



European Commission on Agriculture (ECA)

35/2 Meeting of the Executive Committee

10 December 2014

Espace Gabon

15.00 – 18.00

Agenda Item 5

Background document – Regional Initiative 2

Regional Initiative on Agri-Food Trade and Regional Integration Europe and Central Asia, 2014-2015

Agricultural systems in Europe and Central Asia are still deeply affected by the process of political and economic transition. This has coincided with globalization and deepening trade integration both within the region and worldwide. With greater participation in global agricultural trade, the region plays an increasingly important role as a supplier of agricultural commodities to international markets. As a result, countries in the region are often engaged in different trade negotiation processes, each with their own challenges and benefits.

The implications of these changes, and the challenges and opportunities that they create for a sector still central to rural economic transformation, are not well understood, creating difficulties in the formulation and implementation of appropriate policies and regulations. It is necessary to strengthen national and regional capacities to engage more effectively in creating a policy environment conducive to trade integration for the benefit of all.

The Regional Initiative focuses on strengthening national and regional capacities in Europe and Central Asia to deal effectively with the challenges posed by greater trade integration. It does this by *developing better evidence* on trade implications, *improving the capacity* of countries to use this evidence, *facilitating neutral forums and dialogues* on trade related agreements, and *supporting the design and implementation* of appropriate trade policy at country level.

The Regional Initiative on Agri-Food Trade and Regional Integration has three main components:

- 1) **Food safety** and normative technical guidelines for trade: International food standards contribute to the safety, quality and fairness of international food trade. This component aims to improve food safety systems in the region in line with international standards to allow deeper regional and global trade integration.
- 2) **Trade agreements:** The countries in the region are often engaged in multiple trade negotiation processes at the same time, each with its own challenges and benefits. This component aims to strengthen capacities to deal effectively with the challenges posed by greater trade integration.
- 3) **Wheat trade for food security:** Wheat production and trade plays an important role in ensuring food security in the region. This component focuses on the production prospects of wheat in selected countries of the region.

The Republic of Moldova, Tajikistan and Kyrgyzstan are the focal countries of the Regional Initiative. Focus countries of FAO regional initiatives are countries in which significant activities are implemented within the initiative at country level to improve the national situation concerning the agri-food sector.