



RESEARCH
PROGRAMON
Dryland Systems

*Food security and better livelihoods
for rural dryland communities*

Poverty and Olive oil: options for inclusive development in southern Tunisia

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in collaboration with





*“The terrorist attack of 26 June 2015 in Sousse prompted a reaction from the EU on the need to **further assist Tunisia in its political and economic transition**, in a concrete and targeted manner, through actions that can be effective in the **short term**.”*

...

*Against this background the European Commission proposes to offer a **temporary**, unilateral duty free tariff rate quota of 35,000 tons annually for Tunisia’s exports of olive oil to the union, under the form of autonomous trade measure...This additional volume will be **opened once the existing duty free tariff rate quota of 56,700 tonnes, enshrined in the agreement, is exhausted**. (EU 2015)*



Background

- Tunisia is the 3rd largest exporter of olive oil globally - earnings from which account for close to 50% of total agricultural export earnings;
- Olive oil exports have historically been the 5th largest source of FX earning after potash, crude oil, manufactured goods and tourism (could inch up to 3rd ...?)
- Subsidies on (imported) vegetable oils in order enhance the exports of olive oil through substitution in domestic consumption



Background

- Olives are produced on over 30% of cultivated land and 80% of tree crops are olives....almost 90% of all land under olives are to be found under rainfed systems within the centre and south of the republic with no associated inter-cropping;
 - Issues of equity in access to input and output markets for olive oil produced (as they concern smallholder farmers particularly in the south of the republic);
 - Challenges to branding and product differentiation;
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Linkages with Europe

- Tourism;
- Recent terrorist attacks in Tunisia and Europe's response;
- Market linkages for olive oil (specifically Italy and Spain);
- Contemporary concerns over migration and (faulty?) conventional wisdom on avenues for mitigating migration;



Shifts in livelihood systems (southern Tunisia)

- Inter-sectoral migration of labour has always been important
 - Not all migrants are heading to Europe and not as many Europeans are heading to Tunisian beaches....
- Livestock as asset security towards olive trees for asset security;
- Olive oil as insurance for small household producers – formal markets for underwriting risk are nascent or not accessible;
 - Trade-offs between quality and smoothing of consumption



Contemporary concerns

- Poverty is rife within rural areas of the south:
 - 70% of rural households rely on multiple sources of (farm, non-farm) income (based on survey);
 - In 2014, average annual household income in select districts surveyed was 3065 TND (\approx \$2000) relative to the minimum average salary of an individual at 3012 dinars;
 - Despite fragmentation there are relatively large landholdings - but of poor quality, lacking in irrigation potential, and afflicted with instability in production;
 - Limited technical support and inequities in access to “knowledge”



Contemporary concerns

- Questions linger over historically linear approaches for facilitating the continuum between research and adoption;
- Paternalistic history of the state in marketing olive oil as a national interest (quantity as opposed quality);
- Bitter historical experiences with cooperative movements
 - State priorities over producer household priorities



Options?

- Business approaches for enhancing margins within value chains are available:
 - Niche markets for organic olive oil have been uncovered, but how accessible are these to smaller producers where the vagaries of weather lead to fluctuations in supply (quantity and quality)
- State led/sponsored approaches such as the “Plan Maroc Vert” (Green Morocco Plan) are being studied but . . .



how effective are state led approaches to ‘modernizing’ agriculture and enhancing profitability in terms of:

(i) inclusivity

and

(i) access to inputs and services?



Picture credit: Belgacem et al. (2011)



Access' is a complex concept

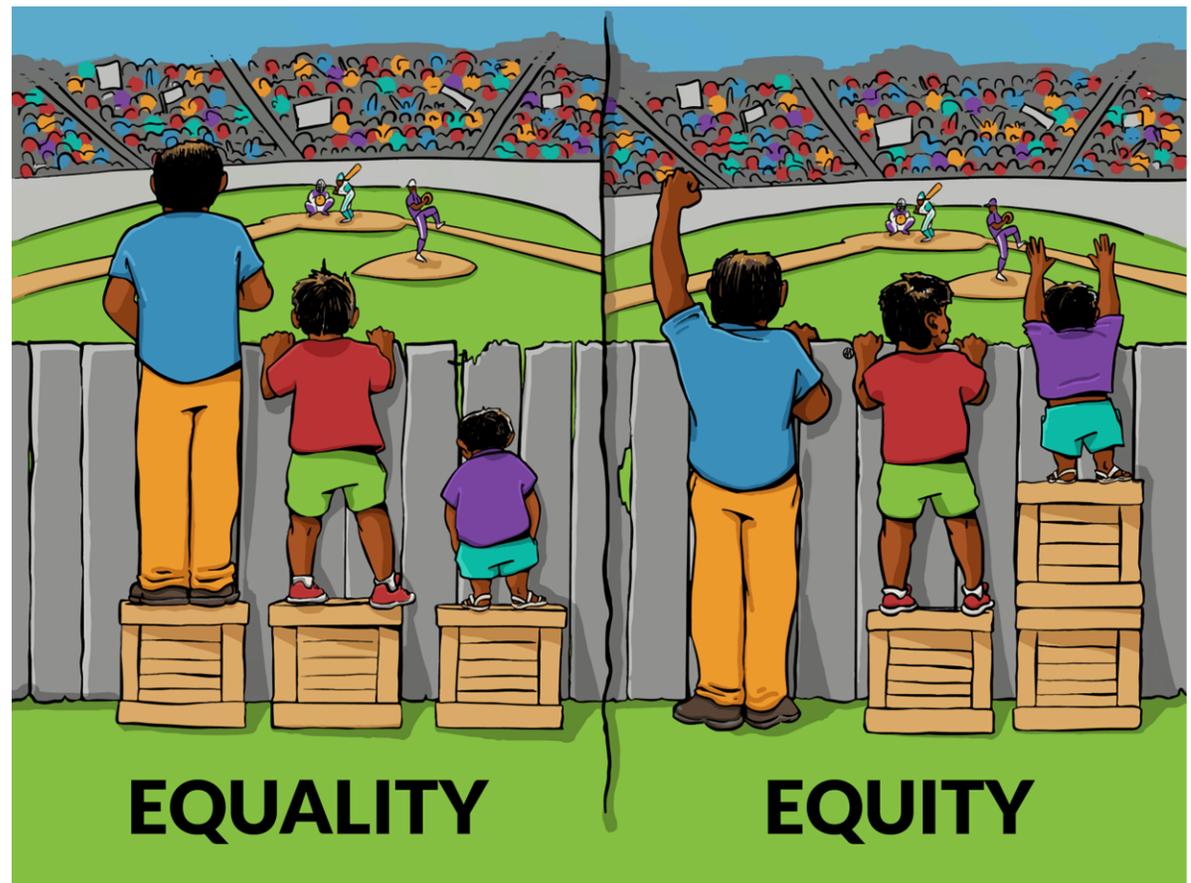
Having access -> potential to utilize a service or obtain an input if required (*availability when wanted or needed*)

Gaining access -> actually utilizing a service or acquiring a good

- *Implicit notion of inclusivity and equity*

EQUALITY IN ACCESS

is about equal opportunity in *having* access but is not necessarily consistent with *gaining* access





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EQUITY IN ACCESS:

“Horizontal”: same level of access to people in identical situations and circumstances (*eg. a sufficiently funded and well-functioning system of public extension*)

“Vertical”: people willing to pay more should pay more (*eg. fees for advisory services*)



- Need to uncover, test and adapt contemporary approaches to inclusive *innovation systems*:

“a network of organizations, enterprises, and individuals focused on bringing new products, new processes, and new forms of organization into economic use, together with the institutions and policies that affect their behaviour and performance” (FAO working definition, Rajalahti, 2012, Hall et al., 2006 ,).

- **Incomplete:** in so far as inclusivity and equity have not been mentioned....

1 COMMODITY



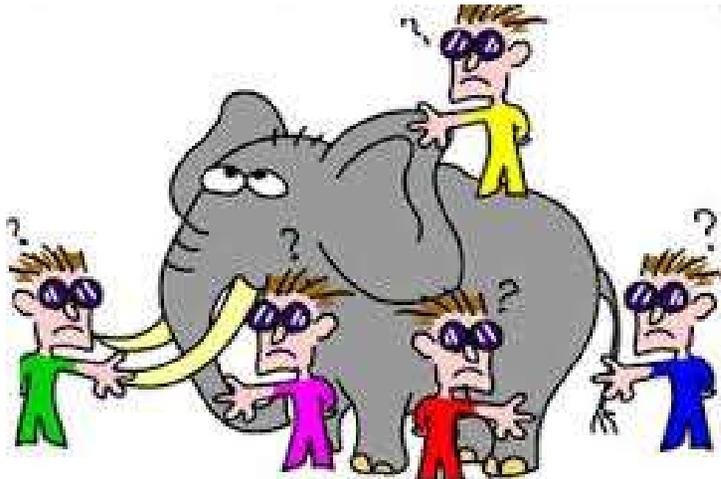
<http://www.policyresearchnetwork.ca/wp-content/uploads/2014/07/knowledge.png>

1 CENTRAL FOCUS



<http://contactscotland-bsl.org/bsl-users-key-stakeholders/>

1 CHALLENGE



<http://imageshack.com/f/530/knowbrainerselephant2.png>



1 CONSTRAINT

We have limited resources so I'm going to suggest we only fund projects that work really well.



freshspectrum.com



Uncovering and testing effective, inclusive and equitable innovation systems within Tunisia, and the MENA region more generally, is an essential component of *political and economic transition*

1. Is Tunisia ready to embrace this paradigm shift?
 2. How do international organizations (both research and development) effectively engage?
 3. What role should/can the EU play in this regard?
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Thank you, any questions?

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