



联合国
粮食及
农业组织

Food and Agriculture
Organization of the
United Nations

Organisation des Nations
Unies pour l'alimentation
et l'agriculture

Продовольственная и
сельскохозяйственная организация
Объединенных Наций

Organización de las
Naciones Unidas para la
Alimentación y la Agricultura

منظمة
الغذية والزراعة
للأمم المتحدة

COMMITTEE ON COMMODITY PROBLEMS

Seventy-third (Extraordinary) Session

22 January 2021

Trade and Nutrition

Executive Summary

This document addressing aspects of trade and nutrition has been prepared as a background note to frame the deliberations of the Committee on Commodity Problems on the draft Vision and Strategy for FAO's work in Nutrition. The feedback and input of the Committee on Commodity Problems as the Governing Body that oversees FAO's work on agricultural commodity markets and trade are crucial.

Queries on the substantive content of the document may be addressed to:

Secretariat of the Committee on Commodity Problems (CCP)
Markets and Trade Division
Email: FAO-CCP@fao.org
Tel: +39 06 570 52723

I. Background

1. The 2030 Agenda for Sustainable Development commits governments to eliminate hunger and all forms of malnutrition. Better nutrition offers one of the greatest developmental opportunities in the world today. Good nutrition is crucial for resilience and health, and for the body to defend itself or recover from disease. Good nutrition is also critical for reducing the risks of overweight, obesity and non-communicable diseases (NCDs).
2. A healthy diet represents a cornerstone of good nutrition for present and future generations. Part of the mandate of FAO is to raise levels of nutrition, and the Organization has a clear leadership role in supporting the Members to ensure healthy diets are available, affordable and accessible to all.
3. Under the 2030 Agenda for Sustainable Development, trade is recognized as one of the key means of implementation under Sustainable Development Goal (SDG) 17, with specific targets also identified under a number of other SDGs, in particular SDG 2.
4. Similarly, the Second International Conference on Nutrition (ICN2), held in Rome on 14–21 November 2014, acknowledged the importance of trade for achieving food security and nutrition.

II. Trade and Nutrition in global governance

5. SDG target 2.2 commits governments to “end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons”.
6. SDG target 2.b commits countries to “correct and prevent trade restrictions and distortions in world agricultural markets, including through the parallel elimination of all forms of agricultural export subsidies and all export measures with equivalent effect, in accordance with the mandate of the Doha Development Round”. SDG target 2.c calls on governments to “adopt measures to ensure the proper functioning of food commodity markets and their derivatives and facilitate timely access to market information, including on food reserves, in order to help limit extreme food price volatility”.
7. Similarly, the Rome Declaration on Nutrition recognizes that “... trade is a key element in achieving food security and nutrition, and that trade policies are to be conducive to fostering food security and nutrition for all, through a fair and market-oriented world trade system” (FAO, 2014a). The recommendations of the Framework for Action of ICN2 also refer to trade-related policies in broad terms. Recommendation 15 calls to “explore regulatory and voluntary instruments – such as marketing, publicity and labelling policies, economic incentives or disincentives in accordance with Codex Alimentarius and World Trade Organization rules – to promote healthy diets”. Recommendation 17 encourages “governments, United Nations agencies, programmes and funds, the World Trade Organization and other international organizations to identify opportunities to achieve global food and nutrition targets, through trade and investment policies” (FAO, 2014b).

III. Linkages between trade and nutrition

8. Malnutrition is a complex and multifaceted issue. Dietary intake and health status are recognized as immediate determinants of individual nutritional outcomes, which in turn are influenced by underlying drivers such as household food security, adequate health services, hygiene and sanitation that are ultimately affected by several enabling environment factors (UNICEF, 1990 and Acharya *et al*, 2014).
9. To elaborate the specific food-based pathways influencing nutritional status, the High Level Panel of Experts on Food Security and Nutrition (HLPE) of the Committee on World Food Security (CFS) proposed a conceptual framework identifying three interacting elements of food systems – food

supply chains, food environments and consumer behaviour, and their links with dietary patterns and nutritional outcomes (HLPE, 2017). “Globalization and trade” were recognized as political and economic drivers that affect food systems.

10. Overall, trade influences nutrition and health outcomes, mainly through its impacts on “food supply chains” and the “food environment” (HLPE, 2017), particularly food availability and access (both physical and economic).

11. Trade can improve economic access to food for the most vulnerable populations by bringing down food prices and reducing costs to consumers. Furthermore, trade allows for sufficient quantities of food to be available all year round and increases the variety of food available to consumers, such as fruits and vegetables, fish, and meat and dairy products, thus contributing to the diversity of the diet. Imports may be a source of nutritious foods that are minimally processed, and due to their longer shelf life, can contribute to offsetting seasonal scarcity of perishable foods (FAO, 2018). Trade can also contribute to nutrition outcomes through its support to livelihoods and income generation for those working throughout the food system, particularly those engaged in primary food production (farmers, fishers, pastoralists and foresters).

12. While trade has the potential to expand consumer choices and contribute to diversified diets, establishing causal links between trade and consumption patterns remains a challenge.

13. At the same time, however, trade can increase the availability and reduce the prices of highly processed foods that are high in salt, sugar, fats and saturated fat (FAO, 2018). In addition, the growth of global value chains in agri-food products, where large industry players typically make substantial investments in the production, distribution and marketing of food products, can contribute to changing the food environment where less nutritious foods become widely available, affordable, convenient and desirable (FAO, 2018). This, in turn, can contribute to facilitating a “nutrition transition” towards foods with higher content in calories and saturated fat, sugar and salt, resulting in less healthy diets (FAO, 2018).

14. The extent to which the impacts of trade on food prices and availability translate into changes in the patterns of consumption and dietary intake depends on consumer behaviour, which is determined by incomes and purchasing power, together with preferences, socio-cultural factors, and consumer education and information.

15. In this regard, it is important to consider the impact of trade on income growth. It is generally recognized that open economies tend to grow faster than closed economies, but also that trade can have different impacts on different households depending on the types of policy changes, the sectors impacted and the speed at which the labour and other factors of production move between various different economic activities.

References

- Acharya, T. et al. June 2014. Assessing Sustainable Nutrition Security: The Role of Food Systems. ILSI Research Foundation, Center for Integrated Modeling of Sustainable Agriculture and Nutrition Security. Washington, DC. Accessible at: https://foodsystems.org/publication/2014_acharya_et_al/
- FAO, 2014a. Conference Outcome Document: Rome Declaration of Nutrition. Second International Conference on Nutrition, Rome, 19–21 November 2014. <http://www.fao.org/3/a-m1542e.pdf>
- FAO, 2014b. Conference Outcome Document: Framework for Action. Second International Conference on Nutrition, Rome, 19–21 November 2014. <http://www.fao.org/3/a-mm215e.pdf>
- FAO, 2018. Trade and Nutrition Technical Note. FAO Trade Policy Technical Notes. No. 21. <http://www.fao.org/3/I8545EN/i8545en.pdf>
- HLPE. 2017. Nutrition and food systems. A report by the High Level Panel of Experts on Food Security and Nutrition of the Committee on World Food Security, Rome.