THE ROLE OF TRADE IN THE GLOBAL AGRI-FOOD SYSTEM

SYMPOSIUM

27-28 June 2019

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Overview

The future of the global agri-food system will be shaped by climate stress and resource depletion, digital and technological innovation as well as evolving consumer preferences. To keep pace with demographics and the growing demand for affordable, safe and nutritious food, policy makers will need to develop strategies that promote economically, socially and environmentally sustainable agriculture and agri-food systems.

Climate stress and resource depletion pose serious threats to agriculture systems. The increased likelihood of extreme weather events makes agricultural production less predictable. It also makes global markets more volatile. Technological innovation has the potential to address some of these risks and help build resilient agri-food systems, particularly in structurally-disadvantaged rural areas. The agriculture sector has adopted new technologies more slowly than the industrial sector. However, recent developments in satellite imaging, climate-smart agriculture practices, precision farming and digital connectivity appear to indicate that the uptake of innovation is accelerating.

Governments have traditionally intervened using border measures and support mechanisms to protect rural incomes and livelihoods. Faced with new risks, many governments have started implementing whole-farm management approaches using state-of-the-art information and communication technologies (ICT) to optimise returns on inputs, while improving the resiliency of agricultural systems. Policies that restrict the choices of farmers or create inflexible incentives for farmers to choose types of production will limit the ability of the agri-food system to adapt in response to new stresses and new opportunities. Thus, it is important that governments consider how their policy interventions will enhance or restrict the flexibilities, especially in a world where there is increased uncertainty due to climate change.

This symposium will look more closely at governments' implementation of agriculture policies with a view to highlighting the trade-offs associated with specific policy decisions. Speakers will identify opportunities and challenges for public sector intervention to create a more resilient and sustainable agri-food system. The symposium will begin with a session devoted to an examination of future trends in production, trading patterns and agriculture policies. The second session will examine the role of border measures, including tariffs and non-tariff measures in the policy objectives of countries and how these measures impact on trade. The third session will focus on domestic support and how domestic policies can be tailored to allow limited public funds to be used for investments for sustainability and resilience while minimizing distortions to production and trade. The fourth session will focus on identifying policy strategies that could be used by developing countries with small agricultural sectors to manage their unique challenges.

This symposium is open to all WTO Members. It will provide an opportunity to hear from experts in agriculture policy and trade from both developed and developing countries. Discussions will highlight current issues of importance to developing countries. Speakers will include experts from academia, private sector, think-tanks and international organizations. The symposium will be structured to maximize the interaction among speakers and participants.

PROGRAMME

Session 1: Understanding the role of trade in global agri-food systems (2.5 hours)

The global agri-food system is a complex network of stakeholders and services engaged in production, marketing, distribution and consumption. Government intervention plays a critical role in creating the enabling conditions for the agri-food system to thrive in a sustainable way. While global agricultural production is on track to meet rising demand, the agri-food system faces threats. Trade can play an important role in ensuring that different parts of the agri-food system are connected so that food and agriculture products can move from surplus to deficit areas, and in enabling farmers to receive the right signals to adjust to shifts in global conditions. This session will take a closer look at how trade contributes to moderating negative outcomes from potential risks, including increased frequency of extreme weather events, resource degradation, and food insecurity.

Session 2: Integrating agricultural markets - Impact of border measures (3 hours)

For agri-food systems to be able to respond dynamically to changing conditions, the links and signals between stakeholders need to be clear. These are important to encourage market integration at the local, regional or international level. Removing distortions at the border, whether multilaterally or in the context of RTAs, increases transparency and allows farmers to take production decisions based on clear market signals. Tariffs and non-tariff measures (NTMs) determine which products can move across the border. If poorly designed, border measures may impose unnecessary costs on traders and often pose significant challenges for smaller producers. This session will focus on the prevalence of different types of border measures and their implications for policy formulation, including from the global value chain and RTA perspectives.

Session 3: Analysing public spending in agriculture (2.5 hours)

Diverse sets of policy options are available to governments to design and implement sustainable agri-food systems. The provision of public goods extends to physical and digital infrastructure to connect rural sectors to local, regional and international markets. Governments also can invest in services that enhance agriculture productivity, for example by supporting research, extension services and food safety inspection. In the context of limited budgets, governments need to draw on a basket of policies used to support the agriculture sector to determine which policies are best suited to increase productivity, sustainability, resilience to climate change and other risks. This session will look at government support in agriculture, highlighting patterns of support and the impacts of different policy sets economic, social and environmental outcomes.

Session 4: Innovations to addressing the challenges faced by smallholder producers (2 hours)

Agricultural development is a powerful tool to end extreme poverty and boost shared prosperity. Growth in the agriculture sector can be more effective in raising incomes among the poorest compared to other sectors. At the same time, small holder producers face specific challenges in connecting to global markets to take advantage of consumer demand for sustainably produced agri-food products. This session will take a closer look at technological innovations that offer new opportunities for smallholders. It will also highlight new approaches for partnerships between the public and private sector to support sustainable agriculture development.