

# Mediterranean Agriculture and Trade Agreements

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EUROPEAN AND MEDITERRANEAN FOOD AND  
AGRICULTURAL OUTLOOK,  
CHAINS DYNAMICS AND RENEWAL OF PUBLIC POLICIES  
Paris, 17-19 December 2009

# Trade Agreements

Integration in the Euro-Med area is marked by the (updated) Barcelona process-UfM: controlled bilateral liberalization in agriculture.

Multilateral relations are framed by the “agricultural exception” in the WTO, with a lot of North-South asymmetry

Countries in the region take part in several bilateral and regional arrangements, with still fragmented markets.

# Impact of trade liberalization

## Trade liberalization involves asymmetric impacts

- **Trade offers opportunities as a catalyst for change**
- **Adverse effects in the short run as sectors and employment adjust.**

# EuroMed integration

- The process is making progress with difficulties in agriculture.
  - Less than 50% of total trade effectively liberalized.
  - Liberalization approach by product based on traditional trade.
  - Exclusion of sensitive products.
  - Non-tariff measures remain.
- Still the North-South categories exist

# Impact of further Euro-Med liberalization

## Winning sectors

- **In the South: those related to agricultural exports, urban consumers and food industry**
- **In the EU: industry, transport, services and continental farming exports**

## Losing sectors

- **In the South: the traditional farming sector and the rural areas**
- **In the EU: fruit and vegetable farmers**

# Agriculture keeps a conflictive issue

- Fruits and vegetables:
  - key sector for Mediterranean Countries
  - Important activity in the Mediterranean EU Members
- Continental products

Negative trade balance for the South with the EU, with increasing dependence
- Farming organizations in the North against further market concessions.

# Issues

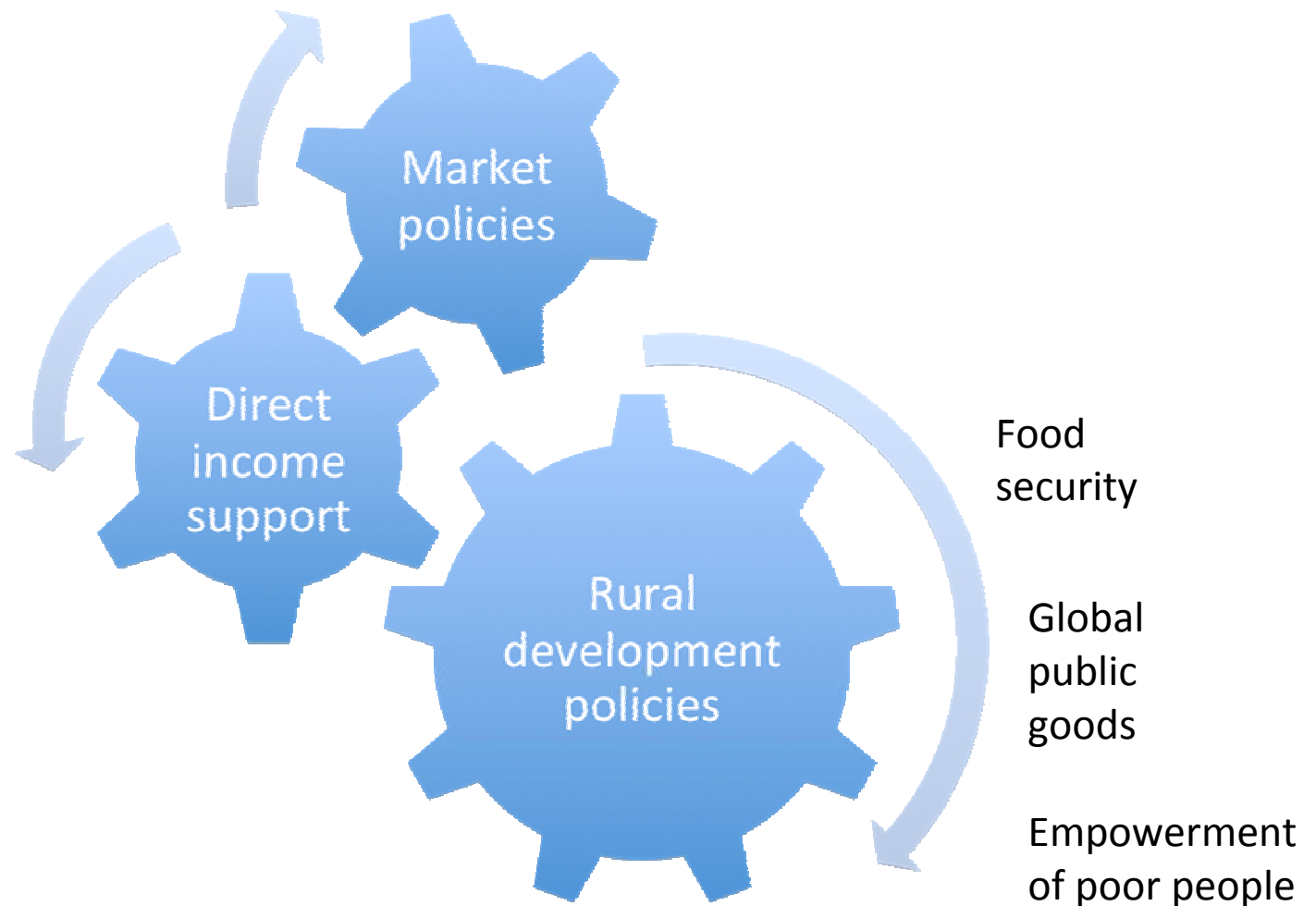
- So far trade preferences have not become a great impulse of Med exports to the EU
- In the EU, most of the market surpluses (still existing in F&V) are not a direct consequence of Euro-Med trade liberalization.
- In the long term, partial delocalization of production is rather a consequence than a problem
- Growers in both North and Southern shores of the Mediterranean sea lack adaptation to the new trends in consumption and distribution
- Rural poor are excluded from benefits of globalization

# Questions for policy

- What is the role of the agricultural sector in the society?
- Where is more “profitable” to invest in food security?
- Bilateral vs. multilateral liberalization (different interests in the North and in the South)
- How to make the process more inclusive: strengthening civil society.
- The choice of an adequate policy mix



# Understanding the links



Thanks for your attention

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