

# Contents

## ABBREVIATIONS

V

## PREFACE

VII

## EXECUTIVE SUMMARY

IX

## CHAPTER 1: A TIMEFRAME FOR REFORM OF THE COMMON AGRICULTURAL POLICY

1

### 1.1 Introduction

1

### 1.2 Current EU situation

1

### 1.3 Current WTO Commitments

2

### 1.4 *Agenda 2000*

4

### 1.5 Enlargement

5

### 1.6 Next MTN Round

8

### 1.7 A Lomé V Convention?

10

### 1.8 Summary: A Time-frame for CAP Reform - the Next Decade

11

## CHAPTER 2: THE IMPACT OF CAP REFORM

13

### 2.1 Introduction

13

#### 2.1.1 GSP Scheme

14

#### 2.1.2 Least Developed Countries

14

#### 2.1.3 Net Food-importing Countries

15

#### 2.1.4 Commonwealth Developing Countries

15

#### 2.1.5 African, Caribbean and Pacific Group

16

#### 2.1.6 EU trade in agriculture products

17

#### 2.1.7 World market prices

18

### 2.2 Cereals and Oilseeds

18

#### 2.2.1 The 'old' cereal regime

18

#### 2.2.2 MacSharry reforms

19

#### 2.2.3 Uruguay Round commitments

19

#### 2.2.4 *Agenda 2000*

21

#### 2.2.5 Current situation

22

#### 2.2.6 Towards 2010

22

#### 2.2.7 Impacts on developing countries

23

### 2.3 Tobacco

23

#### 2.3.1 Overview of tobacco market

23

#### 2.3.2 EU tobacco regime

24

#### 2.3.3 Future policy changes

26

#### 2.3.4 Impact

26

### 2.4 Sugar

27

#### 2.4.1 Overview of sugar market

27

#### 2.4.2 EU sugar regime

28

|                      |                                                                 |           |
|----------------------|-----------------------------------------------------------------|-----------|
| 2.4.3                | EU sugar imports                                                | 30        |
| 2.4.4                | Sugar Protocol                                                  | 30        |
| 2.4.5                | Future EU sugar policy                                          | 31        |
| <b>2.5</b>           | <b>Fruit and Vegetables</b>                                     | <b>32</b> |
| 2.5.1                | Background                                                      | 32        |
| 2.5.2                | The EU regime                                                   | 34        |
| 2.5.3                | Discussion                                                      | 35        |
| <b>2.6</b>           | <b>Bananas</b>                                                  | <b>36</b> |
| 2.6.1                | Background                                                      | 36        |
| 2.6.2                | Bananas, the Lomé Convention, and the WTO                       | 37        |
| 2.6.3                | The CAP for Bananas                                             | 39        |
| 2.6.4                | Discussion                                                      | 40        |
| <b>2.7</b>           | <b>Beef and Veal</b>                                            | <b>41</b> |
| 2.7.1                | Overview of beef market                                         | 41        |
| 2.7.2                | EU import regime                                                | 42        |
| 2.7.3                | Policy changes and implications                                 | 43        |
| <b>2.8</b>           | <b>Milk</b>                                                     | <b>44</b> |
| 2.8.1                | Overview of the milk market                                     | 44        |
| 2.8.2                | The GATT export constraints                                     | 45        |
| 2.8.3                | <i>Agenda 2000</i> and prospects for reform of the dairy regime | 45        |
| <b>CHAPTER 3:</b>    | <b>THE NEXT ROUND</b>                                           | <b>49</b> |
| 3.1                  | The Reform Process                                              | 49        |
| 3.2                  | Continuation of the Reform Process                              | 50        |
| 3.3                  | A Research Agenda for Developing Countries                      | 52        |
| 3.4                  | A Positive Agenda for the Negotiations                          | 52        |
| <b>APPENDIX I:</b>   | <b>TABLES</b>                                                   | <b>55</b> |
| Table 1              | List of Commonwealth Developing Countries and ACP Group         | 55        |
| Table 2              | Significance of EU Market                                       | 57        |
| Table 3              | List of Beneficiary Countries enjoying GSP                      | 59        |
| Table 4              | Commonwealth Developing Countries by Income Group               | 60        |
| Table 5              | Preferential Sugar Quotas (ACP and India)                       | 61        |
| <b>APPENDIX II:</b>  | <b>THE PEACE CLAUSE</b>                                         | <b>62</b> |
| <b>APPENDIX III:</b> | <b>TERMS OF REFERENCE</b>                                       | <b>66</b> |
| <b>REFERENCES</b>    |                                                                 | <b>67</b> |