



# NEWS RELEASE

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## **Export Restrictions Curtail Food Security: IPC Recommends Alternative Measures and Improved Trade Disciplines to Ensure Reliability of Supply**

“The financial crisis should not detract from - but rather add urgency to - efforts to promote global food security,” advises IPC Chairperson Carlo Trojan in advance of the World Economic Forum meetings of public and private sector leaders to be held in Davos from January 28 – February 1.

IPC’s latest position paper “**Agricultural Export Restrictions: Welfare Implications and Trade Disciplines.**” explains how agricultural export restrictions – in the form of bans, quotas or taxes – have a negative economic impact on global welfare. “While the objective of ‘consumer protection’ is often used to justify export restrictions, global market responses render such safeguards futile and at the same time impose immense suffering on importing developing countries,” says Siddhartha Mitra, Director (Research), CUTS International, and paper co-author. There are alternative measures to promote food security, and foremost among them are efforts to boost agricultural production – particularly in developing countries - and augment global food supplies.

As governments deliberate on how to proceed with the Doha Development Round negotiations, IPC’s position paper also emphasizes the need to improve trade disciplines on agricultural export restrictions, since existing rules are primarily focused on the problems of exporters – high border protection, domestic support and export subsidies – and have largely ignored the importers’ main problem, which is unreliability of supplies. Given the uncertain fate of the Doha Round, it may appear unwise to place further expectations on the agricultural negotiations. But IPC members suggest that doing so could possibly help break a logjam: greater supply assurances could motivate import sensitive countries to undertake greater market access opening. The paper also floats the idea of a separable “exporters’ code” or “food security code,” which could be pursued in case of a long-term suspension of the Doha Round: such a code would include self-restraint on both export subsidies and export restrictions.

Moreover, IPC members believe there is an urgent need for an exemption from export restrictions for food aid procurement. “It is no longer sufficient for the international community to consider the issue of food aid solely in the export competition pillar,” remarks IPC member and co-author of the paper, Tim Josling, “equally important is to consider a reliable approach to the impact of high prices on availability of food aid and in turn on poor countries and families.”

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IPC’s Position Paper “Agricultural Export Restrictions: Welfare Implications and Trade Disciplines,” is authored by Tim Josling and Siddhartha Mitra and is available at

<http://www.agritrade.org/GlobalExpRestrictions.html>.

IPC’s previous paper on export restrictions “The Domestic Impact of Export Restrictions: The Case of Argentina,” (July 2008) is available at <http://www.agritrade.org/ExportRestrictions.html>.

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**About IPC** The International Food & Agricultural Trade Policy Council (IPC) promotes a more open and equitable global food system by pursuing pragmatic trade and development policies in food and agriculture to meet the world’s growing needs. IPC convenes influential policymakers, agribusiness executives, farm leaders, and academics from developed and developing countries to clarify complex issues, build consensus, and advocate policies to decision-makers. More information on the organization and its membership can be found on our website: [www.agritrade.org](http://www.agritrade.org).