

### **Excursion to Paris**

MSc. in International Agribusiness (MIA)

Sebastian Lakner, Rico Ihle & Ana Florencia Stoddart

2010

### Content

ntroduction	4
ist of Participants:	5
Schedule Paris, June 2010:	6
DECD	7
Structure of the Trade and Agriculture Directorate	8
Overview of the OECD and the Work on Food and Agriculture (Presented by Indira Villanueva)	9
Treatment of Agriculture in Selected Regional Trade Agreements (Presented by Arnaldo Correa Neto)	
Presentation of the OECD/FAO Medium Term Outlook (Presented by Adriana Soto)1	1
Highlights from Country Studies on Israel, Chile and Brazil (Presented by Juceli de Lima Morales	•
On-line Data Base Access (Presented by Cristina Romero)	.4
Chilean Delegation (Presented by Rodrigo Silva)1	.5
NRA1	.7
Laboratory of Applied Economics (Presented by Melissa Valladares)1	8.
Introduction in the Work of (Presented by Antonio Yépez Freire)1	9
The Future of the CAP after 2013: Prospect of European-Latin American Agricultural Trade Relations (Presented by Mercedes Montero Vega)	0
GRET	2
Protocol of Conference of the Tropical Garden (Presented by César Daniel Barragán Ramírez) 2	3
Overview (Presented by Pamela Sangoluisa)2	4

#### Introduction

In June 2010 a group of students of the M.Sc. program in "International Agribusiness" had a study tour to Paris in order to visit several organizations involved in agricultural economics research and opinion formation in agricultural politics. The aim was to obtain an overview of the landscape of stakeholders and institutions located in Paris. All presentations were very interesting and provided comprehensive insight into this subject. Moreover, Paris is a nice place to visit, especially in June, when there are different exciting events are on like the strike and the Soccer World Cup 2010.

This booklet is the result of the study. The booklet was mainly produced by the participating students who summarized the most important aspects of the meetings. Ana Stoddart did the layout and organized the notes.

The planning of this study tour to Paris was kindly supported by Prof. Dr. Stefan Tangermann (<a href="http://www.uni-goettingen.de/de/105881.html">http://www.uni-goettingen.de/de/105881.html</a>) who served as director of the Trade and Agriculture directorate at OECD until 2008 and Mr. Ken Ash, the current director. We would like to express our deepest thanks to both of them. We are also grateful to Mrs. Carmel Cahill and Mrs. Jeniffer Griffin who organized an extremely interesting day with a number of meetings at OECD.

The group also visited "La Fédération nationale des syndicats d'exploitants agricoles (FNSEA)", "L'Institut national de la recherche agronomique (INRA)" and "Groupe de recherche de recherche et d'échanges technologiques (GRET)", where the group learned comprehensive insights into the EU Common Agricultural Policy. We obtained kind support from Claude Soudé (FSNEA) and Dr. Sylvie Lambert, Prof. Dr. Jean-Christophe Bureau, Bernard Esmein and Dr. Jean-Marc Boussard (INRA).

Finally, we would like to express our thanks to Sergio René Araujo Enciso who was heavily involved in the preparation and organization of the tour but could unfortunately not join us in Paris.

Göttingen, December 2010

Sebastian Lakner & Rico Ihle

### **List of Participants:**



# Faculty of Agricultural Sciences Department of Agriculture Economics and Rural Development

Organizers:		
Dr. Rico Ihle		
Dr. Sebastian Lakner		
MSc. Sergio Rene Araujo-Enciso		
Master Students:		
2009/2011	2010/2012	
Ana Florencia Stoddart	Adriana Soto	
Arnaldo Correa Neto	Antonio Yépez Freire	
Cristina Romero	César Daniel Barragán Ramírez	
Indira Villanueva	Juceli de Lima Morales	
Juan Pablo Lopez	Melissa Valladares	
Rodrigo Silva	Mercedes Montero Vega	
	Pamela Sangoluisa	

### **Schedule Paris, June 2010:**

	Tuesday, 22 June	Wednesday, 23 June	Friday, 25 June
10.00	Overview of OECD and of the work on Food and Agriculture.  Carmel Cahill – Senior  Counsellor/Trade and Agriculture  Directorate.  Treatment of Agriculture in Selected  Regional Trade Agreements.  Linda Fulponi, Senior Agricultural  Policy Analyst, ATM/TAD.  Presentation of the OECD/FAO Medium  Term Outlook. Mr. Shinichi Taya,	10:00 - 12:00 FNSEA Claude Soudé Fédération nationale des syndicats d'exploitants agricoles (FNSEA)  13:00 – 14:30 INRA  Sylvie Lambert Laboratory of Applied Economics  15:30 INRA  Bernard Esmein	14:30  Meeting with Jean-Marc Boussard Paris Tropical garden at Nogent sur marne  15:30 GRET  Arlene Alpha Agriculture and Development Cooperation
11.00	Agricultural Policy Analyst, ATM/TAD.  Presentation of OECD's work on measuring support and monitoring agricultural policy developments. Olga Melyukhina, Agricultural Policy Analyst, PTA/TAD.	Introduction in the Work of INRA  16:30 INRA  Jean-Christophe Bureau The Future of the CAP after 2013	16:00 MOMAGRI  Regulation of agricultural markets
11.30	Highlights from Country Studies on Israel, Chile and Brazil, Andrjez Kwiecinski, Senior Agricultural Policy Analyst, DD/TAD and Jonathan Brooks, Senior Agricultural Policy Analyst, DD/TAD.		
12.15	Future agricultural policy directions – A discussion facilitated by Catherine Moreddu and Dimitris Diakosavvas, EU and US country desk officers respectively and Senior Agricultural Policy Analysts in PTA and PE Divisions.		
14.30	Presentation of on-line data access from the OECD by <b>Jens Dossé of ITN</b>		
15.00	Presentation by the <b>Chilean</b> delegation to the OECD, discussion.		

#### **OECD**

The **OECD** is an international organisation helping governments tackle the economic, social and governance challenges of a globalised world.

OECD brings together the governments of countries committed to democracy and the market economy from around the world to:

- Support sustainable economic growth
- Boost employment
- Raise living standards
- Maintain financial stability
- Assist other countries' economic development
- Contribute to growth in world trade

The Organisation provides a setting where governments compare policy experiences, seek answers to common problems, identify good practice and coordinate domestic and international policies.

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

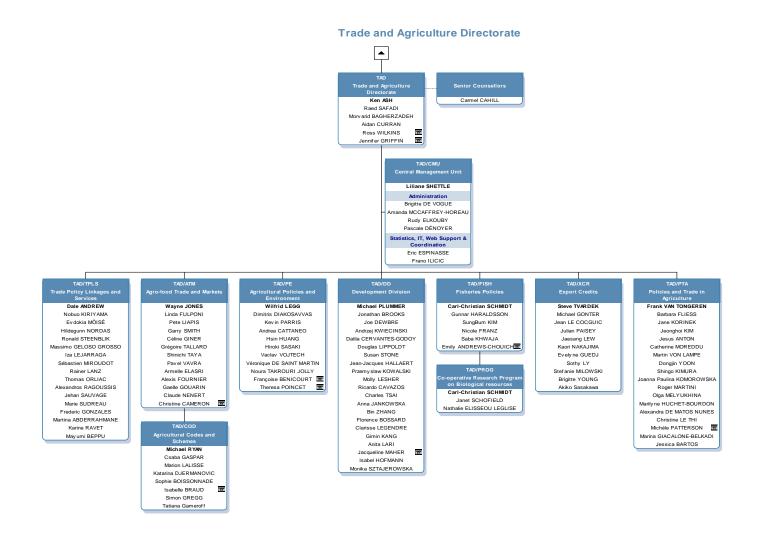








#### **Structure of the Trade and Agriculture Directorate**



### Overview of the OECD and the Work on Food and Agriculture (Presented by Indira Villanueva)

Meeting held with: Carmel Cahill, Senior Counsellor, Trade and Agriculture Directorate.

The origins of the Organization for Economic Cooperation and Development (OECD) are under the Marshall's Plan in 1947, with the objective to contribute to the reconstruction of Europe after World War II, at that time, the organization was called Organization for European Economic Cooperation (OEEC) and not became OECD until 1961,

The mission of the organization is "to help its member countries to achieve sustainable economic growth and employment and to raise the standard of living in member countries while maintaining financial stability — all this in order to contribute to the development of the world economy". In order to archive this mission the organization has include a lot number of new members and now is being developed as intercontinental.

At the time the OECD has 31 members, which are: Australia, Austria, Belgium, Canada, Chile<sup>1</sup>, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Spain, Sweden, Switzerland, Turkey, United Kingdom and United States. And others countries have been invited like Estonia, Israel, Russia and Slovenia.

The work of the organization and its structure is coordinated by different committees which specialized in areas like policy, economics, trade agreements, environment, education, finance, employment and others. There are a total of 250 committees, and one of them is specialized in agriculture.

#### Work on Agriculture:

With the objective to analyze the different realities of the members' agriculture and given that the policies can be quite different between them, a combination of professionals from different countries work at the OECD for this topic together with a lot of consultants and academia persons and supplemented by networks, workshops and formal and informal review papers.

In order to understand the role of Agriculture on development, this department works in three main areas:

- Food and Agricultural policy
- Agro-Food Trade and Development
- Agro Sustainability

<sup>1</sup> Chile became a member of the Organization on 7 May 2010

The principals heading of the work of the OECD in agriculture and food are: evaluation of policies, measuring support and improving policy performance, risk management, productivity, competitiveness and innovation, harnessing networks, medium term outlook for markets and policies, structural change, further opening markets, RTA's and exports restrictions, global food security, policies design for less developed countries, country specific studies, agro-environmental policy performance and agriculture and green growth.

#### **Questions and Discussion**

The principal topics that were discussed at the end of the presentation are:

1. What is the role of the OECD with non-members countries, especially with the less developed ones?

In Agriculture there is a heading that make research of the policies design for less developed countries. These kind of work is usually assisted by others organization jointly with the OECD. An example of these is The Monitoring African Food and Agricultural Policies (MAFAP), which is an OECD and FAO initiative that monitors the African policy.

2. What are the political implications for a country that join the OECD?

I could be considered that becoming a member of the OECD is some kind of signal for the international community that the country is getting better in its economic growth. At the same time, having another country participating in the different debates give more expertise under a different reality and at the end the new member it's a 2way learning process.

#### 3. How is the OECD funded?

The principal funds come from contributions of the member countries as a percentage of their GDP, and it is negotiated every 2 years. The largest member contributors are the USA and Japan. There also some voluntary contributions from the members (either in money or staff) in case that there is any particular and additional topic that they are interested to.

### Treatment of Agriculture in Selected Regional Trade Agreements (Presented by Arnaldo Correa Neto)

Meeting held with: Linda Fulponi, Senior Agricultural Policy Analyst, ATM/TAD.

#### **Regional Trade Agreements**

- Bilateral free trade (EU, Comesa, Mercosur)
- Recent expansion of trade agreements: 250 WTO reported agreements
- Requirements for WTO members: complete liberalization

#### **Contents of Regional Trade Agreements**

- Tariffs elimination
- Africa is less developed and not much is happening at the moment
- Some products are protected by tariff rates quotas: Dairy, sugar, beef, etc.

- Rules of origin: more detailed than tariff, restrictiveness measured by required transformations, can generate trade distortions by creating incentives.
- Sanitary and phyto-sanitary provisions
- Difficulties in translation language of agreements to actions
- Commitments still generic
- Technical barriers to trade: Focus on facilitation of procedures
- Agricultural subsidies: complete eliminations still a sensitive issue in LA, 67% of LA agreements establish a deadline for the removal of export subsidies.
- Trade remedies: USA not give up of the use of antidumping

#### **Conclusions**

- 1. Regional Trade Agreements provide greater agricultural trade liberalization
- 2. Tariff reductions are significant with RTA
- 3. Rules of origin can dilute any gains in tariff reduction
- 4. Border measures, sanitary issues, trade barrier commitments in force still generic
- 5. Trade remedies continues existing, antidumping measures remains

# Presentation of the OECD/FAO Medium Term Outlook (Presented by Adriana Soto)

Meeting held with: Shinichi Taya, Agricultural Policy Analyst.

The OECD publishes every year an Outlook on agricultural markets, in this case, they presented to us the outlook 2010-2019. The OECD carries out this project jointly with the Food and Agriculture Organization (FAO), and additionally has country collaborators who give agricultural detailed information that they can't access to (especially for Non OECD countries).

#### **AGLINK COSIMO Model**

The OECD has developed a model analysis based on prices, production, etc. The "Aglink Cosimo" model is a partial model (only covers agriculture), where they have to make several assumptions like GDP and others. It is composed of sub-models which are called country models.

The commodities covered in the model are cereals, oilseeds, meat, dairy, sugars and biofuels (important point due to the increasing strength of this sector), and it covers the entire world.

With respect to projections, they make them for prices, productions, consumptions, stocks and trade flows. Additionally they have policy variables which include tariffs, quotas, direct payments, and they run different scenarios with changes of these, which have to be constantly updated.

#### **Highlights**

- Commodity price projections (in general) are expect to remain equal or above historical levels, but still remain lower than the spike levels from 2007-2008. The main reasons given are the increasing income and population (the more population, the more food needed) in developing countries. Additionally there is an increasing demand of biofuels which they also consider (For e.g. USA and corn to make ethanol, wheat in EU). Finally, they expect a higher cost structure: oil prices will be higher because of the biofuels demand and a tighter supply.
- Regarding production projections they expect a strong increase in production, especially from non OECD countries. Production increase can be decomposed in two factors: area expansion and yield growth. They expect more a yield growth than an area expansion (most agricultural land is already used, while there can be an increase in technology to help yield increases).
- With respect to demand drivers they divided it into wheat, coarse grains and vegetable oils. They expect a large increase in coarse grains (related to field demand as feed) and vegetable oils (related to demand as food). Both are driven by income growth of developing countries. In the case of coarse grains there will be a higher demand of livestock (meat) given that it, together with vegetable oils, is considered to be more responsive to income growth, they are considered luxury commodities, which is not seen in wheat or rice (staple foods).
- OECD countries are expected to lose export shares, while developing countries will increase their participation. This will be more stressed in oilseeds, coarse grains and wheat.

#### **EXAMPLE: Rice Projections**

- Rice markets will be balanced in supply and demand. China and India have almost 50% of the production share of the world, but it will decrease with the increase of incomes in china.
- There will be changes in consuming habits of the population. In the case of China, they will follow East Asian developed countries. There will be a reduction in per capita consumption. Due to a higher income growth they will tend to consume less rice and more non staple foods. In the case of India, there will be the same consumption per capita which is explained by the population growth. In the case of Africa, there will be a strong growth in consumption due to a change in diet patterns, but still low absolute levels of consumption

#### Key issues and uncertainties:

Finally, some issues about uncertainty were addressed, such as the weather and economic stability, developments in trade and domestic policies, global food chains etc which will have an effect in the trends of the variables analyzed.

### Highlights from Country Studies on Israel, Chile and Brazil (Presented by Juceli de Lima Morales)

Meeting held with: Mr. Andrzej Kwiecinski, Senior Agricultural Policy Analyst, and Mr. Jonathan Brooks, Senior Agricultural Policy Analyst.

During our visit to OECD it was presented three country studies as follows:

• Israel presented by Mr. Andrzej Kwiecinski, senior agricultural policy analyst, DD/TAD Israel was officially invited to be an OECD member on May, 27th 2010.

Before the formal invitation, a working study was made through a two-sided political commitment between Israel and the OECD. The research was a country revisal presented to the OECD members and published in order to become a public data base. The study was divided in three chapters:

- 1. Policy content: where general economical indicators and a timeline with past reforms were presented. The objective was to build a broad framework information about the country and tried to define what role plays agriculture in Israel.
- 2. Policies: the agriculture policies that were introduced in the country, measurement and evaluation of their effects.
- 3. Assessment and recommendations: where OECD advises about the potential improvements that the country can achieve, taking the perspective of maximize the efficiency in the relation between tax payer and consumer. These recommendations are not bidding or restrictive to the country membership.

Some country characteristics were highlighted: 92% of the total land and water of the country is state-owned. The allocation of the land is made by the government as quotas for farmers.

There is dominance of co-operative communities which are responsible for 80% of the total production output. Agricultural production is very integrated to international markets.

The policies and the past reforms have brought positive changes and were helpful to the sector, however further policy reforms were suggested. The first orientation was the reduction in administrative costs associated with agricultural land market transitions. Second is to reduce and simplify agricultural import tariffs, turning the market more clear and attractive to investors. The third recommendation mentioned was the implementation of less distortive policies for the livestock sector. The fourth was better enforcement of labor market legislation, allocating labor work more in line to international labor market. And finally improve the efficiency in water use.

• **Brazil and Chile** presented by Mr. Jonathan Brooks, senior agricultural policy analyst, DD/TAD Brazil and Chile were jointly presented in order to highlight the differences and similarities between the two South American countries.

Chile joined OECD on May, 7th, 2010. A detailed country study was made between the years of 2005 and 2007. Brazil was offered enhanced engagement, with a view to possible membership.

Brazil and Chile are democratic stable countries. In the past, both had adopted import substitution policy to develop national industry. They have macroeconomic stability and have implemented orthodox economical policies but with an active social agenda. Both are committed to trade openness, have important natural resources endowments and have a high degree of income inequality.

In terms of agriculture sector, the similarities continue, agriculture represents a small share of GDP for these countries, 5% for Brazil and 4% for Chile. The share of agriculture in employment represents 18% and 12% for Brazil and Chile respectively. And the agro-food sector's share of total exports is equally 29% for the two countries (period considered from 1995 to 2007).

Brazil has an extensive market price support to "family farmers", unlike Chile that had virtually eliminated that policy. This kind of support could be changed for programmes to upgrade farming skills and enable family farmers to become competitive within the sector. Regarding input subsidies, there are credit subsidies to small farmers in both countries. Brazil and Chile provide relatively low level of support to their agricultural sector. However Brazil has a historical problem with farmers debt rescheduling.

Both countries seek to improve the competitiveness of their commercial sectors and to find a viable adjustment path for their small farmers. They have an open export-oriented agriculture sector with relatively low subsidies to farmers. Either have major investment challenges in infrastructure, human capital, research and development. Investment in public goods as key to competitiveness is more prioritized in Chile.

# On-line Data Base Access (Presented by Cristina Romero)

Meeting held with: Jens Dossé.

The Organization for Economic Cooperation and Development offers a big data base with information mainly from its member countries but also from selected non member economies which have some relationship with the organization like Brazil, Israel, China or from other external countries. The sources are the member states, which collect and provide basic data which is then processed by the OECD to obtain different indicators (for example the Producer Support Estimate), or different international organisms like the FAO.

The data can be reached through the organization's web page: <a href="www.oecd.org">www.oecd.org</a> or directly through the statistics portal on: <a href="http://stats.oecd.org/Index.aspx">http://stats.oecd.org/Index.aspx</a>

The statistic portal includes economic information as well as data on education, quality of life, development, transport, welfare, health, environment, etc. Around 40% of the information is of free access and for the rest a subscription is needed (usually available at universities).

Some points can be highlighted in order to take advantage of the features offered by the page:

- Information can be searched by topic or by country.
- There is a menu showing all the data set available from which specific items can be selected to build a table
- Tables can be created and customized according to the own needs. By using the "pivot dimensions" option, data can be sorted on columns or rows to visualize the information in a friendlier way.
- Comparisons between countries can be made.
- Data can be exported to other programs like Excel or can be saved within the OECD web page for further work under the option of "Queries"
- Under the option of visualization of data, dynamic graphs and maps can be created. This option shows a world map colour according to the situation of every country for a specific topic. The maps or graphs can be created with the data from the OECD or with own data.

### Chilean Delegation (Presented by Rodrigo Silva)

Chile's integration and membership to the OECD was a profitable relationship for both parties. According to the OECD, Chile is a country that provides an example and has much to contribute to the development of less developed economies.

#### Chile's Membership process to the OECD:

During the years 2004 to 2006 there was a negotiation/discussion between OECD and Chile and certain rules where established. The OECD brings different aspects like:

- Road map/guidelines for Chile, which were established and determined by 20 different comities.
- Chile was declared willing and had the capabilities to fulfil OECD membership's requirements.

Chile's integration to the OECD has advantages for both sides; some are point out as follows:

Advantages for OECD:	Advantages for Chile:
Include a south American middle income country with interesting experience	Recognition of successful reforms (Public policies)
Chile bring experience to OECD	Allow Chile to participate in instances that negotiate guidelines, recommendations or conventions
Chile contribute with experience	Benefit of benchmarking process
Allow to OECD to enhance relations with APEC and Latin America economies become a more open organization	Bring to Chile the experience of OECD.

#### To conclude:

Present of Chile in the OECD	Future of Chile in the OECD	Other benefits
Chile has a full membership since 7 of	Setting priorities like:	Regulation of companies
may 2010.	• Economic Issues	
The forms of participation of Chile in	Education	Impact of specific groups like
this organisation are by ministerial	<ul> <li>Innovation and Technology</li> </ul>	farmers.
meetings, standing committees and	<ul> <li>Environmental Issues</li> </ul>	
substantive committees.		
Setting up a mission and getting to		Changes in some lows
know the organisation.		
		Access to information

#### **INRA**

A mission-oriented research institute that addresses core development issues, from the local to the international level.

#### INRA's missions: To combine scientific excellence and the social objectives of research

- To produce and disseminate scientific knowledge
- To develop innovations and know-how for the benefit of society
- Through its expertise, to inform decision-making by public and private sector players
- To develop scientific and technical culture and participate in the science/society debate
- To contribute to training in and through research.













# Laboratory of Applied Economics (Presented by Melissa Valladares)

Meeting held with: Sylvie Lambert.

The INRA team located in the Economic Research Center is the most atypical INRA group, it has just a few members and is divided in two main areas of research:

- Inequality: Developing countries
- Applied economics: International Trade and household economics

The other research groups are located in this center and work in different areas, but the INRA is the only one related to agriculture.

In this center there is the possibility to work as a researcher, PhD (a lot in development), or also to study 2 different master programs:

- Economic Policies and Evaluation (it's the bigger group)
- Public Policies and Development (international groups and grants), related to applied economics.

As a researcher in the INRA group, the main responsibility is to do research, but most of them also do some teaching. The main sources of funding are the national research organizations, ministries, or applying for a grant to work on a specific project for a certain amount of time, which is usually hard to get.

The teaching time of the researches is usually around 15 hours a year, so they are mostly full time researchers. The masters have a total of 160 students in 2 promotions of the 2 different masters.

Among the research projects that they have done, there is one on microeconomics in household behavior in developing countries. In this study they analyze aspects such as:

- labor migration (people go to the cities to bring more money to the family)
- how to represent the rural household behavior if they usually don't market their products
- why families don't send their children to school in Africa, and if they do so, why is it done
  so late (thy found that this is done so children learn farm tasks first so they go back to
  work at the farms after school)

To collect the information for the research project, a survey was carried out with 1800 African families, usually spending a full day with each. In each household they tried to link the blood related people and make subgroups. They analyzed the differences in per capita consumption at group level and found a very unequal situation: in average level households some people were living in poverty, and in some poor level households at least 1 person was living in non-poor

conditions. In general, a closer relationship to the head of the family, the higher living standards someone would have.

Another research project focused on economic mobility that takes place with cross household mobility, for example when widows move to other house with more relatives after their partner dies, or fostering children, etc.

On the fostering subject, they found that it is done mostly to improve the child's access to education and food, and sometimes even to share children with other members of the family that don't have any of their own. Before the study they thought that it would not be good for the children, but after the study they found evidence that proves the opposite. Most of the fostered children grew up to be more educated, men marrying younger, women less likely to enter polygamous marriages, etc.

In general the access to the information of the households was good, people were willing to answer the questions and spend some time with the researchers. They found only some problems when dealing with higher class families, they weren't so open and in general spend just a little time with the researchers, also the second families of polygamous men had sometimes the same attitude.

# Introduction in the Work of (Presented by Antonio Yépez Freire)

Meeting held with: Bernard Esmein.

INRA is a research organization with a staff of 8500 people, including around 2000 scientists, 2400 research engineers and the rest is technical and administrative staff.

The budget in 2010 will be around 900 000 million Euros, it is probably the largest agricultural organization for agricultural research with about 2500 publications every year, second in the world after the USDA Agricultural Research Service. About 50% of the publications are co-publications.

Up to the 1960s, INRA was an important actor in the organization of farming in France, and then gradually became into what it is now: an institute which has integrated new and fundamental technologies in the life science, biotechnology, molecular technology and related sciences in trying to respond the new demands of farming.

Right now the INRA is not a completely applied sciences research center, the spectrum goes from fundamental research to applied sciences. The German organization with which they have the most co-publications is the Max Plank Institute.

For applied research in France there is a very special system: the technical institutes which make the transfer between research and the farmers.

The INRA has three main fields of research: Diet (food), Agriculture and Environment, and six big research areas: environmental and rural areas, human nutrition and food safety, quality of

agricultural products, knowledge of the living world, agricultural practices and systems, and economy and social sciences.

The main efforts right now are located in three major fields:

- Development of Sustainable Agriculture
- Nutrition and its effects on Human Health
- Environment and Regional Development

In 2009 INRA was evaluated by the National Agency for Evaluation, after the evaluation there has taken place a reorientation of the institution's strategy. Now their contributions are aimed to the global agriculture research, carried by several major transversal multidisciplinary programs and networks corresponding to five thematic guidelines. Those guidelines are not completely defined are the moment, but will be finished at the end of June.

Those programs will have to converge, which is one of the main points of the program itself, with the international programming and to constitute initiatives within the mentioned international programming. A third of the INRA's budget will be dedicated to this new priority programs.

In 2009 a new consortium was created for scientific cooperation in the field of agriculture, nutrition, environment and related topics: Agreenium. It gathers all the organizations working in those fields: INRA, CIRAD, AgroParis Tech, Montpellier Supagro, Agrocampus Ouest and the National Veterinary School of Toulouse. The education institutions that belong to this consortium are the most important "Grandes Écoles" (elite schools) that teach agriculture related sciences in France.

INRA has 14 research departments corresponding to different fields, and 257 research units, 145 of those research units are joint research units. The joint research units are a gathered team from several institutions, and its management is very independent, as a unique unit. It is complex system but works quite well at this stage. It has existed for about 10 years.

# The Future of the CAP after 2013: Prospect of European-Latin American Agricultural Trade Relations (Presented by Mercedes Montero Vega)

Meeting held with: Jean-Christophe Bureau.

INRA, the France national institute of agricultural research, is one of the main stakeholders in the agricultural environment in France. This institute is ranked as the number one research institute in Europe and second in the world. It basically focuses on all issues regarding agriculture; from agricultural politics to technical issues: including a wide range of researchers.

Nowadays, INRA is divided into three main research areas:

- 1) Common agricultural policies
- 2) International trade and negotiations
- 3) Environmental issues (including as a main aspect climate change) but it also researches in innovation, productivity, technological changes and adaptations to international trade.

Although INRA's headquarters are located in Paris, there are other INRA subsidiaries which have specific research focuses:

Toulouse: researches about environmental issues

Granion: focused on quantitative research

Rhein: focused on quantitative research

• Montpelier: focused on descriptive economics. Eg. organization of food chains

INRA also has important partnerships with the top universities in France; exclusively with Ph D. programs in which students work together with the institute. It is important to mention that France's organization structure regarding agriculture is very paternalist and that there are important linkages among national research institutes, such as INRA and universities; situation that enhances the importance of this institute.

#### **INRA's position regarding CAPs**

The European Commission has huge power in decision making, but France has great problems regarding Politian's decisions when comes to agricultural policies; mainly because they are not well informed about consequences of these decisions: this occurs because there are no EU parliament expertise regarding agriculture and agricultural policies and usually they have to import them.

Currently, there are also other important stakeholders like FNSEA and COMAGRI who push towards increasing the budget of agricultural subsidies.

INRA's main point of view is that the Council is the main actor in the CAP and it has behaved opportunistic; the French delegation wanted to spend much of the budget in CAP, because France gets a 30% of it (due to the importance of agriculture in France), this alleviates the French contribution to the EU commission. So, this is why, there is huge pressure from different groups, although INRA tries to stay neutral: they recognize the importance of subsidies on the French agricultural system, but are not pushing for an increase.

#### **GRET**

#### **GRET** is a Professional Solidarity and International Cooperation Association.

It was created 30 years ago, GRET is a professional solidarity and international cooperation association. In Africa, Asia, and Latin America, as well as in Europe, there work is aimed to contribute to sustainable, fair development and alleviate poverty and structural inequalities .The actions aim to increase the incomes of rural and urban populations, reduce their vulnerability, improve their access to quality infrastructures and services, and develop their ability to be heard.









### Protocol of Conference of the Tropical Garden (Presented by César Daniel Barragán Ramírez)

Meeting held with: Jean-Marc Bousard and Francoise Gérard.

The conference started with an introduction about the history of the "Tropical Garden" where many ONG's are located jointly with some other institutions. In this of agricultural prices history introduction Jean-Marc Bousard mentioned that this garden as been established during the age of Napoleon III.

After Jean-Marc Bousard presented the history of the "Tropical Garden" another presentation about the GRET institution took place and after that Francoise Gérard presented the CIRAD (Centre De Coopération International En Recherche Agronomique Pour Le Dévelopment) which focuses on International Agronomy Research and has its origins in 1984 in France. She mentioned that CIRAD has around 2000 people working all around the world but its main location is in Montpellier.

The three main departments of CIRAD are:

- Economy and Sociology,
- Ecology and Biology and
- Agronomy.

CIRAD's main source of money in order to finance its research activities come from the Foreign Affairs Minister of France and from the Research Minister of France. More information about CIRAD can be found online through www.cirad.fr.

After the CIRAD's presentation Francoise Gérard started to explain a model regarding a price forecasting developed by she and Jean-Marc Bousard. The model was developed based on the Agricultural price instability and with the assumption that price is determined by the intersection of supply and demand curves. They also took into account that Agriculture is sensitive to external shocks and that production level changes leads the price instability.

The name of this model is the "Imperfect Information Model". With this model the price forecasting was more accurate or at least closer to reality.

As a conclusion they mentioned that this model should be taken into account in terms of policy design because you can have a better vision of what will happen in the future. They also mentioned that the model was presented to the OECD and they have a discussion about the model and were was said that it is a very good model; however up to date the OECD was not interested on apply this model in their research and forecasting of agricultural prices.

#### Overview

#### (Presented by Pamela Sangoluisa)

Meeting held with: Arlene Alpha.

GRET<sup>2</sup> is a professional solidarity and international cooperation association; it was founded in 1976 and was initially focused in agricultural development. Through the years has diversified its activities and currently carries out field projects in different topics such as: access to services (e.g. water supply and its impact in nutrition), value chains and family farming (by strengthening stakeholders), sustainable management of resources, institutional development, microfinance and small enterprises, public policies and international organizations.

GRET has a multi-facet identity; it is an NGO as well as a consultancy firm, a site for dissemination and production of knowledge, an interface between development players and development aid, and a practitioner for public service missions. As a consequence of this status they obtain part of their resources from contracts and services provided, but also receive a subsidy from the Ministry of Research because of their work and knowledge dissemination.

A quite diverse variety of services are provided by GRET like the design and implementation of field projects, conducts studies, runs information and exchange networks, contributes to the design of public policies and also design and give training courses in developed and developing countries for various publics such as NGOs, local organizations and technical support staff.

GRET is present in Africa, Asia, Europe and Latin America with the objective of reducing poverty and inequalities by sustainable development projects. Regarding commercial trade agreements, since the position of each part in international scenarios is not equal; GRET provides assessment to developing countries in order to make agreements favourable for both parts. In Latin America GRET have some contact with MERCOSUR, mainly with Brazil in topics related with forestry and natural resources management.

GRET also works in partnership with some French and other international networks with food security issues, despite that sometimes it is hard to make a common position while working with other institutions, GRET is quite aware that joint work is necessary and important.

The institution could also be a good place to make an internship. GRET used to receive interns for any length of time and in different areas like microfinance or agricultural development. They are quite open to collaborate with interns; for further information it is necessary to directly contact the person in charge of the specific area.

<sup>&</sup>lt;sup>2</sup> GRET. A Solidarity and International Cooperation Association [online]. 2010. [Retrieved on 14th July, 2010]. Available at: <a href="http://www.gret.org/default\_uk.asp">http://www.gret.org/default\_uk.asp</a>