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An assessment of the suitability of EU food and trade policy in the context of cross-border climate risks and geopolitical instability

Insights from semi-structured interviews and in-depth policy document analysis

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Background

CASCADES WP3: Trade as a pathway for cascading climate impacts into Europe

Research combines takeaways from:

- 1. Stakeholder interviews
- 1. An in-depth policy analysis across food, trade, environment domains (on going)

Stage One: Stakeholders Interviews

Semi-structured interviews - 17

- Various **public** and **private** EU-based actors within the global food trade system

Aimed to gain stakeholder insights on:

- Trade-mediated climate linked shocks
- Possible response and mitigation mechanisms
- Current actions of supply chain actors and public policy actors in mitigating or exacerbating risk

Inductive thematic analysis in NVivo - produced several emergent themes

Main Takeaways

Geopolitics and **political economy** play a large role in policy

The EU is **mostly insulated** from external **climate driven shocks** to food systems



Ian Taylor, Unsplash

Shocks will increase global instability, but the magnitude, effects and responses remain uncertain

Current action is inadequate, although climate risk is moving up the policy agenda

Main Takeaways from a policy perspective

Take **tailored approach for each commodity** – no onesize fits all solution

The 'Just In Time' system needs to become a 'Just In Case' system – supply diversity, stocks/reserves

EU could **influence its trading partners' policy** through international fora



Guillaume Périgois, Unsplash

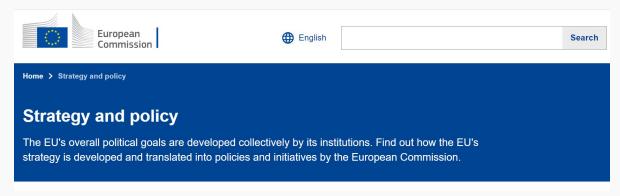
Due diligence requirements will increase costs and disrupt supply chain operations

Stage Two: In-depth Policy Analysis

Detailed review of **EU websites** and **policy documents** across **three domains**; food, trade, the environment

Using a 'cross border climate risk' lens

Focussing on resilience to shocks, not carbon mitigation



Food Domain - EU Farm to Fork, CAP/CFP

Core aim: Supply of **affordable food**, updated to include environmental objectives

Details lacking on response procedures and mechanisms

Internally facing: funding for 'eco schemes' for farmers to boosting EU domestic production and increase **resilience to shocks**

Many platforms for supply chain **stakeholder engagement**, monitoring dashboards, and an emphasis on **data transparency** through data sharing initiatives

Engaging in international cooperation to promote EU standards internationally

Food Domain - European Food Security Crisis preparedness and response mechanism (EFSCM)

Most recent (2021 Q3) and detailed mechanism for shock responses

"assess how to improve cooperation between the public and private sectors and evaluate risks when crises arise"

Core Actions

- Convene a group of experts periodically, rapidly in crises
- Create a dashboard to monitor EU food supply (includes external sources)
- Map out dependencies and vulnerabilities, conduct stress tests of different value chains
- **Mobilise technology** and **big data** to improve market transparency

Trade Domain - Trade Policy Review & 'Power of Trade Relationships' Communication

Outlines the general direction of trade policy and its interaction with the planned 'green transformation'

States the key factors for supply chain resilience are trade **openness**, **transparency**, and **strategic dependency** mapping

Frames EU trade policy as a method to **promote higher standards** and pursue the EU's **interests** and values

Core aims:

- Mainstream sustainability in free trade agreements
- Increase the **monitoring** of the **implementation** of **sustainability** commitments of trade partners
- Increase **enforcement** of sustainable development clauses in Free Trade Agreements by means of trade sanctions

Explicit mention of **climate risk** to trade is **absent**

Environment Domain

EU Climate Adaptation Strategy

European Green Deal

Climate Law

Circular Economy Action Plan

Biodiversity Strategy for 2030



Nicholas Doherty, Unsplash

Connections between the policy analysis and the stakeholder interviews

Connections

- Emphasis on **increased transparency** and monitoring
- Geopolitics and international relations is playing a large role in policy
- Action is **inadequate lack** of **details** and developed policy

Absent connections

- No movement towards a 'Just in case' system with redundancies/stocks explicitly discouraged
- Unclear if climate risk is moving up the policy agenda absent in many documents

Next Steps

Complete the review of Environment policy domain

Draw out more connections between the insights from stakeholders and the policy analysis

Map the identified response mechanisms onto the Response Framework (Talebian and Benzie) to further assess response appropriateness

Write up results into a journal paper

Thank you for listening

I look forward to any questions

Any suggestions on policy focus areas are welcomed