# **EU-MED AGPOL / MEDFROL**

# Coordination Meeting November 16, 2004, Brussels, Belgium Minutes Report

# **Participants:**

**EUMED AGPOL:** Dr. Florence Jacquet (IAMM), Dr. Michel Petit (IAMM), Dr. Selma Tozanli (IAMM), Ms. Charlotte Emlinger (IAMM), Jacques Gallezot (INRA)

**MEDFROL**: Dr. Yves Surry (SLU), Prof. Kostas Mattas (AUTH MAICh), Dr. Kostas Galanopoulos (University of Thrace/MAICh), Dr. George Baourakis (MAICh), Ms. Penelope Vlandas (MAICh), Dr. Podromos Kalaitzis (WU), Dr. Tobias Wronka (JLU), Dr. René Borresch (JLU)

**European Commission :** Dr. Hans Jörg Lutzeyer (EC), Dr. Marina Mastrostefano (EC), Mr. Marc Duponcel (EC)

#### Introduction

- 1. Welcome to participants (Michel Petit)
- 2. Presentation of participants
- 3. Presentation of the meeting objectives and agenda (Florence Jacquet, Kostas Mattas):
  - State of advancement
  - Reinforcing the coordination between the research teams
  - Discussion on critical issues: opportunity of mid-term meeting; liberalization scenarios

Enhancement of the coordination and the complementarity between the two projects was underlined.

#### Assessment of the course of collaboration in WP1 and WPA

1. MEDFROL – (Yves Surry)

Start of WP1: Data and documents exchanges with AGPOL

#### Problems

- Similar documents for five countries: Morocco, Turkey, Israel, Egypt and Tunisia
- Similar tasks conducted by both projects (UE protection rates and trade analysis)
- Time frames are different for the starting date of each project and for the deliverables

### 2. EUMED AGPOL – Florence Jacquet

- After presenting the structure and the interaction between the different parts of the EU-MED Agpol, the role of the WP1, WP2 and WP3 is described as well as the critical step that constitutes WP4 (formulation of the liberalization scenarios) in the overall project
- Current state of advancement of WP1 (Final reports for Turkey, and Morocco; work still on going for Tunisia, Egypt and Israel)

- A crucial question is now how to coordinate the synthesis reports of the two projects on the Agricultural situation of the Mediterraean Countries
- Regarding WP2, a sector description by *filière* approach is on-going.
  Vulnerability index will be used to calculate the threats of EU imports on South European countries' fresh fruits and vegetables production and marketing
- 3. Kostas Mattas presents a proposition on how to coordinate the different tasks of the two projects. Participants decide to discuss this proposition among the discussion on collaboration between the two projects later in the afternoon

#### Presentation of the current state of advancement

- 1. Example of country profiles prepared by EUMED AGPOL project Selma Tozanli presents the report on Turkey
  - Detailed presentation of the report with focus on Agriculture and Food processing (marketing systems, production and trade of fruits and vegetables, food retailers, foreign investments)
- 2. General framework of country profiles prepared by MEDFROL Yves Surry presents the general framework that will structure the Tunisian and Egyptian reports
  - The output of MEDFROL WPA will be composed of two documents by country: a report on national policy and another report on agricultural situation of each country
  - The main objective is to achieve a comparative analysis between the 13 countries, so the reports have to be harmonized to facilitate this comparison.
    The guidelines are taken from those of the OCDE review of agricultural policies and situation.

MEDFROL databases are complementary of those that use AGPOL project: World Bank, ITC, FAO, WTO. ITC's index will be used to analyze trade and Mac Maps data base will be used for protection rates. Policy report: general overview of the national economy, agricultural and food policies, assessing, as much as possible, "rates of assistance" to agriculture, concluding report

<u>Agricultural report</u>: natural endowment, natural conditions and land use, performance of the agricultural sector, upstream and downstream sectors, trade in agri-food products, international competitiveness of the Mediterranean fruits, vegetables and olive oil sectors

- These reports have to be shorter than 20 pages and synthetic

Marina Mastrostefano underlined the need of synthetic and global information for the Commission. A comparison assessment in agriculture would be interesting. The reports of AGPOL at a very detailed level are interesting but it would be good to write an executive summary of around 5 pages, summarizing the report.

# Future collaboration plan

1. Plan for collaboration for WP1/WPA It has been decided that:

AGPOL will make detailed report for 5 countries: Morocco, Turkey, Israel, Egypt and Tunisia. These will be made available to MEDFROL. MEDFROL will then realize synthetic and harmonized reports (policy and agricultural reports) for all 13 Mediterranean countries.

Afterwards, MEDFROL will prepare a first step summary report using its 13 harmonized country reports and send it to AGPOL-WP1(IAMM). AGPOL will, then write a second step summary report, combining MEDFROL's summary with its additional conclusions coming from the 5 country reports.

It was pointed out that processed food will not be treated by MEDFROL. So, food processing will be filled only in the second step summary report comprising solely the 5 countries treated within the framework of AGPOL project.

2. Plan for collaboration for WP2/ WPA-WPB

MEDFROL will prepare reports on two EU exporting (Spain and Greece) and two main importing countries (Germany and Netherlands) and will provide them to EUMED AGPOL. EUMED AGPOL will write three reports on Italy, France and Portugal and provide them to MEDFROL.

MEDFROL will also provide a detailed report on the Greec olive oil sector.

<u>Timing may be problematical:</u> AGPOL must send a first draft to the EU by December 2004 comprising the vulnerability index for all EU mediterranean countries while the deadline for MEDFROL reports are fixed by June 2005. Reports on Spain and Greece in the AGPOL WP2 are also included within these deliverables while the MEDFROL data or analysis will not be available within these time limits. This problem has to be addressed and a new deliverables calendar will be prepared.

#### EUMED AGPOL proposal on the process for defining liberalization scenarios

1. Presentation of the protection systems in place in the EU for fruits and vegetables and olive oil – (Jacques Gallezot)

Deliverable of WP3: a report and a database on protection rates: TARAGROMED. The complexity of the protection systems in the EU for fruits and vegetables is discussed (example of cherry tomatoes). A software will be prepared in order to translate specific duties to ad valorem equivalents.

The Protection rates database will be provided to MEDFROL once it is completed,i.e by June 2005.

2. Discussions on liberalization scenarios will begin early but only finalized after the detailed work on protection rate is completed. It was pointed out that the two projects have no obligation to use the same scenarios as they apply different models in their analyses.

- M. Mastrostefano pointed out the limitations of the CAPRI model wich she knows well and appreciates very much. According to her, CAPRI is limited in its treatments of fruits and vegetables. Hence, the scenarios to be simulated must be simple and easily adaptable to models. She further says that it would be interesting to see the reallocation of flows under different bilateral liberalization scenarios.
- M. Mastrostefano pointed out the difficulty to obtain input from the policymakers on a general basis and the necessity to have close and frequent interactions with Commission officials in order to have a useful cooperation between the research teams and the policy makers. Two units of the DG Agriculture can be interested by the present work and must be contacted: the Fruits and Vegetable Unit and the Unit in charge of bilateral negotiation with Mediterranean countries.

# Mid-term review EUMEDAGPOL-MEDFROL Workshop/Conference

Four meetings/conferences/workshops are planned:

- 1. A final conference at the end of the project with a broad audience of policymakers and institutions. Administratively this will be consistent with the technical annexes. Institutionnally, this will permit implementing an idea coming out of the recent meeting between the Director General of DG Research and the General Secretary of CIHEAM.
- 2. A mid-term workshop or poster seance during the Congres of the European Association of Agricultural Economists that will take place in Copenhagen in August 2005. Kostas Mattas will organize this academic meeting.
- 3. A mid term advisory committee meeting in Brussels in 2005 fall term, including several participants from the European Commission, in order to discuss the first results.
- 4. An E-meeting before May 2005 will be organized with the leading staffs of these two projects and with the Commission officials to discuss liberalization scenarios. This will be supplemented by visits to Brussels of research staff from the two projects
- 5. The Medrol and EUMed Agpol projects may be invited to present their first results next year in one of the series of meetings organized by the Commission in the Process of designing a road map for the Barcelona Process.