

Agri-Food Policy, Food Safety and International Trade

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Introduction

Although this course is primarily focused on food regulations of various types dealing with standards and food safety, the broader context is the international market and trading system for food and agricultural commodities. Most countries have food standards, which go back in time as far as the Magna Carta, and food safety regulations either developed internally or were adopted from other countries or international bodies.

"[25] There is to be a single measure for wine throughout our realm, and a single measure for ale, and a single measure for Corn, that is to say the London quarter, and a single breadth for dyed cloth, russets, and haberjects, that is to say two yards within the lists. And it shall be the same for weights as for measures."

Magna Carta. Article 25.

But when countries engage in trade with other countries, they naturally wish to impose the same or equivalent measures on imported goods to facilitate commerce and protect domestic consumers.

As the volume and value of trade increases, the desire for food safety precautions increases accordingly.

The course material covers a wide variety of subjects, each of which deserves to be studied in its own right. Thus, the course material should not serve as a comprehensive source on food standards and food related regulations. It should, however, provide you with reference points and a framework in which you will be able to conduct your own analysis of issues related to food regulations and international trade in the rapidly changing regulatory environment. Some concepts, such as standards, are covered from a broader point of view and then followed by a focus on agri-food. Although examples from various countries are used, we do not go into details of any specific country.

In the modules that follow, the course provides:

- Familiarity with the structure and evolution of agri-food policy in developed and developing countries.
- Awareness of how domestic policies influence trade policy.
- Familiarity with multilateral trade agreements and how they discipline domestic policies and trade measures.
- Awareness of the factors influencing why very different policies arise in different places.
- Understanding the origins and types of food regulations and why they exist.

- Familiarity with food standards, how and why they are developed and used, and what the role of private standards is.
- Understanding how different countries protect their food safety and why these systems differ across countries.
- Capacity to analyze different policies on agri-food markets and to understand who gains and who loses from these policies.
- Awareness of factors influencing food regulations and why they lead to differing outcomes in different countries.
- Awareness of the linkages between food regulations and international trade and how they interact.
- Familiarity with techniques to analyze sanitary and phytosanitary measures and technical barriers to trade measures.
- Understanding the impacts of food standards and regulations on trade and who is impacted by these policies.
- Appreciation of emerging issues, among others biosecurity, climate change, etc.

Questions you should be able to answer at the end of this module include:

- Why do standards and regulations differ across countries?
- If a country announces that the other country's exports do not correspond to its own domestic standard, is it
 - to protect its domestic producers?
 - to start a trade war?
 - to genuinely protect its domestic consumers?
- Do strict regulations in developed countries simply hurt farmers in developing countries?
- What is so special about Parma ham?

While economic concepts discussed in the course are not to be negotiated, some of the aspects discussed in the course are, however, subject to interpretation and value judgment. Some topics do not have a right or wrong answer if you provide sound arguments.

Good luck. We hope you enjoy the course.

Activities

1. Why does government intervene in agriculture? The history of European agricultural policy evolution.

Bibliographical reference

Zobbe, Henrick (2001). "The Economic and Historical Foundation of the Common Agricultural Policy in Europe". *Unit of Economics Working Paper* (2001/12). KVL. Frederiksberg.

2. What is *agricultural protection* and how does it differ across countries?

Bibliographical references

OECD (2009a). "Agricultural Policies in OECD Countries: Monitoring and Evaluation 2009 Highlights". Paris.

OECD (2009b). "Agricultural Policies in Emerging Economies: Monitoring and Evaluation 2009 Highlights". Paris.

3. Why do agricultural policies evolve differently in different countries?

Bibliographical reference

Anderson, Kym (2009). "Political Economy of Distortions to Agricultural Incentives: Introduction and Summary". *Agricultural Distortions Working Paper* (No. 91). World Bank.

4. What in the world is a WTO Green Box for?

Bibliographical reference

ICTSD (2009). "Agricultural Subsidies in the WTO Green Box: Ensuring Coherence with Sustainable Development Goals". Summary note. Geneva.

5. History of Food and Drug Administration in the US. Write a short summary and ponder what would an alternative future look like.

Bibliographical reference

<http://www.fda.gov/AboutFDA/WhatWeDo/History/default.htm>

6. Factsheet on traceability by the DG Health and Consumer Protection, EC

Bibliographical reference

http://ec.europa.eu/food/food/foodlaw/traceability/factsheet_trace_2007_en.pdf

7. Segment on Tracking Tainted Food a Near Impossibility in the US. Watch this short news segment about the US. Write a short summary report in which you compare it with that you learnt in the course.

Bibliographical reference

http://www.pbs.org/newshour/bb/health/july-dec09/food_10-08.html

8. DOORS Database on GIs, Protected Products, etc. Get familiar with the database. Choose products from your country or region and discuss their importance and justification in the Database.

9. USDA's cost of food safety calculator. Explore the calculator and try different parameter values. What is the most important driver of the results?

10. Meat supply in the US. Use as a case study.

Bibliographical reference

<http://www.nytimes.com/interactive/2009/10/04/us/20090917-meat.html>

11. Explore labels on selected products in your local supermarket. Make a trip to your local shop. Choose several (at least 3) products from any product categories (produce, meats,

packaged foods, dry groceries) and note the labels and information provided. Write a short summary report.

12. MABD and EXPORT HELP DESK

13. Read a case study on private standards

14. WTO SPS Notifications

15. NYT article on meat (4 Oct 2009)

16. Dolphin – tuna labelling

Bibliographical reference

<http://www.ers.usda.gov/publications/aer793/aer793f.pdf>

17. Understanding Codex

Bibliographical reference

ftp://ftp.fao.org/codex/Publications/understanding/Understanding_EN.pdf

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Module 1

Agriculture and trade

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1. Scene setter
2. Structure and evolution of agricultural, food and trade policy
3. Political economy of food and agricultural policy
4. Trade measures and implications
5. Impacts of policy on food security and production
6. Uruguay Round Agreement on Agriculture

Module 2

Food related regulations (farm-to-fork)

William Meyers

1. Scene setter
2. *What is food?*
3. Origins of food related regulations
4. Product and process attributes
5. Markets for food regulation or government intervention?
6. Why increased interest now?
7. Developments of and approaches to food policies
8. Case for and against supply chain approach
9. Types of food regulations

Module 3

Food safety

William Meyers

1. What is food safety?
2. Factors influencing food safety regulations
3. Regulatory trends in food safety in developed and developing countries
4. Approaches
5. The producers' role in food safety

Module 4

Agri-food standards

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1. Concepts behind standardization
2. Positive aspects of standards
3. Negative aspects of standards
4. Vertical vs. horizontal standards
5. Public vs. private standards
6. Mandatory and voluntary standards
7. Product and process standards
8. Standards according to use

9. The development of standards
10. The application of standards (legal considerations) and their implementation
11. Accountability, transparency, and enforcement
12. Private standards

Module 5

Other food related regulations

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1. Food quality
2. Agricultural product quality schemes
3. Organic farming
4. Animal welfare
5. Country of Origin Labelling (COOL)
6. Self governance
7. Certification schemes
8. Other issues

Module 6

Food related regulations and trade

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1. Trade primer
2. Addressing interactions in a multilateral and bilateral framework
3. Conceptual relationship between food related regulations and international trade
4. Harmonise between countries or not?
5. Standards as barriers or catalysts to developing country exports?

Module 7

Methods of analyzing SPS and TBT measures

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1. Sources and quality of data on NTMs
2. Analytical tools
3. Comparison of studies and results

Module 8

Food related regulations and agricultural production

William Meyers

1. Animal health and production
2. Plant health and production
3. Other issues

Module 9

Emerging issues in agri-food policy, food safety and trade

William Meyers

1. Biosecurity and other security measures
2. The Doha Development Agenda (DDA)
3. Climate change and food miles

4. The Food Economy and advances in information technology
5. Biotechnology, genomics, and nanotechnology

Module 10

Conclusions and summary

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1. Unidad 1

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