



VIRTUAL WTO AGRICULTURE SYMPOSIUM 2020 - AGRICULTURAL TRADE AND FOOD SYSTEM TRANSFORMATION

"Big Take-Aways – Session Two - AGRICULTURAL TRADE, LESSONS LEARNED FROM COVID-19"

- **Agricultural trade:** "Reports of the death of global trade are greatly exaggerated", said one panellist, in reference to Mark Twain. Indeed, agricultural trade has shown unexpected resilience to the COVID-19 pandemic, with the much-feared collapse of agricultural trade largely avoided. The resilience was due to the low income elasticity of demand for food, with countries continuing to trade at approximately pre-crisis levels. Furthermore, many food and agricultural commodities are traded in bulk shipments, and have therefore been less impacted by COVID-19 response measures (such as the restrictions on the movement of people).
 - **Regional effects:** However countries, such as small island developing states, have seen their agricultural sectors seriously affected by the COVID-19 pandemic. Their import bills rose, while revenues of agricultural producers and governments went down. Agricultural producers suffered from limited access to inputs (such as seeds and fertilizers), logistical challenges associated with pandemic restrictions, and the decline in market opportunities. COVID-19 also led to a change in diet towards cheaper, less nutritious food, and in some instances reduced food consumption altogether. On a positive note, the Caribbean region saw an increase in regional cooperation through the development of the CARICOM Covid-19 Response Agri-Food Plan.
 - **Lessons learned:** Panellists emphasized the importance of being better prepared for future shocks. It was noted that most COVID-19 response measures have focused on short term goals. However, long-term strategies were required to build resilience, invest in research and development, innovation, technology, and internet connectivity. A call was made to keep markets open, in recognition of the interdependence of food importing and food exporting countries, and to avoid beggar-thy-neighbour policies.
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