

**Statement to the Standing Committee on Agriculture and Agri-Food on Food Security
October 26, 2022**

Thank-you for the invitation to present to you today. My name is Claire Citeau, and I am the Executive Director of the Canadian Agri-food Trade Alliance or CAFTA, the voice of Canadian agri-food exporters.

Access to food should know no boundaries.

Given that our mandate is focused on trade liberalization, I will speak to the matter of global food security and Canada's role from a trade policy perspective.

Allow me to share three highlights:

- International trade is essential for food security and nutrition, provides livelihoods to millions and plays an important role in the sustainability of the food system.
- It is crucial that the trade policy environment is transparent, predictable, science and rules-based.
- Policy makers should refrain from using export restrictions and instead reorient support policies towards investments in productivity, sustainability and resilience.

As the fifth largest global agri-food exporter, countries around the world depend on Canada for their food security.

The agri-food sector is export oriented as we sell over half of our products in over 150 countries around the world. For example, anywhere from 50% of our beef to 90% of our pulses end up on plates around the world.

To ensure Canadian agri-food can continue to play an important role in global food security, exporters must have competitive access to markets guided by the principles of rules-based trade.

International trade serves as the backbone of Canada's food sector and the global food system. Trade serves as the bridge to get food from where it is grown to where it is needed.

In doing so, trade enables food security while creating economic opportunities for producers, farmers and SMEs. Trade is also a key factor in the sustainable and efficient use of scarce global resources.

According to the Potsdam Institute and cited by the WTO, today 1 in 6 people in the world depends on international trade to be fed. This number will be around 50% of humanity by 2050, hence the need for better and more trade.

But all too often, international markets for food and agriculture function poorly, owing to problems like trade-distorting subsidies and various forms of protectionism.

Food export restrictions too can be highly damaging, as while they may decrease domestic prices in the short-term, they destabilize markets and ultimately lead to higher prices elsewhere.

The fragility of the trading system harms Canada's ability to be the breadbasket to the world that we aspire to be.

I will point to a few recommendations CAFTA has for policy makers:

1. **Diversify and keep agri-food markets open:** this has been instrumental in avoiding food shortages such as during the 2008-09 financial crisis as well as since the start of the pandemic. We must ensure we do not slide backward and retreat by allowing barriers to seep into the global trading system in the name of "food security".
2. **Limit export restrictions:** policy makers should refrain from using export restrictions, prohibitions on agri-food trade, in line with the Ministerial Declaration at MC12 and the call last month by major multilateral agencies to minimize distortions, market interventions and subsidies. Today restrictions on food, feed, and fertilizers in 52 countries remain a cause of global concern.
3. **Invest in transparency to minimize disruptions to global trade:** in times of crisis, countries have demonstrated an ability to provide information and notifications of measures adopted in a relatively timely, transparent manner. Such practices should remain in place and be made permanent for sanitary and phytosanitary and technical measures that affect agricultural trade.
4. **Facilitate trade:** policy makers should enhance the implementation of the SPS Agreement, in line with the Ministerial Declaration at MC12, support greater regulatory cooperation and harmonization of standards and engage with the private sector to reduce compliance costs and expedite agri-food trade via digital solutions and tools.
5. **Re-orient existing policies towards investments in productivity, sustainability, and resilience:** The latest OECD report on agriculture policy found that in most cases, existing domestic support in agri-food distorts trade without providing effective solutions to food security and sustainability. This suggests that instead, public spending should be shifted towards investments in food and agriculture innovation and improving food supply chain infrastructure and resilience.
6. **Reinstate the WTO Appellate Body and ensure a fully functioning dispute settlement system:** policy makers should reinforce the WTO's core functions by restoring the Appellate Body as the WTO holds the key to stability, security and predictability to conduct global trade.

In closing, I'll reiterate that access to food should know no boundaries. Ultimately, global food security is a security issue.

Free and predictable agricultural trade can feed the people, the planet and the economy – but this can only be realized through global cooperation and better predictability and security in the multi-lateral trading system.

As the industry endeavours to increase exports at a time of growing global food insecurity, CAFTA members are looking to government to continue to open doors abroad, champion enabling regulations that will allow the industry to remain competitive globally and work to limit the use of regulatory approaches that restrict trade and enact barriers. We need to be quicker to the market with products and policy solutions.

Ultimately, with the right policy choices, Canada has an immense opportunity to seize – one that will help the world and strengthen Canada's competitiveness as an agri-food exporter. We believe that strong collaboration between industry and government is essential to enable Canada's agri-food sector to grow trade opportunities and enhance Canada's role as a reliable and sustainable global food supplier. Thank you.