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The EU olive oil policy, recent evolutions and perspectives

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This paper examines the recent evolutions of the European olive oil policy from the implementation of the Uruguay Round Agreement on Agriculture to the last reform of the Common Agricultural Policy. It considers two important aspects of the Common Market Organization for olive oil, domestic support and market access. Indicators are used to estimate the level of support and protection benefiting to this sector. Some conclusions are drawn about the likely impact on olive oil producers of the new reform to be implemented in 2006.

Keywords: olive oil, EU, domestic support, market access.

Introduction

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In 1966, a Common Market Organisation (CMO) is created for oils and fats. This CMO implemented in a situation of shortage in the newly created European Community (EC-6) dealt with managing the market of vegetable oils between the six Member States.

The system at its creation aimed at developing the national production while encouraging importations to meet the European demand. But in order to protect the Italian olive oil market a differentiated system applied to this sector.

Even if a common olive oil policy was necessary as a start to develop the market, it has driven the producers to systematically increase their production; it has also encouraged fraudulent behaviours which have been costly to the Common Agricultural Policy (CAP) budget. This has lead to successively reform the system of domestic support and border protection. At the eve of the last reform, we wonder how protective the European policy for olive oil is. We consider both the domestic support and tariff protection.

The first paragraph presents the common olive oil regulation from its inception in 1966. The second part deals principally with collecting information on Aggregate Measure of Support (AMS) and Producer Support Estimates (PSE), indicators of the domestic support provided to the European olive oil producers. We have gathered some studies on the topic

but also have conducted our own analysis. A third paragraph aim at assessing the level of border protection, we provide our own estimations of the tariffs applying to olive oil at the entry of the European Union (EU). Finally we present the last reform and draw some prospective conclusions.

Evolution of the common olive oil regulation

The historical roots of the present situation of the European olive oil policy come back to the early 60's. At that time, the EC-6 used to suffer a serious deficit in fats and edible oils. It was a large net importer of edible oils, and in the international free trade negotiations with the USA and other countries (the Dillon Round in 1960-62, and the Kennedy Round in 1964-67) the EC-6 accepted, in exchange for a protection on cereals, sugar, meat and dairy products, to give up any tariffs on vegetable fats, excepted for olive oil (this exception aimed at protecting the Italian olive oil). A CMO for fats and oils was created in 1966. The tariff on vegetable edible oils was only a moderate 5 to 10% at that time, which protected the European industry of oils, letting it import its raw materials on the world markets without duty. These existing duties were completely abandoned later.

A more complex policy, which is still prevailing today at least in terms of its basic principles, applied to the European olive oil market. The implemented system was based on both concerns of encouraging producers (by a fair

income) and not depressing consumption (because of seeds oils lower prices). Then, controlled production and market prices were set up, together with a subsidy paid in terms of real production in order to offset the difference between the two prices. These measures were completed by levies on imports and some kind of a buffer stock, buying olive oil whenever its market price went below an intervention (or minimum) price in order to guarantee a fair income to producers.

In the 60's, the market was quite prosperous and practically disconnected from the rest of the world, with less than 5% of the production being exported. However, in the early 70's, the prices for edible oils followed the trend of all other commodities, and increased strongly. The price of olive oil didn't make an exception, and came to a peak in 1975 but decreased quickly after, especially in 1978 when Greece, a major olive oil supplier, entered the European Community. But this crisis showed that the system prevailing was not adapted to the aim of the CMO which was to maintain the level of olive oil consumption in the EU despite the competition of other edible oils. In 1978, the system of subsidies to producers was modified and subsidies to consumers, which apply to the conditioning industry, were added to it. Then, in the 80's, the prices of edible oil fell and there was an oversupply of olive oil in the Community. And although the development of the olive trees areas was stopped after 1978 it became dramatic when Spain and Portugal entered it in 1986. Thus, the system was again modified to avoid budgetary

drifts, and the subsidies to producers applied only to Maximum Guaranteed Quantities (MGQ) equal to 1,350,000 tons. Duties were still levied on imported olive oil, even if several neighbouring countries which are sizable producers (Algeria, Morocco, Tunisia and Turkey) have concluded agreements with the Community offering them a preferential access to the European market.

In June 1998 a decision was taken to trim the present system by limiting the aid to the trees existing on 01/05/98, removing the consumption aid, replacing the common buffer stocks by private stocks and extending the MGQ to 1.77 million tons with a repartition between the five producers of the EU. These modifications were effective by November 1998 for an interim period of three years and should lead ultimately to a free-market. This period should let the common instances identify the real productive capacities of each state. At the end of the three years it would have been decided to adopt a new subsiding system (conditioned by the number of trees) or to go on with today's (1998) prevailing arrangements.

Finally the current system includes[1] :

Concerning the management of the domestic market:

[1] For more details see: http://europa.eu.int/eur-lex/en/consleg/pdf/1966/en_1966R0136_do_001.pdf

- A production target price: That price shall be fixed at the wholesale marketing stage for ordinary virgin olive oil with a free fatty acid content expressed as oleic acid of 3.3 g/100 g.
- A production aid intending to contribute towards establishing a fair income for producers and granted to olive growers on the basis of the quantity of olive oil they actually produce.
- A maximum quantity of olive oil to which the production aid shall apply equal to 1 783 811 tons per marketing year and apportioned among member states in the form of National Guaranteed Quantities.
- An intervention price under which decision may be taken to authorise bodies to conclude contracts for the storage of olive oil. An aid is granted to perform these contracts.

Concerning trade:

- Common custom duties.

A trigger price equal to the target price minus the production aid and an amount taking account of market variations and the costs of transporting olive oil from the areas of production to the areas of consumption. Should the market price for olive oil appreciably greater (lower) than the trigger price, the application of customs duties can be partially or fully suspended

or import quota at reduced rate established (or an additional import duty may be imposed).

The system finally adopted was still highly protective for olive oil growers. An estimation of the level of protection (domestic support and market access) is given in the following two paragraphs.

Domestic support

The signature of the Uruguay Round Agreement on Agriculture (URAA) committed the signatory states to reduce their domestic support to agriculture. It imposed no particular constraint on the EU's CAP (Swinbank and Ritson, 1995) but helped to give a measure of agricultural subsidies. The domestic support to olive oil in the World Trade Organisation (WTO) notifications is called the Aggregate Measure of Support (AMS). The AMS is an indicator of the amount of domestic support for agriculture. As used in the URAA, the AMS refers to a measure of the gap between domestic and world prices multiplied by the quantity supported, plus any other commodity-specific transfers. Internal or domestic support reduction commitments in the URAA are expressed in terms of reductions in a total AMS covering all trade-distorting internal support measures for agriculture. The AMS for olive oil is the difference between the Applied Administered

Price and the External Reference Price times the Eligible Production notified to the WTO. Table 1 shows the level of domestic support for olive oil notified by the EU to the WTO.

[INSERT TABLE 1]

The AMS as a measurement of domestic support is questionable. As underlined by Swinbgank and Ritson (1995) this estimation is only a measurement of market price support. It forgets some important elements of the EU policy to protect the olive oil growers: export refunds, import tariffs, withdrawal mechanisms or quality standards. Moreover, in order to avoid large cuts in its subsidies the EU has somewhat declared higher reference prices, overestimating their actual support.

The Organisation for Economic Co-operation and Development (OECD) has been, since 1987, measuring support to agriculture using the Producer Support Estimate (PSE) and Consumer Support Estimate (CSE). These indicators measure the transfers between taxpayers, consumers and farmers. They pass either by the market (tariff protection, support prices and quotas) or by public expenditures/revenues. OECD (2000) provides the methodology for measurement of support. The PSE is *"an indicator of the annual monetary value of gross transfers from consumers and taxpayers to agricultural producers, measured at the farm-gate level, arising from policy*

measures that support agriculture, regardless of their nature, objectives or impacts on farm production or income" (OECD, 2000). Basically the PSE is estimated as the Market Price Support (MPS) plus all other payments (payments based on output, payments based on area planted, payments based on historical entitlements, payments based on input use, payments based on input constraints, payments based on overall farming income and miscellaneous payments). The MPS is *"an indicator of the annual monetary value of gross transfers from consumers and taxpayers to agricultural producers arising from policy measures that create a gap between domestic market prices and border prices of a specific agricultural commodity, measured at the farm-gate level"* (OECD, 2000).

A measurement for a wide range of products is available on the OECD website but for olive oil. Nevertheless the exercise has been performed; see Rapana (2003), Garcia Alvarez-Coque (2001), Nucifora et al. (2001), Perugini (2001), Nucifora & Sarri (1997). Their results are summarized in Table 2.

[INSERT TABLE 2]

For olive oil the MPS is effective both through the domestic (intervention price, trigger price) and trade (custom duties, export subsidies) policies. The calculation of the MPS should reflect the impact of these instruments on

prices. However because of the lack of representative world prices, almost all studies quoted in Table 2 use a slightly different version of the standard methodology.

They assume the tariff rate or the export subsidy may be considered as a measure of the gap between the world and domestic price. Then they calculate the MPS by just multiplying the value of the production by the tariff rate or the export subsidy rate. This methodology is used in Rapana (2001), Garcia Alvarez-Coque (2001), Nucifora et al. (2001), Nucifora & Sarri (1997).

Perugini (2001) has tried to estimate a reference world price of olive oil, taking into account the different varieties/qualities of olive oil in his calculations. But critics can be made to his methodology as he takes as a reference of the world price, the unit value of extra EU imports. But the EU's protection vis-à-vis olive oil is based, as described in the next section, on specific tariffs i.e. tariffs are in euros per 100 or 1000 kilos. Thus, as the domestic price in the EU is rather higher than elsewhere and as the EU's olive oil support policy works at reducing the competitiveness of importing countries, then importers are prone to declare a higher value of their merchandise to internalize the cost of the custom duty. Therefore, to avoid the distortion involved by the structure of the tariff, the reference price should not be chosen at the European borders.

We opt for another solution. The statistical database of the EU (Eurostat) provides the value of the olive oil production at the farm gate level. Then the problem is to find an estimation of the "world price". We decide to take as a reference world price, the unit value of the Turkish olive oil at the USA's border. This choice has been driven by two reasons. First, Turkey is the third major exporter of olive oil after the EU and Tunisia. Second, USA is the main destination of Turkish olive oil. Tunisia wasn't adequate because its first olive oil importer is the EU. However this choice may be criticized because Turkey subsidises its olive oil exports what can push the price down. We compute this price taking into account the different varieties available at the 6 digits level of the Harmonised System[2] (HS6), data are extracted from the UN Comtrade database which is the United Nations Commodity Trade Statistics Database. Results are shown in figure 1. The lines with circles represent the "world reference" and the ones with squares the "domestic reference". We have reported in this figure, the EU reference prices (plain lines), the results from the Perugini (2001) study (dotted lines) and our own estimations (dashed lines). As expected our results are the smallest, moreover EU domestic price are uncorrelated with world price of olive oil. The EU policy has somewhat protected the olive oil growers when the world price was low and helped them to be more competitive when the world price was high.

[2] The "HS nomenclature" is an international multipurpose nomenclature elaborated under the auspices of the World Customs Organisation and used to set up customs tariffs and collect economic statistical data.

[INSERT FIGURE 1]

From the results obtained we have performed our own calculations of the PSE based on the methodology provided by the OECD. Levels of subsidies are from the Eurostat database as well as the level of production. Results are displayed in Table 3.

[INSERT TABLE 3]

The results we have obtained are different but quite close in order of magnitude to the ones in Table 2, except for 1996. On the period considered, the PSE has represented between 16 and 62% of the total value of the production and 42% in average. Market price support and other domestic support are quite high for olive oil as they represent around half the value of the production. But they are relatively moderate compared to other products where domestic support may represent up to 80% the value of the production (e.g. for fruits see Rapana, 2003). Most of the domestic support on olive oil may be classified in the amber box as it is a rather distorsive tool, production aid is still coupled to the volume of production and there is still explicit reference to the intervention price, additional levy on imports or export refunds in the olive oil market organisation regulation. Therefore, the "second wave" of the CAP reform will introduce from 2006 a decoupling for 40% of the total support (See Appendix 2).

Market access

TARIC, the database on taxation and custom unions of the European Communities gives the level of custom duties at 10 digits of the Combined Nomenclature[3]. In Appendix 1, we give the definition at 8 digits (NC8) for olive oil. We also match the international trade definitions with the marketing ones defined by the international agreement on olive oil managed by the International Olive Oil Council (IOOC).

Olive oil tariffs are specific which means that they are levied depending on the quantity traded. We have reported the evolution of the level of the tariff rates in Table 4 and Table 5. Before the URAA, olive oil trade protection was characterized by a system of import levies. A tax was levied on imports if their price was lower than the European domestic price. An evolution of the trigger price is given in Table 4. After the Marrakech Agreement the EU had to implement tariffication and a common custom duty was fixed for olive oil (See Table 5). However, the 136/66 regulation still keeps an explicit reference to an additional duty if the market situation requires it.

[INSERT TABLE 4]

[INSERT TABLE 5]

[3] The Combined Nomenclature is the common nomenclature of the European Community used in export declarations and in statistical declarations on internal trade.

In order to assess the actual level of protection in the European olive oil sector we have tried to convert these specific tariffs in *ad-valorem* tariffs (See Table 6 and Table 7). We have first computed the unit value of extra-European imports at 8 digits (NC8) from the Comext database, which is the EU external trade statistics database and then divided the specific tariff by this amount to have an estimation of the *ad-valorem* tariffs. If the results seemed adequate for the three first products (with an *ad-valorem* equivalents around 60%) the results looked odd for the remaining products. The unit values for third countries appeared completely over-estimated and we suspect the existence of some errors in the Comext data source. We thus decide to compute the *ad-valorem* equivalents from our world price reference, whereas it is available at only six digits. Results are shown in Table 7

[INSERT TABLE 6]

MFN[4] tariff protection for olive oil is high from 64% to 122% (see Table 7). Except for Tunisia, preferences are not really effective. They have been allocated to countries which don't use them (e.g. Andorra, South Africa…) or quotas are ridiculously low (as it is the case for Morocco) and in *ad-valorem* equivalents these preferences are not really attractive.

[INSERT TABLE 7]

[4] Most Favoured Nation (MFN) tariffs are the "normal" tariffs applying to all importers.

The olive oil reform and some prospective conclusions

This study has presented domestic support and trade protection for olive oil in the EU. Whereas the many reforms of the olive oil CMO, domestic support is still high and distorsive. However olive oil together with tobacco, cotton and hops form part of the "second wave" of the last CAP reform decided in 2003, implemented in 2005 and that will affect all the sectors of the European agriculture. The main measures concerning olive oil are presented in Appendix 2. Compared to the precedent situation, the main changing is the decoupling of 60% of the total payments. The remaining 40% being managed with great freedom by the producing Member States themselves.

Considering some aspects it seems that this new reform won't be very harmful for olive oil growers. For example, the reference periods chosen by the European Commission are those which display the highest levels of payments and production. Basically the main difference is a kind of autonomy given to the producer States in the management of part of the aid.

Concerning trade, the protection is high and almost all preferences useless and more time and money consuming than really effective and will remain even after the reform. The olive oil sector would be better off with some

simple measures. Specific duties should be converted into *ad-valorem* tariff rates. The MFN tariff should be decreased and some useless time and money consuming preferences which in fact, are not real ones, removed. These simple measures would bring more transparency in the EU olive oil market. This could be a first step in deepening trade relationship with our Mediterranean partners in line with the Barcelona process.

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Appendix 1: Taric nomenclature for olive oil and match with the IOOC marketing norms

Trade NC8

15091010: virgin lampante olive oil obtained from the fruit of the olive tree solely by mechanical or other physical means under conditions that do not lead to the deterioration of the oil.

15091090: olive oil obtained from the fruit of the olive tree solely by mechanical or other physical means under conditions that do not lead to deterioration of the oil, untreated (excluding virgin lampante oil)

15099000: olive oil and fractions obtained from the fruit of the olive tree solely by mechanical or other physical means under conditions that do not lead to deterioration of the oil (excluding virgin and chemically modified).

15100010: Other oils and their fractions, obtained solely from olives, whether or not refined, but not chemically modified, including blends of these oils or fractions with oils or fractions of heading 1509, crude.

15100090: other oils and their fractions obtained solely from olives, whether or not refined but not chemically modified, including blends of those oils or fractions with oils or fractions of heading 15009 (excluding crude).

Correspondences with marketing designation and definitions :

- 15091090: Extra virgin olive oil, Virgin olive oil, Ordinary virgin olive oil

- 15091010: Lampante virgin olive oil.

- 15099000: Refined olive oil.

- 15100010: Olive oil, Olive-pomace oil.

- 15100010: Crude olive-pomace.

- 15100090: Refined olive pomace oil, Olive pomace oil.

Appendix 2: The olive oil reform (Europa- Rapid Press Releases)

A minimum of 60 % of the average current production-linked payments during the reference period 2000-2002 (€ 2.3 billion per year for the EU15) will be converted into entitlements under the single payment scheme for holdings larger than 0.3 ha. For the calculation of the amount for each olive farmer, the reference period will comprise the period 1999-2003 (Four marketing years).

Olive farms smaller than 0.3 ha will see their payments completely decoupled from 2006.

The remaining aid paid (40%) can be retained by the member states as national envelopes to grant producers of an additional olive grove payment. For simplification reasons, the olive grove payment will not be allocated below € 50 per aid claim.

Member States may use up to 10% of their olive oil component of the national ceiling for quality measures.

To avoid market imbalances, access to the single payment scheme will have to be limited to olive-growing areas existing prior to 1 May 1998 and to new plantings provided for under the programmes approved by the Commission. To take account of support granted to new plantings after that date in France and Portugal the corresponding amounts will be added. For Spain, the national budgetary envelope has been increased by € 20 million.

The current regime will continue to apply for the marketing year 2004/05.

Table 1: The AMS notified for olive oil by the EU (1995-2002)

	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02
Applied Administered Price (ECU/t)	3837.7	3837.7	3837.7	3837.7	3837.7	3837.7	3837.7
External Reference Price (ECU/t)	2851.8	2851.8	2851.8	2851.8	2851.8	2851.8	2851.8
Eligible Production (Mo t)	1.4	1.9	2.3	1.8	2.1	2.1	2.714
Total Direct Payments (Mo ECU)	1380.3	1872.5	2267.6	1798.3	2070.4	2070.4	2675.7

Source: WTO

Table 2: Producer Support Estimates from various studies

PSE Estimates in Mo € and %	Rapana		Perugini		Nucifora et al.		*Garcia Alvarez-Coque **Nucifora & Sarri	
1989	1792	46						
1990	1541	38						
1991	3550	69	1774.29	50	2300	59		
1992	3386	58	2124.85	46	2377	49		
1993	3666	66	2857.05	64	2643	42	3047**	60
1994	3560	65	3121.16	56	2527	49	2434**	51
1995	2027	41	3326.38	63	3254	57		
1996	2334	34	3458.59	64	2603	50		
1997	3222	48	1925.87	39	1568	38		
1998	2757	44	2819.79	38	2796	50		
1999	2691	43	3427.09	49	3288	47	2840*	50
2000	2041	35	3525.68	51	3163	53		
2001	1977	33	3158.97	50				

Table 3: Calculations of the PSE

	1995	**1996**	**1997**	**1998**	**1999**	**2000**	**2001**	**2002**	**2003**
Level of production – 000 tons	1493	1947	2412	1973	1976	2047	2557	1539	1943
Value of production at domestic price – Mo €	3923	3972	4838	3842	4280	3079	3529	4216	3529
Value of production at world price – Mo €	2674	4921	3955	2346	2771	3336	3479	2403	3705
MPS in Mo €	1249	-949	883	1497	1509	-257	50	1813	-176
Other direct and indirect support – Mo €	1745	1906	1907	2012	2018	2033	2195	2089	2077
Total PSE	2994	957	2790	3508	3527	1776	2245	3902	1900
Unit PSE in €/ton	2006	492	1157	1778	1785	868	878	2536	852
% PSE	53	16	41	60	56	35	39	62	34

Source: author calculations based on Eurostat and Comtrade data.

Table 4: Evolution of the Olive oil protection before the URAA in Euro/100kg

	1989/90	1990/91	1991/92	1992/93	1993/94	1994/95
Trigger price	228.74	228.35	234.5	226.98	235.5	225.13

Source: European Commission

Table 5 Evolution of the Olive oil MFN protection after the URAA in Euro/100kg

Product HS10	01/07/95	01/11/96	01/11/97	01/07/98	01/07/99	Since 01/07/00
15091010	75	143	137.9	132.8	127.7	122.6
15091090	76	145.2	140.1	134.9	129.7	124.5
15099000	87	157	151.4	145.8	140.2	134.6
15100010	82	128.6	124	119.4	114.8	110.2
15100090	128	187	180.4	173.7	167	160.3

Source: TARIC

Table 6: MFN tariffs, preferential tariffs and level of quotas

	15091010	15091090	15099000	15100010	15100090
MFN tariffs	122.6 €/100kg	124.5 €/100kg	134.6 €/100kg	110.2 €/100kg	160.3 €/100kg
Preferential Tariffs and quotas					
ABH*	0%	0%	0%	0%	0%
South Africa	101.7 €/100kg	103.3 €/100kg	111.7 €/100kg	91.4 €/100kg	133 €/100 kg
Algeria	1218.755 €/1000kg	1237.755 €/1000kg	129.9 €/100kg	1094.76 €/1000kg	151.546 €/100kg
Andorra	0%	0%	0%	0%	0%
Bulgaria	0%	0%	0%	0%	0%
Croatia	0%	0%	0%	0%	0%
LOMB**	0%	0%	0%	0%	0%
Lebanon	122.6 €/100kg 0 €/100kg (1000 tons)	124.5 €/100kg 0 €/100kg (1000 tons)	0%	110.2 €/100kg 0 €/100kg (1000 tons)	0%
Macedonia	0%	0%	0%	0%	0%
Morocco	122.6 €/100kg 0% (for 3710 tons)	124.5 €/100kg 0% (3710 tons)	134.6 €/100kg 0% (3710 tons)	110.2 €/100kg 0% (3710 tons)	160.3 0% (3710 tons)
Mexico				89.5 €/100kg	130.2 €/100kg
Romania	0%	0%	0%	0%	0%
SPGA***	0%	0%	0%	0%	0%
San Marino	0%	0%	0%	0%	0%
Occupied Palestinian Territory	122.6 €/100kg 0% (2000 tons)	124.5 €/100kg 0% (2000 tons)			
Tunisia	122.6 €/100kg 0% (23000 tons) 7.81 €/100kg (23000 tons)	124.5 €/100kg 0 €/100kg (56000 tons)			
Turkey	110.34 €/100kg	112.05 €/100kg	127.87€/100kg	99.18 €/100kg	152.28 €/100kg

Quantities between parentheses are the level of quotas

Source: TARIC

*ABH = Albania, Bosnia & Herzegovina, Kosovo, Montenegro, Serbia.

**LOMB = Anguilla, Netherlands Antilles, Antarctica, Aruba, Falkland Islands, Greenland, South Georgia and South Sandwich Islands, British Indian Ocean Territory, Cayman Islands, Montserrat, New Caledonia and dependencies, French Polynesia, St Pierre and Miquelon, Pitcairn, St Helena and dependencies, Turks and Caicos Islands, French Southern Territories, Brit. Virgin Is., Wallis and Futuna Islands, Mayotte.

***SPGA = Afghanistan, Angola, Bangladesh, Burkina Faso, Burundi, Benin, Bhutan, Congo Democratic Republic of, Central African Republic, Cape Verde, Djibouti, Eritrea, Ethiopia, Gambia, Guinea, Equatorial Guinea, Guinea Bissau, Haiti, Cambodia (Kampuchea), Kiribati, Comoros (excluding Mayotte), Laos, Liberia, Lesotho, Madagascar, Mali, Myanmar, Mauritania, Maldives, Malawi, Mozambique, Niger, Nepal, Rwanda, Solomon Islands, Sudan, Sierra Leone, Senegal, Somalia, São Tomé and Principe, Chad.

Table 7: Ad-valorem equivalents of olive oil specific tariff duties

Ad-valorem Equivalents	15091010	15091090	15099000	15100010	15100090
MFN tariffs	64%	65%	77%	84%	122%
ABH	0%	0%	0%	0%	0%
South Africa	53%	54%	64%	70%	101%
Algeria	64%	65%	74%	83%	115%
Andorra	0%	0%	0%	0%	0%
Bulgaria	0%	0%	0%	0%	0%
Croatia	0%	0%	0%	0%	0%
LOMB	0%	0%	0%	0%	0%
Lebanon	0% (iq)	0% (iq)	0%	0% (iq)	0%
	64% (aq)	65% (aq)		84% (aq)	
Macedonia	0%	0%	0%	0%	0%
Morocco	0% (iq)	0% (iq)	0% (iq)	0% (iq)	0% (iq)
	64% (aq)	65% (aq)	77% (aq)	84% (aq)	122% (aq)
Mexico				68%	99%
Romania	0%	0%	0%	0%	0%
SPGA	0%	0%	0%	0%	0%
San Marino	0%	0%	0%	0%	0%
Occupied Palestinian	0% (iq)	0% (iq)			
Territory	64% (aq)	65% (aq)			
Tunisia	0% (iq)	0% (iq)			
	4% (iq)	65% (aq)			
	64% (aq)				
Turkey	58%	59%	73%	75%	116%

(iq) = in-quota. (aq) = above-quota

Source: author calculations based on TARIC and Comtrade databases.

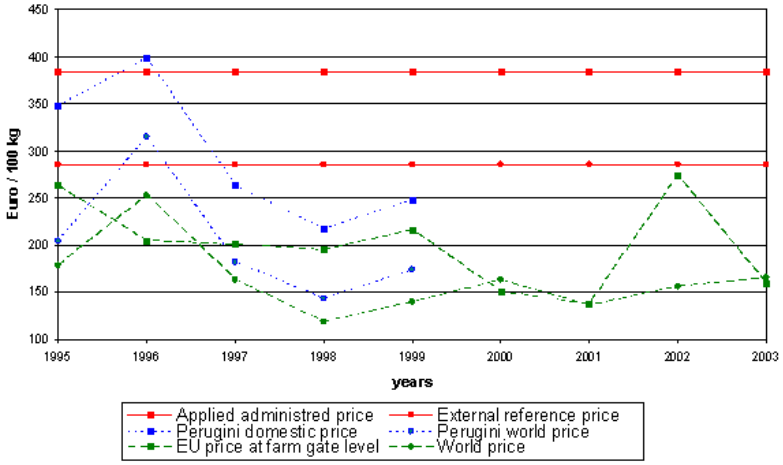

Figure 1: Evolution of EU domestic price and « world price » of olive oil

Source : European Commission, Comtrade, Perugini (2001).