasing the quality of the production
What I am speaking about: olive oil III

- fighting against frauds and
- promoting cooperative strategies with our partners, mainly Mediterranean producers, inside the Olive International Council, in particular in the field of technical cooperation (promoting transfers of technology and knowledge).
Fruits and vegetables are a different story I

- We are not a production leader but
- We are a major trader, in particular as far as import is concerned
Main world production by regions (in Mio tonnes, average 2003-2005*) World: 1 314 Mio tonnes

*except Latin America, North America and Oceania 2002-2004

Source: FAO
Fresh fruits. Extra EU-25 trade (’000 Mio €)
EU: Net importer of fresh fruit

**All fresh fruits**

- **Imports**
- **Exports**

**Only temperate (non tropical) fruits**

Source: Eurostat (Comext)
Fresh vegetables. Extra EU-25 trade ('000 Mio €)
EU: Net importer of fresh vegetables

Source: Eurostat (Comext)
Fruits and vegetables are a different story II

- Perishable products, no easy storage
- Production and consumption depend on climatology
- Prices very sensitive to any market imbalance.
Fruits and vegetables are a different story III

- No EU companies able to exercise market leadership in the production side
- Strong imbalance in the food chain, with a reduced number of retailers imposing their conditions
- An imbalance market with availabilities increasing faster than consumption
Fruits and vegetables are a different story IV

- Increasing quality private labelling request by the retailers

- No International Organisation able to monitor the markets
But “working together” strategies are still useful I

- Statistical documents
- Monitoring of quantities of apple imports
- Sector reports: flowers, potatoes, soft fruits

http://ec.europa.eu/agriculture/markets/fruitveg/publi/index_en.htm
But “working together” strategies are still useful II

On the fruit and vegetable reform:

- Proposal, impact assessment, press release, presentations available

http://ec.europa.eu/agriculture/capreform/fruitveg/index_en.htm
A new role for the EU public service

- Market monitoring is more and more needed
- Market monitoring is each time less market intervention
- Market monitoring is sharing information, promoting cooperation strategies, increasing market transparency, developing economic analysis
CONCLUSION:

What an excitant job for agricultural economist!

Thank you !!!