The Significance of Food Quality and Safety Standards in Developing Countries - A Case Study for the EurepGAP Standard in the Mango Export Sector in Piura, Peru

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Abstract

While international agricultural markets experienced an ongoing liberalisation in terms of tariffs and quantitative restrictions within the past years, the significance of sanitary and phytosanitary standards which can act as an impediment to trade is continuously rising. As a part of these standards, food quality and safety standards as required by the private industry are expected, due to the complexity of their requirements, to have an especially severe impact on agricultural export sectors in developing countries.

The paper presents a case study carried out for the mango export sector in Piura, Peru. It investigates the implementation of EurepGAP, a private industry standard for good agricultural practices which is required by a large part of the European market. The research involves quantitative and qualitative socio-economic research, based on the concept of a compliance process in three stages: information stage, decision stage and implementation stage. Information on the standard forms the key condition to make a decision in favour or against the implementation of a standard. At the implementation stage the producer experiences the costs and benefits of the implementation.

The results suggest that a large part of the producers do not dispose of the necessary information and hence do not fulfil the minimum condition to comply with the standard. Evidence is also given on the socio-economic factors that characterise this group and influence the quality of information a producer has.

The analysis at the decision stage shows that the implementation of the standard is limited to a small group of producers, excluding smallholders, producers with low education and producers with little access to financial resources, among other factors.

The results at the implementation stage show, that the implementation of the standard causes significant costs but also provides a series of benefits for the producer.

In general the picture can be drawn, that private industry standards like EurepGAP can have a serious impact on the sectors, accelerating consolidation tendencies and excluding certain producers which are not able to comply with the standard, due to their specific socio-economic conditions.

Keywords: Developing countries, food quality, EurepGAP, food safety, mangoes, Peru

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