The global impact of the EU food system

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Why this study?

- Growing debate about the effects of food production
- EU is a major player on the world market for agricultural products
- Traditional focus is on 'economics' of trade
- Wider perspective is necessary (climate, SDG's)

- Need to better understand the impact of the EU on food systems outside the EU
- Focus on Low and Middle Income Countries (LMIC)

Approach

- Define a framework to analyse impact
- Overview EU trade position
- Case studies
- Drivers production and consumption

Food system approach to assess outcomes

- EU systems needs to deliver on the following goals:
  - Competitiveness of agri-food businesses
  - Reduced environmental impacts
  - Equitable outcomes and conditions
  - Balanced and sufficient diets
- These goals are starting point to evaluate likely impacts EU trade for non-EU food systems
- Link to SDGs!

EU's position in global trade

- In general
- Geographical blocs
- Income blocs
- Trade arrangements

EU's position in trade - imports

- Nominal value imports third (non-EU) countries increased from €79 billion in 2000 to €146 billion in 2016
- Declining share (31% in 2000 to 27% in 2016)
- Top 5 agri-food products (in value):
  - fish and crustaceans (salmon, shrimps, prawns)
  - fruits and nuts (bananas and almonds)
  - coffee and tea
  - oil cakes from soybean meal
  - oilseeds (soybean and rapeseed)

EU's position in trade – imports continued

- Geo: mainly from Latin America and Asia
- Income: the group of upper middle income countries is the main origin
- Trade agreements: less than 10% of total EU28 imports in the period 2000-2016

EU's position in trade - exports

- Nominal value exports to third countries increased from €61 billion in 2000 to €148 billion in 2016
- Increasing share (25% in 2000 to 27% in 2016)
- Top 5 agri-food products (in value):
  - beverages (wine and spirits in particular)
  - dairy produce and eggs (cheese)
  - meat (pig meat)
  - cereals (wheat)
  - cereal preparations

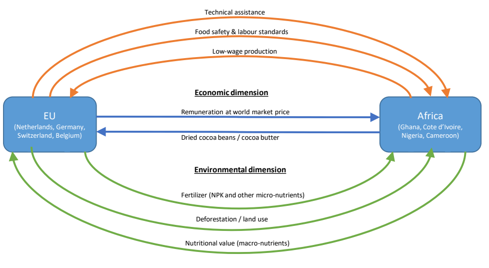
EU's position in trade – exports continued

- Geo: Asia has largest share; share is rapidly rising since 2009
- Income: group of high income countries is largest destination
- Trade Agreements: exports to all three groups of lower middle income and low income countries is about 5%

Case studies

- Cocoa
- Soya
- Fish
- Apply framework for number of themes and corresponding indicators

Visualizing Dimensions of Value Exchange in EU-Africa Cocoa Trade



Example cocoa

SDG	Performance metrics	Aggregate indicators	Developing country context
SDG 2: Zero Hunger SDG 3: Good Health	Equity among consumers: food systems outcomes	Availability of food	Malnutrition is a major issue in the cocoa sector. Stunting -limited growth due to poor diets - is a visible sign of chronic malnutrition and is widespread among cocoa farmers
		Accessibility of food	
		Utilisation of food	
		Stability of food supply	
		Health: Undernutrition	
		Health: Overweight/obesity	
SDG 2: Zero Hunger SDG 3: Good Health	Equity among consumers: food systems conditions	Wealth	Farmers often struggle to earn a living income and have to cope with poor living conditions for their families and workers
		Political stability	
		Consumer choices	
SDG 10: Reduced inequalities	Equity among producers and chain actors	Access to resources by primary producers	Cocoa farmers often struggle to get access to finance (loans, insurance) as they have limited collateral and are often not legally owner of their cocoa plots.
		Access to finance and technology	
		Producer sovereignty	

Drivers analysis

- Consumption
- Production
- Food chain
- Effects on third countries

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Business-as-usual scenario

- Absence of considerable changes
- Main implication for the food systems in third countries:
  - their exports to EU will be faced with an increasing role of sustainability and non-tariff measures
  - production systems need to be adapted accordingly

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14

Future perspectives

- System thinking can help understand the increasing complexity of food production by showing:
  - Drivers
  - Trade-offs
  - Feed back mechanisms
  - Link to SDG's
- Drawbacks:
  - The complexity
  - Focus on formal systems
  - Data

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Next steps for policy and research

- Business-as-usual no option
- Climate – SDGs: governance issues!
- Trade-offs
- Partnership for shared insight
- Data issues
- Scenario-analysis

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16

Thank you!

Questions – further information:

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17