

Conclusions and summary

William Meyers

PID_00159178



Universitat Oberta
de Catalunya

www.uoc.edu

Index

1. Unidad 1.....	5
-------------------------	----------

1. Unidad 1

In this course, we have studied the role of regulations in food and agricultural markets. Most countries have food regulations that deal with:

setting standards,
ensuring food safety, or
reflecting consumer concerns other than food safety.

These regulations in many countries are quite separate and distinct from the policies of support or subsidy that many countries have for their farmers or consumers, but they may be linked to some degree because of trade. In fact, some regulations become more important as trade expands.

Trade, trade policy and WTO trade disciplines could all influence or be influenced by regulatory policies. In particular, the WTO tries to formulate and enforce rules and disciplines that would prevent or at least minimize the use of regulatory policies to restrict trade or to slow the realization of benefits when trade agreements succeed to increase market access or open new markets to trade.

Food related regulations can be applied at any level of the market between the farm and the consumer and they can be initiated by:

governments,
multi-country or international agencies, or
the private sector.

This course has provided:

- a classification of various types of regulation,
- how and why they are developed and used,
- how they can be analyzed, and
- what are the current and emerging issues relating to regulation.

Policies in general –standards and food-related regulations included– bring gains and losses. While many consumers benefit, some might suffer negative consequences due to a loss of variety brought around by the harmonization of standards or regulations. On the production side, producers in developed countries could find it easier to adapt to new regulations, as might bigger and more established producers in developing countries. Participation of developing countries could be strengthened despite the many technical programmes in place to facilitate their inclusion in recommendations for international standards. Developing countries are often prone to being excluded

from the optimization process regarding food safety measures. Governments and multilateral organizations have committed themselves to provide technical assistance to tradeable sectors in developing countries, with the aim of building capacity. Food related regulations could worsen agricultural export potential in developing countries in the short and medium run but in the long run they could improve their market position.

Compliance with increasingly strict standards involves innovations and costs. Some of these costs can be recovered in the form of premium prices, while others are sunk costs. In the case of non-compliance, exporters can lose a market outlet either temporarily or even in the longer term. Long term goals of harmonization of food related regulations under the auspices of multilateral bodies should deliver increased transparency of the multilateral trading system, reduce costs, and increase trade.