

Do Food Safety Notifications Serve as a Motivator or a Barrier to Export? A Case Study of Food Exports from Sri Lanka to The European Union

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The increasing global emphasis on food safety standards and the use of stricter tools like food notifications has raised questions about their impact on international trade, an issue that remains unresolved in the Sri Lankan context. Hence, this study focused on food safety notifications (RASFF) in the European Union (EU) and aims to determine whether they promote or hinder trade of key food commodities (seafood, fruits and vegetables, spices, tea, and mate) exported from Sri Lanka to the EU from 2010 to 2021. The research further examined trade value trends and the frequency of food safety notifications received for these food commodities. To analyze the data, the study employed descriptive statistics and the gravity model approach. The results revealed that RASFF notifications fluctuated over the years, with information notifications being the most frequent, and the United Kingdom and Italy having the highest number of notifications. The EU's most highly valued imports from Sri Lanka consisted of spices, tea, and mate product categories while seafood products were the most frequently associated with notifications. Considering the seafood, the countries with high export values tend to be the ones reporting a high number of RASFF notifications. The gravity model further confirms this trend, revealing a significant and positive correlation between the number of information notifications in previous years and seafood trade values. It indicates information notification acts as a motivator in the seafood trade between the EU and Sri Lanka. Concerning fruits and vegetables, none of the notification types significantly impacted trade values. For spice, tea, and mate the results of the gravity model indicate a significant and negative correlation between the previous year's information notifications and export values. Importing a country's real GDP positively affects the export value for all three commodities, while distance negatively impacts trade values for fruits, vegetables, spices, tea, and mate products. The study suggests that Sri Lanka should prioritize exports to EU countries with fewer RASFF notifications specially for spices, diversify markets beyond Italy and the UK, comply with product standards, invest in logistics, and tailor marketing for wealthier consumer markets to enhance trade efficiency.

Keywords: *European union, Food safety, Gravity model, Notifications*