



'The new food equation: do EU policies add up?'

By: Juan Delgado and Indhira Santos

In a new policy brief Bruegel contributes to the discussion about high food prices and asks how the role of EU policies should be adjusted to the changes in the food equation, in order to avoid adding to the factor behind price increases, and possibly help alleviating them. A combination of negative supply shocks – particularly high oil prices – and positive demand shocks – increased demand from emerging economies and biofuels – mean that higher food prices are here to stay and EU policies need to adapt.

The brief makes three policy recommendations: Innovation in biofuels should be encouraged but biofuels targets should be abandoned as they are expensive and distort agricultural and energy markets. Freer trade is needed for both efficiency and food security reasons. But more open markets will further increase the price of food for importing countries. An immediate and sustained aid increase should therefore be agreed.

The full policy brief can be downloaded by clicking on this [link](#).

[A short Q&A media memo about the brief](#)

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