

# THE GLOBAL TRADE IMPERATIVE FOR FOOD SECURITY



## As global economies become more interconnected, trade and open markets hold tremendous potential

to unlock economic opportunity, spur development, and increase food security. Effective global value chains improve the world's ability to move food from where it is produced and processed to where it is consumed.

Approaching trade as an interconnected system will produce significant gains. Well-functioning markets enable faster and more reliable delivery of food and give rise to multiple opportunities for value creation and off-farm economic activity.



## TRADE IS AN INTEGRAL ASPECT OF INCREASING AGRICULTURAL PRODUCTIVITY IN ORDER TO ADDRESS:



### Urbanization

75% of world's population will be urban by 2050



### Population growth

9 billion by 2050



### Changing demand for food

3 billion people will add animal protein to their diets by 2050



### Climate change

More storms, flooding, drought, and other weather events



### Interconnected global agricultural market

Local decisions impact far-away markets; distant policies impact local production

# Improving trade requires a holistic approach to challenges at every stage of the value chain, and an enabling environment for agricultural market growth.



## Below are key areas of focus for trade to facilitate global food and nutrition security:

### **Apply consistent, transparent, and science-based frameworks**

for regulating food safety and create reliable processes for administering sanitary and phytosanitary (SPS) rules.

SPS MEASURES REDUCE FOOD COSTS AS MUCH AS 42%, MORE PRODUCTIVE INPUTS BECOME AVAILABLE, AND DOMESTIC INVESTMENT WILL FLOW.

### **Reduce legal and regulatory barriers to new products and services in the value chain,**

including production, inputs, processing, and services.

COMPLEX REGULATIONS, WEAK INTELLECTUAL PROTECTIONS AND NON-TARIFF BARRIERS CAN PREVENT NEW PRODUCERS FROM ENTERING THE MARKET.

### **Foster the development of reliable systems for moving goods –**

including food, inputs, and equipment – and services through necessary legal and policy infrastructure and appropriate trade facilitation interventions;

MOVING AGRICULTURAL GOODS CAN BE EXPENSIVE AND TIME-CONSUMING. WEAK RULES AND REGULATIONS CAN PERPETUATE HIGH SPOILAGE RATES.

### **Support open systems for transporting and distributing goods and services:**

financial, wholesale, retail, franchise, and others.

EFFECTIVE CUSTOMS ADMINISTRATION AND TRADE FACILITATION ARE ESSENTIAL TO GLOBAL VALUE CHAIN DEVELOPMENT.

### **Ensure adequate and equitable intellectual rights protection**

as technology, information sharing, and communication play an increasing role in value chain development

WITH NEW TECHNOLOGY AN EVER-INCREASING ELEMENT OF THE GLOBAL ECONOMY – FROM TECHNOLOGICAL ADVANCES IN SEEDS TO ADVANCED MEDICINES – INTELLECTUAL PROPERTY PROTECTIONS ARE ESSENTIAL.

### **Pursue regional integration and harmonization of laws and regulations,**

with focus on how laws and regulations are implemented.

REGIONAL MARKET DEVELOPMENT CREATES ECONOMIES OF SCALE NECESSARY TO EXPAND BUSINESS OPPORTUNITIES, STIMULATE LOCAL SUPPLY CHAIN DEVELOPMENT, FOSTER COMPETITIVENESS, AND CONNECT PRODUCERS TO INTERNATIONAL MARKETS.

CURRENT TRADE AGREEMENTS AND NEGOTIATIONS MUST BE APPROACHED THROUGH AN AGRICULTURAL VALUE CHAIN LENS.

### **Adopt outward-looking trade policies**

that facilitate agricultural development and food security.

STRONGER INTERNATIONAL DISCIPLINES ARE BADLY NEEDED WITH RESPECT TO LOCAL CONTENT REQUIREMENTS AND RESTRICTIVE EXPORTS MEASURES, AS ARE APPROPRIATE SOCIAL SAFETY NETS PROTECT AGAINST SHOCKS.

### **Utilize commercially-focused capacity building**

to facilitate market development and generate regulatory reform in the agricultural sector

PRIVATE SECTOR ENGAGEMENT FACILITATES REMOVAL OF AGRICULTURAL BARRIERS, IMPROVES VALUE CHAINS, INCREASES FARMERS' ACCESS TO MARKETS, AND IMPROVES COMPLIANCE WITH RULES AND REGULATIONS.

The Global Harvest Initiative and its consultative partners take a holistic approach to increasing agricultural productivity worldwide in order to meet food security. Increasing agricultural productivity means growing more while using less land, water, energy and other inputs. To meet the demands of the growing world and changing diets, we must foster an appropriate policy enabling environment and harness innovation and technology to create sustainable food systems.

To read the full report, International Trade and Agriculture, Supporting Value Chains to Deliver Development and Food Security, and to learn more about the Global Harvest Initiative, visit:

[www.globalharvestinitiative.org](http://www.globalharvestinitiative.org)