

THE ROLE OF TRADE IN FOOD SECURITY

Workshop at the SDA Bocconi, F&B Knowledge Center,

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1. Institutional setup

The workshop was opened by Mr. Alberto Grando, from the University of Bocconi. It was attended mainly by master students from the Food and Beverage Knowledge Center. At the end of the workshop an award ceremony took place, where several Master projects carried out by the students were presented. These projects involved the F&B industry and combined the concepts of food and arts within an Italian context.

2. Introduction - Massimiliano Bruni

Mr. Bruni raised several important topics during his intervention. Basically he referred to the well-known concept of food security publicised by the FAO. Here, we soon faced the issue of a dual world, where on the one side food insecurity (i.e. lack of availability and accessibility of food, not only in quantities but also in terms of its nutritious content) is mainly faced by poor households in the developing world while, on the other side, people in developed economies generally face the problem of excess consumption and overweight. This forces us to try finding a new economic system which will allow feeding 7 Bio people in the near future, very much in line with the Milan charter serving as basis for the 2015 EXPO. For this to happen, the role of the private sector (i.e. food and beverage industry) is considered as crucial, as well as having Governments putting sound policies into place, such as to allow price formation along the value chain within a globalized world. Last but not least, resource scarcities such as energy and water, and the potential adverse effects of climate change, will need to be taken into account when addressing the problem of food insecurity in the future.

3. Keynote: "The Challenge of Food Security" - Chiara Tonelli, Genetist

Mrs. Tonelli addressed in her intervention three important issues: malnutrition, scarcity of resources and technological alternatives to increase productivity in the agricultural sector.

Regarding malnutrition, she presented striking figures supporting the importance of food security from a global perspective: food risk index at very high levels in African countries, hunger as the first cause of death globally with 9 Mio deaths per year, and at the same time very high obesity numbers in the US and some developed economies (e.g. in the US no State has been able to meet the less than 15% obesity target). It was highlighted that malnutrition refers to both undernourishment and excess nutrition, both leading to health problems.

Looking at population growth, obvious problems regarding resource scarcities are expected. For instance, agricultural area per head will need to decrease dramatically to about 1800 m² per head in 2030, when 8.2 Bio people are expected. Moreover, we observe a non-sustainable increase of animal protein intake in developing countries (i.e. more meat and dairy products in the diets) and increasing energy demand. The problem of lack of freshwater was also highlighted, especially from a regional perspective (e.g. in Africa there has been many fights over water) and pointing out at agriculture as the major consumer of freshwater resources. Water consumption to produce food was shown for different products (e.g. 4500 l water are estimated as needed to produce a 300g beef steak), what points out at the necessity of awareness regarding sustainable diets.

Last but not least, Mrs. Tonelli stressed the need to increase productivity in the agricultural sector and presented genetic improvements as an important option. According to her, biotechnology can contribute to higher yields (through higher tolerance of crops to water stress or plagues) but also to a better health through the targeted correction of micronutrient deficiencies in developing countries (i.e. through bio-fortification). Golden rice was presented as an example of the problems of public research on genetic improvements. Here the concept of "bio-happiness" was mentioned, as the results from the conservation, sustainable and equitable use of bio-resources, and the blending of traditional knowledge with frontier technology.

4. The international perspective: "Stop Wasting Food" - Seline Juul (www.selinajuul.com)

Ms. Juul presented herself as an NGO activist in favour of reducing food losses and waste in developed economies, focusing most of her work in Denmark. Her NGO is Denmark's largest non-profit consumer movement against food waste (www.stopspildafmad.dk) and mobilises Danish retailers, industry, foodservice, consumers and top politicians to fight against food waste. Amongst her initiatives she presented: (a) new channels for selling "bad looking" vegetables and fruits, (b) a cook-book based on left-overs, (c) education campaigns at schools, (d) introduction of free doggy gabs in Danish restaurants with the collaboration of Unilever (i.e. REFOOD label), (e) logistical solutions for recovering food from large mass events (e.g. music festivals) and bringing it to homeless people (www.unitedagainstfoodwaste.com) and (f) a new donation system for surplus food (www.Surplusfood.net).

Ms. Juul presented Denmark as the first European country in reducing food waste (-25%).

5. Industry panel

Mr. Giuseppe Carino, from Costa Crociere (www.costacruise.com), presented the latest projects the company he represents was embarking in order to increase environmental sustainability. With over 100 cruise ships, Costa Crociere (Carnival Corporation & plc.) is the largest cruise company in the world. The most relevant projects mentioned were: water recycling (desalinisation), advanced food preparation and regeneration techniques (i.e. through the use of rational ovens), re-utilization of discarded protein trimmings (i.e. while meeting the necessary health standards), close monitoring of fuel and water consumption, modification of food services to limit waste by introducing the concept of buffet instead of self-service. Last but not least, the company plays a major role in communicating about the advantages of a balanced Mediterranean diet.

[No other panellists from the industry attended the meeting. Representatives from Unilever, Autogrill, Bolton Alimentare and Federdistribuzione were included in the program].

6. Discussion

During the discussion several topics were discussed.

First, there is a need to avoid a "commoditization" of food, a direct consequence of globalization. This would mean to promote local value chains, increasing the perceived value of food through the promotion of local varieties and, more specifically, through higher consumption of organic food. Here some controversy emerged between those promoting the consumption of organic food and those promoting the introduction of GMOs. Since the production of organic food and the provision of food security are not always compatible. Moreover, land resources are scarce.

Second, it was shown through different projects carried out by students, that it is feasible to create value chains in Africa with little investments (e.g. fridges for fruit storage in Kenya). Frequently, it is just lack of knowledge transfer what impedes this to happen.

Third, regarding dietary patterns, it was highlighted that it is sometimes difficult to break with traditions. For instance, people in countries with traditionally high meat consumption are more reluctant to move to a more balanced diet. Education campaigns in these countries are important to slowly trigger changes to healthier diets.

Fourth, confusion between protectionism and national food security objectives in many countries can have perverse effects at the global scale. Trade agreements, either bilateral or multilateral, allow for a less distorted price formation and efficiency gains. Food security must be a global objective and cannot only be regarded from a local/regional perspective.

Last but not least, it was very much stressed that the fight against food waste should be a priority in developed economies, with not only an economic but also an ethical motive behind.

7. Concluding remarks - Massimiliano Bruni

Mr. Bruni concluded the workshop with the following summary take-home messages:

- We need to change our culture to approach trade
- We need to invest in science & technology, as an important element to achieve food security objectives
- We need to reduce waste in developed economies
- We need to be more productive in a sustainable way ("save and grow" paradigm)
- We need to involve the private sector along the food chain
- We need to achieve the right price structure to reward producers and protect poor households

Trade facilitation was seen as one of the key strategies to activate these needs.