

Climate Change and Agriculture Trade – Risks and Responses

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Is there a problem?

Yes

- Livestock industry and change in land use
- Future trends in population growth and animal protein consumption.
- Clear scientific consensus.

Is there acceptance that there is a problem?

- No
- Kyoto Protocol hardly refers to agriculture
- Current focus of efforts is on energy, transport, fuel efficiency etc.
- Media, political and societal focus is similarly not focused on food (consumption).
- Agriculture and food is not “low hanging fruit”.

Has SPS lessons for how we deal with food/climate change?

- Yes
- Safe food, like sustainability, is a societal demand.
- WTO/SPS Agreement allows food to be traded safely – sustainability measures should also.
- SPS is supported by international standard setting bodies and a scientific infrastructure.
- SPS contributes to food security – climate change measures must also.

SPS continued.....

- Many of the contentious issues in SPS will also arise in climate change/food debate.
- The SPS experience allows us to anticipate a lot of problems.
- We have to aim for the same core principles – science, transparency, proportionality, non-discrimination....
- What are the problems we can expect ahead?

Conflicting goals....

- ‘we want it all and we want it now”
- Food that is plentiful, safe, affordable, ethical, produced to high social and environmental standards – and sustainable.
-and secure!
- Trade-offs are inevitable.

Definitions

- Which foods can be called “sustainable”?
- Lack of consensus on which foods are sustainable – the Ecolabel experience.
- What’s on the environmental menu – beef, pork or chicken?
- Labelling of the carbon footprint of food.
- All of the above have trade implications.

Consumer Preferences

- Will consumers choose climate friendly foods?
- The experience with nutrition is not encouraging.
- Consumers confronted with carbon labelling of foodstuffs will have some difficult choices.
- Which regulatory approach to follow – “hard regulation” or “soft”?
- Can the food industry respond responsibly?

Trade Protectionism

- Policy capture – is it inevitable that sustainability objectives will be hijacked by protectionists?
- Food miles, food security, deforestation.
- Is the TBT Agreement sufficient to prevent abuses?

Private Standards

- The existing policy framework for dealing sustainable food issues is thin.
- Official policymakers have a problem – ignoring the issues will not make them go away.
- Private standards – pushed by retailers, NGOs – are filling the policy vacuum.
- But private standards have critical failings.

Development and Food Security

- “Food production needs to become less intensive” – is this credible?
- “the climate crisis cannot be solved without people having enough to eat”.
- (Improved) productivity is critical to success.
- Efforts to promote development have to complement climate change efforts.

The policy direction in Europe

- Climate change is top of the policy agenda.
- Mitigation efforts are real, ambitious, tough and across the board.
- Climate change will be a key policy priority for the new European Commission.
- “each and every Community policy will need to be assessed and if necessary adapted in the light of climate change”. (President Barroso)

Policy direction cont...

- A European Commissioner for Climate Change.
- Swedish Presidency has a long tradition of successful engagement on sustainability issues.
- EU will push hard for a successful and ambitious outcome in the Copenhagen Conference.
- Policy framework for dealing with Climate Change is sophisticated and powerful.

The policy framework at international level

- FAO is doing a lot of important work especially on food security and agri-development.
- Trade is hampered by a reluctance to acknowledge that sustainability is a legitimate issue in setting standards.
- UN, World Bank also see the direction policy needs to take.
- Outcome of the Copenhagen Conference will be the real test of our ambitions.