The global impact of the EU food system
Round table discussion, October 31st, 2018
Petra Berkhout, Thom Achterbosch

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

Example cocoa

<table>
<thead>
<tr>
<th>SDG 2: Zero Hunger</th>
<th>SDG 3: Good Health</th>
<th>SDG 10: Reduced Inequalities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity among consumers</td>
<td>Food systems outcomes</td>
<td>Access to resources by primary producers</td>
</tr>
<tr>
<td>Equity among consumers</td>
<td>Food systems outcomes</td>
<td>Access to finance and technology</td>
</tr>
<tr>
<td>Equity among consumers</td>
<td>Food systems outcomes</td>
<td>Producer sovereignty</td>
</tr>
<tr>
<td>Equity among consumers</td>
<td>Food systems outcomes</td>
<td>Consumer choices</td>
</tr>
<tr>
<td>Equity among consumers</td>
<td>Food systems outcomes</td>
<td>Politician stability</td>
</tr>
<tr>
<td>Equity among consumers</td>
<td>Food systems outcomes</td>
<td>Access to finance and technology</td>
</tr>
<tr>
<td>Equity among consumers</td>
<td>Food systems outcomes</td>
<td>Access to finance and technology</td>
</tr>
<tr>
<td>Equity among consumers</td>
<td>Food systems outcomes</td>
<td>Access to finance and technology</td>
</tr>
<tr>
<td>Equity among consumers</td>
<td>Food systems outcomes</td>
<td>Access to finance and technology</td>
</tr>
</tbody>
</table>

Visualizing Dimensions of Value Exchange in EU-Africa Cocoa Trade
Drivers analysis

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

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

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

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

Thank you!

Questions – further information:

Petra.Berkhout@wur.nl
Thom.Achterbosch@wur.nl