
Conclusions

Why Trade

As the only global organization dealing with the rules of international trade, the WTO has a key role to play in members' efforts to tackle illicit agri-food trade through its rules and institutional framework. The WTO offers members a variety of tools and best practices to fight illicit trade in food, as well as the opportunity to exchange information and implement policies both within and at the border to mitigate this phenomenon. For example, regular committee work of the WTO can be used by members to exchange information and facilitate the coordination of measures taken to address illicit agri-food trade.

Several WTO agreements can contribute to identifying fraud once it occurs, such as the Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement) and the Agreement on Technical Barriers to

International trade in food, globalization, the lengthening of food supply chains, the fast growth of e-commerce and vast informal food economies all provide opportunities for fraud. Food fraud is high on the agenda of the Codex Alimentarius Commission. The Codex Committee on Food Import and Export Inspection and Certification Systems is developing guidelines on the prevention and control of food fraud for competent authorities and food business operators on the detection, prevention, mitigation and curbing of food fraud to help protect the health of consumers, and to ensure fair practices in food and feed trade.

There are other standard-setting bodies that provide good practices and guidelines for small and medium-sized enterprises, such as the International Organization for Standardization, the European Committee for Standardization, the Global Food Safety Initiative and SSAFE. The final responsibility for keeping consumers safe rests with food producers, who must strengthen their supply chains and internal systems (i.e. organizational culture, vulnerability assessments, testing and verification) to avoid fraud from occurring.

Opportunities

Reliable, high-quality seeds are vital to agriculture and the food supply chain. High-quality seeds enable farmers to boost crop productivity, improve livelihoods and feed a growing world population. In recent years, however, there has been an increase in illegal seed practices. Many of these practices constitute a violation of intellectual property rights and various regulatory offences, spanning numerous issues covered by the WTO rule-book.

Joint efforts between the seed industry and the WTO and other international organizations can be critical in securing the global seed supply chain and boosting innovation, in particular with regard to intellectual property rights.

Opportunities

Customs and law enforcement are fundamental to the food authenticity system, as they are in a position to verify authenticity at national entry points (borders by land, sea and air). However, customs officers cannot check every food shipment coming into a country – especially as just-in-time logistics continues to improve efficiencies, ensure freshness of food products and meet customer demand for varied food products. Therefore, action is needed from all actors along the food supply chain, including the private sector.

Opportunities

Criminal methods exploit vulnerabilities in the food supply chain and often use and adapt diverse tactics. While not all cases of food fraud involve criminal organizations, their presence can further increase the risk to public health and safety and requires additional techniques and resources to effectively investigate and successfully prosecute. Timely and thorough investigations are key to disrupting all types of food fraud. Food fraud and illicit trade have impacted all continents and most agri-food sectors and must be taken seriously.

Opportunities

The best way to combat illicit trade in food lies in crime prevention. Governments have finite resources, with prevention being more cost effective. However, the clandestine nature of food crime means that governments find it difficult to model solutions for what they do not know exists.

Catching fraud can deter further fraud from occurring. However, certain additional steps could help to eliminate the opportunities for fraud. Ongoing WTO agriculture negotiations, which aim to reduce trade-distorting subsidies and to address import and export restrictions, among other things, could help to reduce the incentives for smuggling and illegal trade.