Repurposing food and agricultural policies to deliver affordable healthy diets, sustainably and inclusively: Should we do it? Could we do it?

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DAVID LABORDE – FAO

IISD WEBINAR DOMESTIC SUPPORT RULES

TO PROMOTE FOOD SECURITY, CLIMATE ACTION, AND HEALTHIER DIETS
An issue of semantics... and metrics

- **Repurposing?**
  - Need to define old and new purposes

- **Reforming?**
- **Reallocating** resources?
  - Harmful policies? Economic, social and environmental impacts.
  - Trade distorting and environmentally **harmful** are not synonymous.
From repurposing to reallocating

<table>
<thead>
<tr>
<th>PRODUCTS (all payments are allocated)</th>
<th>Instrument: payments to inputs, outputs, factors</th>
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<tbody>
<tr>
<td>Countries</td>
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Gross Fiscal Cost

Payment to consumers

General Services

Payment to farmers

Market Price Support

PRODUCER SUPPORT ESTIMATE (PSE)

TOTAL SUPPORT ESTIMATE (TSE)

Gross Fiscal Cost

100,000.00 200,000.00 300,000.00 400,000.00 500,000.00 600,000.00 700,000.00 800,000.00

Mio USD, 2017*
Country vs Global perspective: uneven global distribution

Population that could not afford healthy diets:
- N. America and Europe: 33%
- LAC: 4%
- Africa: 29%
- Asia: 0%

Production:
- N. America and Europe: 4%
- LAC: 29%
- Africa: 1%
- Asia: 0%

Fiscal support:
- N. America and Europe: 48%
- LAC: 0%
- Africa: 1%
- Asia: 0%

Total support:
- N. America and Europe: 60%
- LAC: 37%
- Africa: 49%
- Asia: 0%
Achieving better diet

Challenge 1: a demand or a supply issue?

- Income
- Price
- Role of trade

Challenge 2: Selecting the right intervention

- A choice of products
- A choice of instruments
Trade-offs: GHG vs affordability of healthy diets

Figure 7. GHG emissions versus affordability of a healthy diet

Source: Authors’ own elaboration, based on MIRAGRODEP model database.
Trade-offs: Farm income vs affordability of a healthy diet

Figure 6. Farm income versus affordability of a healthy diet
Figure 4. Prevalence of undernourishment versus affordability of a healthy diet

- World
- High-income countries
- Low- and middle-income countries
- Upper-middle-income countries
- Lower-middle-income countries
- Low-income countries

Scenario category:
- Remove fiscal support
- Producer support homogenous
- Producer support strong bias
- Market price
- Consumer subsidies homogenous
- Consumer subsidies strong bias
An issue of semantics... and metrics

THANK YOU!