

### 1. Main Messages

Achieving Sustainable Development Goals (SDGs) through international agricultural trade requires greater policy coherence within the EU. Fragmented governance, conflicting policies, and limited integration across sectors hinder progress.

A food systems approach is essential for aligning EU trade policy with sustainability objectives. Trade agreements must consider the interconnectedness of agricultural production, environmental sustainability, and food security.

The EU must address both horizontal (across policy domains) and vertical (across governance levels) policy coherence gaps to ensure consistency in international agricultural trade policies.

Digitalisation, investment in sustainable value chains, and targeted financial support for smallholder farmers can enhance the effectiveness of trade policies in fostering sustainability.

Strengthening multi-stakeholder engagement and impact assessment mechanisms can improve trade policy alignment with SDGs.

## 2. Research Scope & Methodology

This study analyses the role of behavioural factors in shaping sustainabilThis study analyses the role of policy coherence in promoting sustainability within EU trade policy, using:

- **Mapping of over 3,700 legal acts** related to international agricultural trade to assess policy coherence and alignment with SDGs.
- **Stakeholder consultations and Delphi studies** involving EU policymakers, partner countries, and trade experts.
- Case studies from Ghana and Vietnam to examine how trade agreements impact sustainability at the local level.
- Comparative analysis of EU Commission strategies (Juncker vs. von der Leyen) to assess shifting policy priorities.

## PROJECT BRIEF 15:

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# POLICY COHERENCE AND FOOD SYSTEMS APPROACH IN EU TRADE POLICY

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# 3. Key Findings: Evidence Supporting Policy Discussions

# 3.1. The Role of Policy Coherence in Trade and Sustainability

- **EU trade policies increasingly incorporate sustainability objectives,** but inconsistencies between policy areas (e.g., trade vs. environmental policies) limit effectiveness.
- A whole-of-government approach is required to bridge gaps between the Common Agricultural Policy (CAP), Farm to Fork (F2F), and international trade frameworks.
- Food systems policies must balance economic competitiveness with sustainability goals, addressing trade-offs in climate, energy, and social policies.

**Implication:** Greater integration of sustainability principles into trade agreements and stronger coordination between EU institutions and governance levels are needed.

#### 3.2. Food Systems Approach for Trade Policy Coherence

- The Farm to Fork (F2F) strategy is the first EU-wide attempt at a food systems approach, but its policy integration remains incomplete.
- Horizontal coherence between EU policies (e.g., agriculture, trade, climate) is improving, but vertical coherence (EU-Member State and other governance levels coordination) remains a challenge.
- The holistic approach requires public sector innovations. It implies new divisions of labour, new tools, new ways of implementing and evaluating policies, data for policy formation, and sufficient legal frameworks.
- Developing countries face significant barriers in meeting EU sustainability standards, necessitating greater capacity-building and investment.

**Implication:** Policymakers must enhance coherence across governance levels and improve policy coordination with trade partners.

## 3.3. Challenges in Policy Implementation and Coordination

- **Contradictions** between EU sustainability policies and trade liberalisation objectives **create policy fragmentation**.
- Member States have autonomy in consumption policies, making it difficult to align national policies with EU-wide sustainability objectives.
- The lack of clear enforcement mechanisms within EU trade agreements weakens sustainability commitments.

**Implication:** Trade agreements should include stronger monitoring and enforcement mechanisms for sustainability provisions.



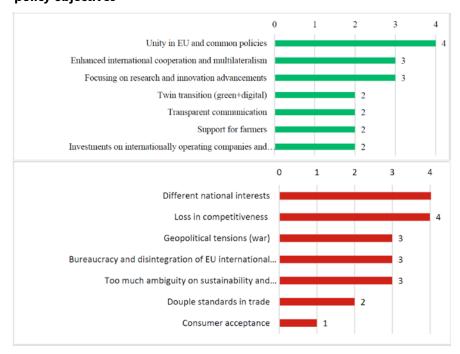
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Figure 15.1 shows key enablers (up) and barriers (down) for the EU to realise its policy objectives

Figure 15.1: Key enablers (up) and barriers (down) for the EU to realise its policy objectives



Source: own composition.

# 4. Implications for EU Policy & Trade Governance

- Improve horizontal policy coordination between DGs (e.g., DG TRADE, DG AGRI, DG ENV) and vertical coordination in multi-level governance with a whole-of-government approach.
- Develop clear sustainability indicators to measure trade impacts on SDGs.
- **Enhance policy integration** between CAP, trade agreements and the SDGs with a **food systems approach** (F2F 2.0).
- Expand funding for smallholder farmers to meet EU sustainability standards.
- Improve access to finance for sustainability initiatives in trade partner countries.
- **Invest in digitalisation** to increase supply chain transparency and compliance with EU standards.
- **Establish stronger mechanisms for monitoring** sustainability commitments in trade agreements.
- Ensure that sustainability clauses in trade agreements are enforceable and legally binding.
- **Engage partner countries and stakeholders** in policy design to enhance ownership and impact.

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#### 5. Conclusion

This study highlights the need for improved policy coherence to strengthen sustainability outcomes in EU trade policy.

#### Key takeaways:

- Policy coherence in the form of a whole-of-government approach is essential for aligning EU trade policies with sustainability objectives.
- A food systems approach (F2F 2.0) must be fully integrated into EU trade governance to balance economic and environmental goals.
- **Stronger monitoring, enforcement, and financial support** mechanisms are needed to achieve sustainability goals.
- Essential to invest in capabilities to deal with the process of policy coherence: more co-creation in EU policy formation, deliberative dialogues and wider participation are needed as well as the ability to decide together upon issues where values and interests collide.

This Project Brief is based on **Deliverable 5.3.** of the TRADE4SD project.

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Trade4SD is a 4-year project devoted to research on a topic which is high on the domestic as well as multilateral, EU and bilateral trade policy agenda. The ambition of the project is to explore and foster the positive linkages between trade and sustainable development is to provide policy recommendations for the creation of new opportunities for agents involved in the global, regional and national agri-food value chains, and to define conditions for sustainable livelihoods of farm producers in the EU and developing partner countries. Trade is a central factor in shaping global, regional and local development. Increased trade, empowered by the growth of Global Value Chains (GVCs), has boosted productivity and incomes in many countries.