Market Access for High-Value Foods

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Abstract

Market access remains a major impediment for expansion of global trade in high-value foods, particularly processed foods. Countries use tariffs and other measures that effectively stimulate imports of relatively unprocessed agricultural commodities at the expense of processed products. Tariff escalation, in which tariffs rise with the level of processing, discourages trade in high-value foods, and trade remedy measures, such as antidumping duties, are concentrated among high-value products. Globalization has provided countries with easier access to capital and technology needed to produce processed food, further affecting trade patterns and markets for high-value foods. A uniform cut in tariffs increases trade in high-value foods more than trade in raw agricultural commodities and improves real wages in developing and developed countries.

Keywords: Food trade, processed food, high-value foods, tariff, tariff escalation, trade remedy measures, sanitary and phytosanitary measures, safeguard measures, revealed comparative advantage, trade complementarities.

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