IAF

International Affairs Forum

FOOD AND WATER SECURITY

June 2019

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International Affairs Forum

Printed in the U.S.A.
A publication of the Center for International Relations
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Please Make Avocados Sustainable Again!

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Where is the Problem?

The production of three avocados (1kg) requires one thousand liters of water. No problem if and where rains are abundant – but exports frequently originate in arid areas. It is called "virtual water" when we eat the fruit. But it is real fresh water for which many users are competing, for instance in Apútzio de Juárez (Michoacán, in Mexico, the world's largest avocado producer by far). Some plantations are causing deforestation, said to imperil one of the most beautiful American butterflies, the monarch, who fly thousands of miles to their winter home in the nearby Monarch Butterfly Biosphere Reserve. Near Cape Town (South Africa), in 2018, avocado trees were irrigated, even as the mayor of the city counted the days until the whole area would be running out of water. And, while cash crop producers in Ica (Southern Peru) are among the most efficient water users in the world, their hi-tech irrigation is tapped from slowly disappearing ground water. Moreover, their plantation workers live in nearby villages with hardly ever a drop of rain, with poor soil management, and without fresh water irrigation for their food crops. Drinking water is brought by a truck, and it costs four times the price of tap water in Lima. Remuneration is above minimum wages but there are few if any jobs elsewhere.

All this seems to point to a simple conclusion: one of our favorite luxuries is neither ecologically nor socially sustainable – and it is drying up. Where water allocation is biased in favor of export crops (and minerals), avocados are unsustainable from an economic point of view as well.

Should we then stop eating unsustainable avocados? Or should we demand a credible label and pay twice the price for (short-term) sustainability? Assuming this works, would such a rich consumer-driven initiative make all avocados sustainable, or just give us a good consciousness?

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The Race to the Bottom

Commercial importers in Northern America and Europe try to satisfy retailer and consumer demand in terms of price and quality, with only sparse information on origin and mode of transportation, let alone environmental or social production standards. Commercial producers are competing with little regard to environmental or social considerations. Regulators are finding water allocation to be one of the most pressing problems, not to mention climate change and salinization. Water demand by urban and industrial consumers, miners, and cash croppers is growing rapidly. In many countries local food production is less water efficient, and/or not a political priority. Instead of more sustainable policies, governments prefer short-term gains by trade and investment support for a precious cash crop. Hence, they increasingly engage in litigation over different phytosanitary standards, packaging and labelling requirements, or production subsidies. The implicit export bias in international trade and investment rules offers few, if any, incentives for sustainable policies.

Nobody seems to take the longer view, where water is likely to become the most contentious factor in a food value chain marked by global warming. Are our avocados a short-term delight? More importantly, can producers defy the laws of competition and become sustainable? And, if we do not care about the environment, or poor peasants on the other side of the world, will our children have to find this lovely fruit on a Planet B?

Any Solutions?

As an agricultural trade lawyer, I always look at the tools, rather than at the objectives of a policy. Sustainability in this sense is a matter of priorities between different policies. Given the conflicting interests between producers, exporters and retailer/consumers, both in different countries and over time, feasibility often boils down to what is “best available”. Starting with labelling i.e. at the end-of-line, some (not all) consumers may well be interested in more information on how their avocados were produced – like, say, growth hormones in beef, shrimps prepared by child labor, or Nutella from palm oil in burning rainforests. A good label might help assuage rich consumers’ concerns. But this would require a truly sustainable production practice and monitoring from farm to fork. Indeed, consumer prices would increase, even though benefits would not necessarily accrue to farm laborers or bring more drinking water for rural populations and irrigation for small croppers. Examples like labels for organic food or fair trade show a good, but extremely limited, potential. My wild guess would place labelled avocado sales at much less than 10% of total consumption in rich countries.

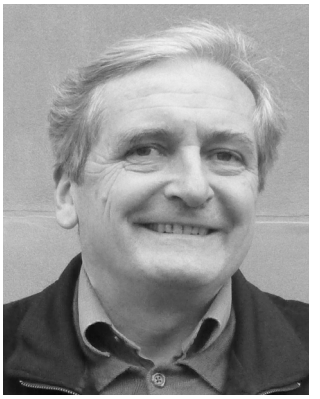
The key challenge is to stop this race to the bottom. In my opinion, avocado sustainability can only be ensured by a worldwide production standard. In the absence of a binding commodity agreement, some private initiatives for fruits and vegetables organizations could

play a useful role. Global G.A.P., for instance, is a global organization promoting safe and sustainable agriculture around the world. It sets voluntary standards for the certification of agricultural products, based on good agricultural practices for, say, pesticides, or packaging. The standards are defined by food industries and retailers, increasingly in consultation with large producers even in developing countries. More recent initiatives, for commodities like cotton, soybeans and palm oil, have a poorer credibility record. However, because of the underlying policy challenges for avocados, I consider that consumer driven initiatives are unlikely to succeed, without binding minimum production standards, agreed by regulators in the main producer areas. In order to avoid too many free-riders, adherence of a critical number of producers is required.

"Sustainability" for avocados would thus need to be initially defined by the main producer countries. Criteria would need to address all three facets: (i) *social sustainability* could be very simply expressed in terms of farmer revenues, at least in line with local wages for comparable work, and sufficient to sustain the most basic family needs; (ii) *environmental sustainability* would mainly address water allocation for all poor users in the production area; and (iii) *economic sustainability* would ensure that production is and remains competitive without subsidies, and without what is called "eco-dumping" and "socio-dumping". Such standards would need to be phased-in over a certain period of time; locally adjustable on an equivalence basis; independently monitored; and enforceable, if need be, by domestic fines, trader boycotts, or trade sanctions. Difficult enough, right? So please don't add rich consumer fancies adding organic and fair-trade conditions to such a difficult project…

Granted, an intergovernmental sustainable avocado production standard looks like mission impossible, especially when we look at all the challenges faced by poor countries. Retailer and NGO pressures may help – or prevent – a more comprehensive initiative by competing producers. And just as for other initiatives, intergovernmental organizations such as FAO, UNCTAD, UN Economic Commissions, IPPC, WTO, ITC, OECD, and Regional Trade and Investment agreements are yet to play a more proactive and pro-development role. Failing that, the race to the bottom might continue right to the last non-sustainable fruit.

Do you want to join an Avocado Round Table? If you are a stakeholder, you are welcome – and please say not what should be done by others, but what you will do to ensure a sustainable future for avocados!



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