



OCP Policy Center Conference series

# Livestock and Food Security in the Arab region: Policy Impact within the Euro-Mediterranean Framework

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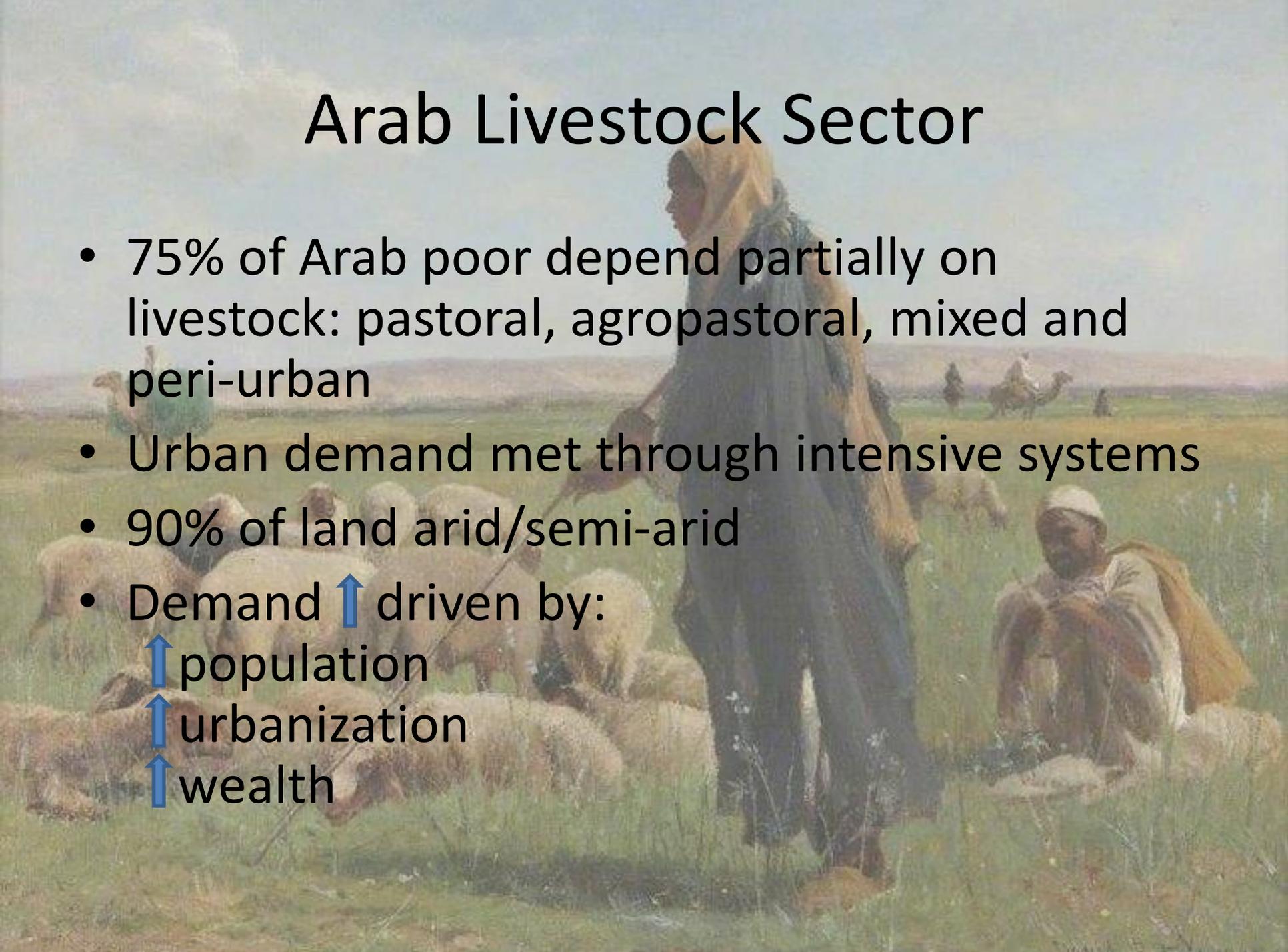
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# Outline



- Arab Livestock Sector
- Trade with the EU
- National policies
- EU policies
- Synergies between EU and Arab policies
  - Arab policies
  - EU policies
  - Euro-Mediterranean policies
- Conclusion

# Arab Livestock Sector

A woman in a blue dress and headscarf is herding a flock of sheep in a green field. In the background, a man is kneeling on the ground, and a camel is visible in the distance. The scene is set in a rural, open landscape under a clear sky.

- 75% of Arab poor depend partially on livestock: pastoral, agropastoral, mixed and peri-urban
- Urban demand met through intensive systems
- 90% of land arid/semi-arid
- Demand ↑ driven by:
  - ↑ population
  - ↑ urbanization
  - ↑ wealth

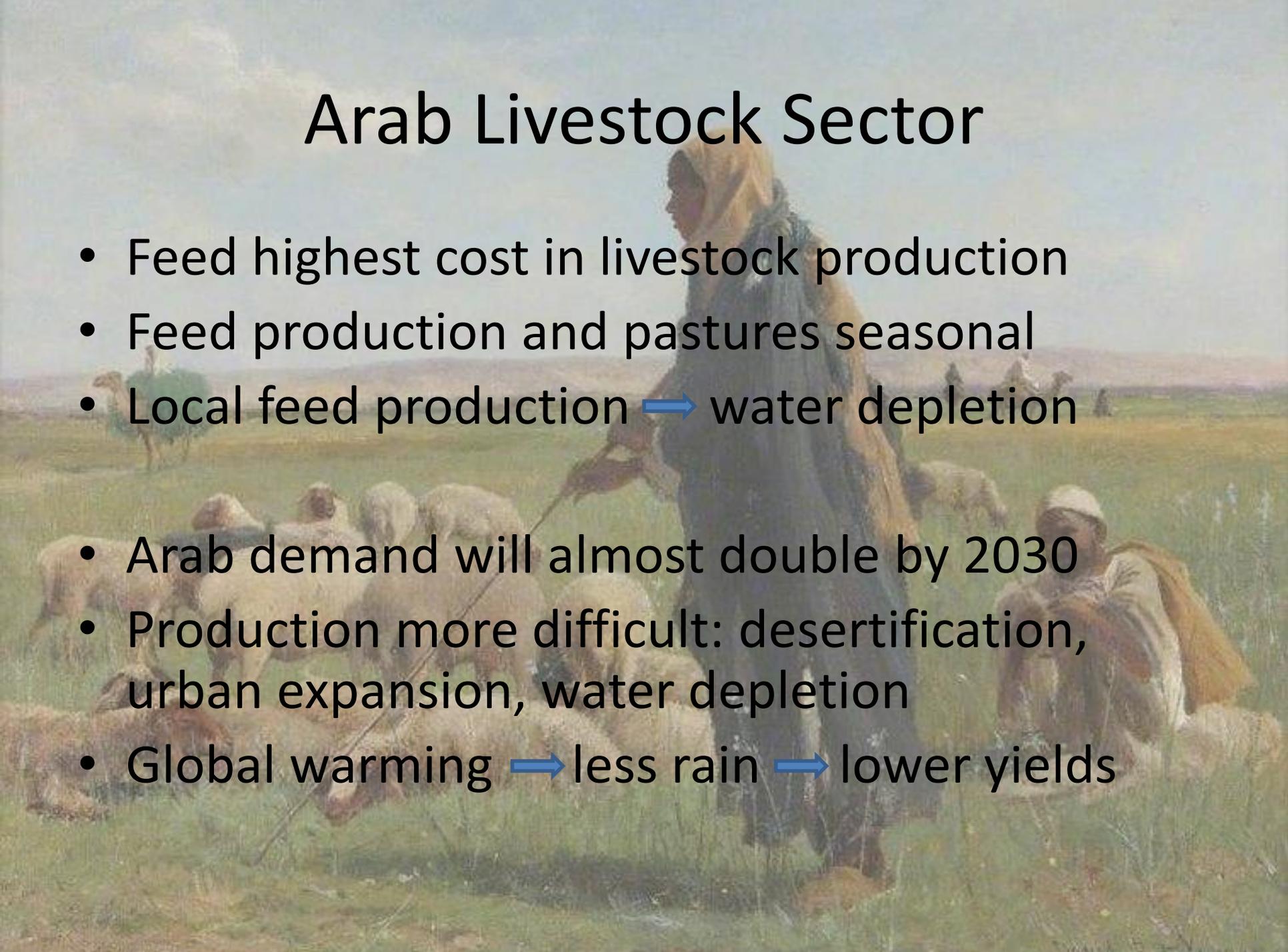
# Arab Livestock Sector

- Supply hindered by aridity and systems – not uniform
- Arab net importers

Livestock item	Syria		Morocco		Saudi Arabia	
	2000	2012	2000	2012	2000	2012
<b>Milk Cattle (heads)</b>	458,947	619,665	1,308,000	1,555,000	84,286	162,000
<b>Milk Production (tons)</b>	1,156,393	1,604,349	1,184,500	2,500,000	710,000	1,750,000
<b>Milk production to domestic supply ratio</b>		0.94		0.94		0.84
<b>Chicken meat (x1000 heads)</b>	106,602	102,000	310,000	500,000	483,000	567,000
<b>Chicken meat production (tons)</b>	106,602	138,202	250,000	560,000	483,000	567,000
<b>Total meat production to domestic supply ratio</b>		0.98		1.00		0.46

# Arab Livestock Sector

- Feed highest cost in livestock production
- Feed production and pastures seasonal
- Local feed production → water depletion
- Arab demand will almost double by 2030
- Production more difficult: desertification, urban expansion, water depletion
- Global warming → less rain → lower yields



# Trade with the EU

A painting depicting a shepherd in a blue robe and a yellow headscarf, standing in a vast, green field. He is surrounded by a flock of sheep. In the background, another person is visible, and the landscape extends to a distant horizon under a pale sky.

- Euro-Mediterranean Association Agreements
- European Neighborhood Program for Agriculture and Rural Development: Tunisia, Morocco, Egypt and Jordan, extended to Algeria and Lebanon
- Aim for Euro-Mediterranean Free Trade Area with economic integration

# Trade with the EU

A woman wearing a brown headscarf and a dark blue dress is herding a flock of sheep in a green field. In the background, there are camels and other people, suggesting a rural or nomadic setting. The sky is clear and blue.

- **Syria:** signed the Barcelona Declaration in 1995; member of the Union for the Mediterranean and the European Neighborhood Policy. Negotiations suspended.
- **Morocco:** Association Agreement with the EU as part. Food and animal products added up to 20% of total export to the EU in 2013. Considerations for Morocco-EU free trade area
- **Saudi Arabia:** Part of GCC countries. Free Trade Agreement suspended in 2008. The GCC countries account for 4.2% of total EU trade and are a significant export market for the EU Agricultural products add up to 8% of total import from the EU, while export is low (0,2%)

# Trade with the EU

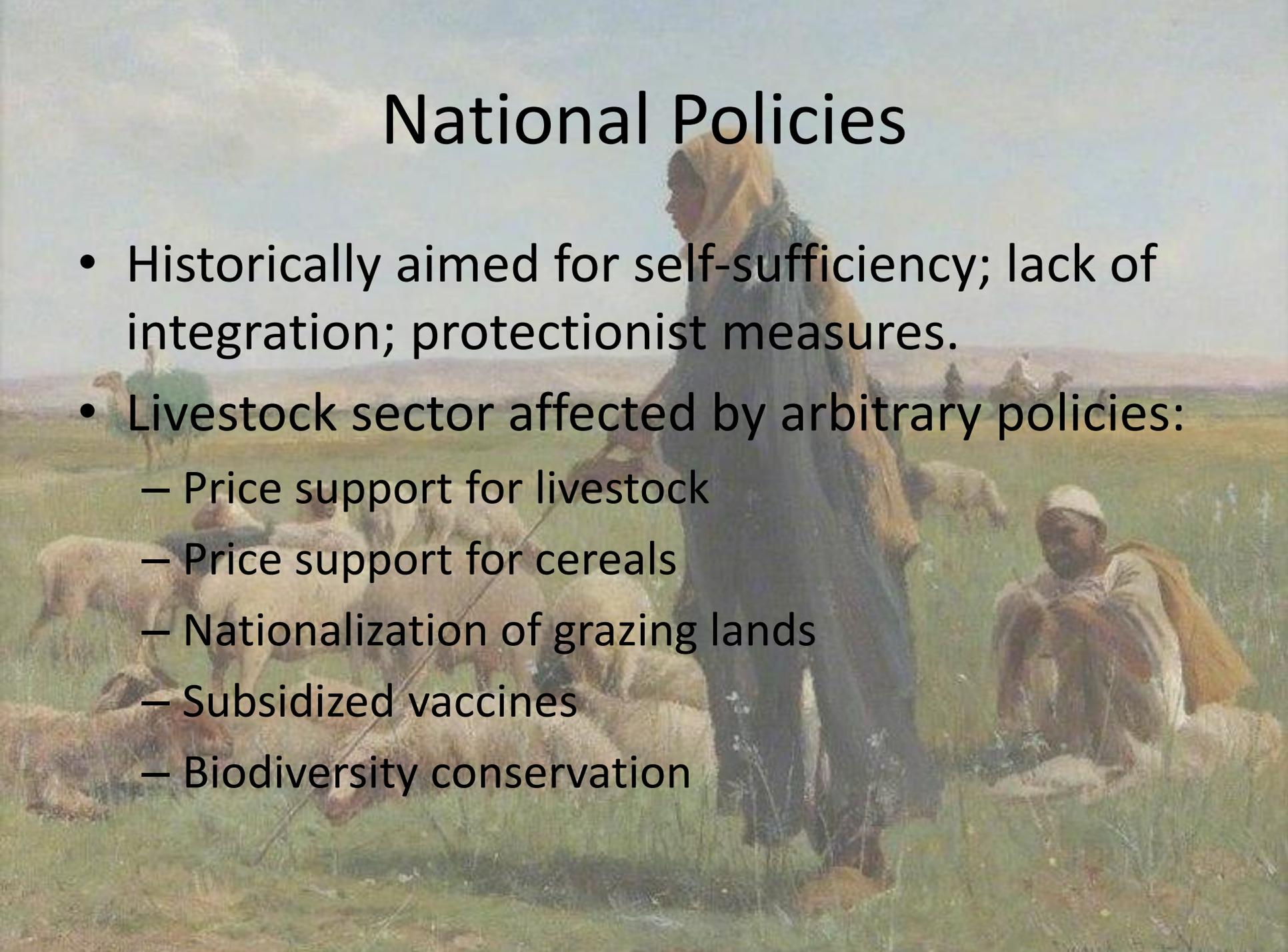
- Asymmetric trade: High imports from EU Vs. Low exports
- Livestock imports almost doubled: Feed major item

Imports from EU (1000kg)	Syria		Morocco		Saudi Arabia	
	2004-2013	2013	2004-2013	2013	2004-2013	2013
Beef	30	49	1149	1218	81	402
Milk	255	199	2746	1760	15475	12951
Poultry	2333	4156	691	1694	109099	153895
Animal Feed	576,820	1,188,480	2,188,260	2,320,31	2,711,170	6,040,810

EU imports of beef, milk, poultry and animal feed in three representative Arab countries  
(Compiled from EU Market Access Database, 2014)

Mediterranean Neighbours

# National Policies

A painting depicting a rural scene. In the foreground, a woman wearing a brown headscarf and a dark blue dress stands, holding a long wooden staff. She is surrounded by a flock of sheep. To her right, a man in a white shirt and a light-colored cap sits on the ground, also with a staff. The background shows a vast, open landscape with rolling hills under a pale sky. The overall style is that of a traditional oil painting.

- Historically aimed for self-sufficiency; lack of integration; protectionist measures.
- Livestock sector affected by arbitrary policies:
  - Price support for livestock
  - Price support for cereals
  - Nationalization of grazing lands
  - Subsidized vaccines
  - Biodiversity conservation

# National Policies

A woman wearing a brown headscarf and a dark blue long-sleeved shirt is herding a group of sheep in a green field. The sheep are scattered across the foreground and middle ground. In the background, there are more sheep and a person sitting on the ground. The sky is a pale, hazy blue.

- **Syria:** Target competitiveness, productivity and self-sufficiency. Major financial reforms. Special attention to Al-Badia. Selected subsidies on grains and fuel.
- **Morocco:** Plan Maroc Vert (2008) based on two pillars: High value-added activities and strong export + “Agriculture Solidaire” in support of small holders.
- **Saudi Arabia:** Cereal production led to water depletion and being phased out, reliance on imports. Member of WTO: No export subsidies, product certification, infrastructure, cooperative work. Little attention to traditional systems

# EU policies

- Important player in international Agriculture trade
- EU policies affect trading partners; bilateral action plans
- Unbalanced effect: Agriculture more important for Arab economies than for EU
- EU policy impacts on sustainability:
  - Export subsidies: disincentive for Arab production; removal lower EU production and higher costs for importers

# EU policies

A woman wearing a headscarf and a dark jacket is herding a group of sheep in a grassy field. In the background, another person is riding a horse, and the landscape is hazy under a bright sky.

- Concentrated trade flow: restricted access to EU market due bilateral tariffs and quotas and sanitary regulations
- Changes in production systems: greening measures higher cost of production. Without subsidies intensification, lower production, higher market prices
- Trade liberalization: lower market prices; negative for small holders. Assessment and mitigation measures needed within Euro-Mediterranean Free Trade Area

# Alignment of EU and Arab policies

- FAO Pro-poor Livestock Initiative (PPLI), guiding reference

PPLI Domains	Arab policies vis-à-vis PPLI	CAP reforms vis-à-vis PPLI
“Managing the basic of livestock production”	<ul style="list-style-type: none"><li>• degraded rangelands being rehabilitated through policies to various extent</li><li>• lack of risk mitigation measures</li></ul>	<ul style="list-style-type: none"><li>• risk assessment and protection measure</li><li>• coupled support to maintain livestock production where needed</li></ul>
“Enhancing livestock productivity”	<ul style="list-style-type: none"><li>• variable health, financial, infrastructure and marketing services</li><li>• Sanitary regulations and marketing needed</li></ul>	<ul style="list-style-type: none"><li>• incentives for producer cooperation and young farmers</li></ul>

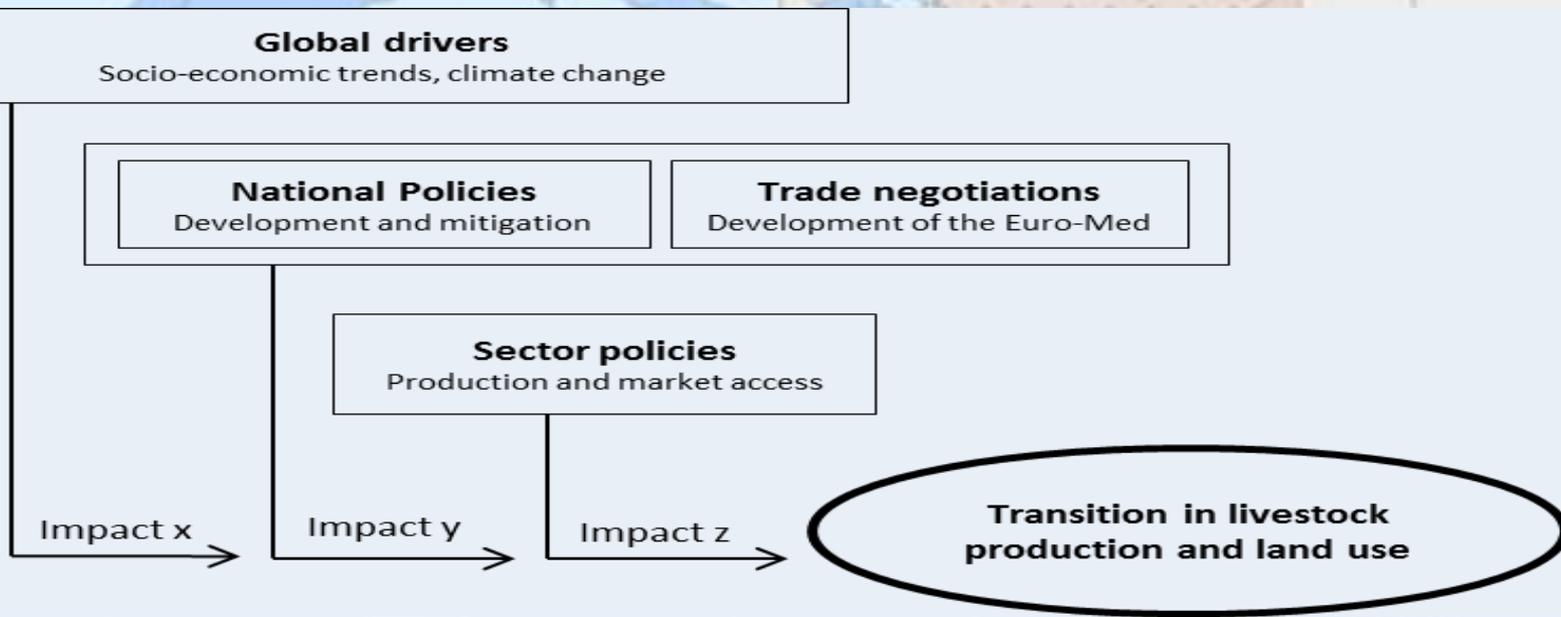
# Alignment of EU and Arab policies

PPLI Domains	Arab policies vis-à-vis PPLI	CAP reforms vis-à-vis PPLI
“Sustaining livestock productivity”	<ul style="list-style-type: none"><li>• poorly funded research</li><li>• new reforms to improve sustainability, ex. Local irrigated cereal production</li></ul>	<ul style="list-style-type: none"><li>• support for green operations</li><li>• strategic rural development</li><li>• equitable payments</li><li>• better science and practice integration</li></ul>

# Alignment of EU and Arab policies

- **Euro-Mediterranean policies**

- Development of the Euro-Med zone as “one global player” ⇒ ↑ production, imports, exports and absorption



Combined impacts on sustainable livestock production

# Discussion of policy options

A woman wearing a headscarf and a dark blue dress is herding a group of sheep in a green field. In the background, there are camels and other people, suggesting a rural or nomadic setting. The sky is clear and blue.

- EU supports trading partner through bilateral agreements, with CAP objectives
  - Fair and secure imports of feed and cereal → vital for Arab Livestock sector
  - Access to EU market through improved Arab SPS standards
  - Commodity-based trade agreements
  - Decrease EU protectionism and internal resistance towards better stability in import-export relations

# Discussion of policy options

A woman wearing a headscarf and a dark blue dress is herding a group of sheep in a green field. In the background, several camels are visible, some with riders, under a clear sky.

## – Policy integration:

- EU policies for preferential feed supply; Arab strategy for sustainable cereal production
- EU and Arab risk mitigation policies
- Aligning SPS standards policies
- Integrating policies for the Protection of Geographical Indications
- Arab and EU investments needed
- Policies to facilitate knowledge transfer
- Revise import and export policies; country-specific approach.

# Conclusion

- Euro-Arab livestock food security achievable
- Bilateral trade  $\rightarrow$  policy integration
- Sustainable import and export
- Sector development through aligned policies
- PPLI perspective

