

# Paper 12.5 Economics Working Group - Update (February 2024).

## Summary

This paper provides an update on the Economics Working Group. It summarises background, key activities and future action. This paper is for information and discussion.

## Background

1. The ACSS Economics working group was set up in December 2021 following discussion of a proposition paper at the 8<sup>th</sup> ACSS plenary meeting.
2. The Agency is heavily committed to acting proportionately and basing its decisions on the best available evidence: economics has a key role to play in helping to develop the Agency's policy and regulatory responses. Demand for economic input has increased over recent years with increased information requirements (in terms of regulatory impact assessments, risk assessments and economic evaluations) as well as the need for timely economic steers on rapidly emerging issues and key areas of potential research interest[\[1\]](#).
3. This working group will support an interdisciplinary approach to ensuring economic principles are effectively applied in the work of the economic teams. It will support FSA economists in keeping up to date with empirical approaches and analytical methods that can be applied in the area of food, and facilitate identification of experts and appropriate networks.
4. The main aim of the group is to:
  - Provide advice and guidance on economic analysis and guidance activities taking place under the management of the Analytics Unit, and
  - Support the economic team keep abreast of economic research activity and developments.

# Members

5. The Working Group is comprised of the following members:

- Professor Spencer Henson (Chair)
- Dr. Seda Erdem
- Professor Dan Rigby
- Julie Hill

# Terms of reference

6. The group will meet quarterly to:

**A.** Provide advice and guidance on economic analysis and guidance activities taking place under the management of the Analytics Unit. Specifically:

1. review the portfolio of current and planned work, identifying areas/topics where the working group can usefully add value/contribute;
2. consider what work has already been undertaken in the field of economic research pertaining to relevant areas of food safety policy and identify evidence gaps that can be addressed by further economic research;
3. provide input to appraisal panels/steering groups for specific projects or initiatives to ensure projects use appropriate economic techniques and analyse wherever applicable, before they are commissioned;
4. feed into relevant briefings, business cases (economic case), evaluations, risk assessments and impact assessments (where appropriate and time permits).

**B.** Support the economic team keep abreast of economic research activity and developments. Specifically helping to identify:

1. external project(s) and/or programme(s) which may provide evidence in support of the Agency's strategic objectives;
2. developments in empirical analysis approaches and analytical methods, including techniques that are being seen in other areas but have not yet been applied to food safety;
3. relevant intellectual developments in food system economics.

## **Key activities to date**

7. Reviewed the Economics work plan, attended quarterly review meetings to discuss updates on substantive economics projects.
8. Scoped up how best members can support FSA work to develop a strong business case for the 2024/25 Spending Review, underpinned by robust economic evidence and analysis.

## **Current activities:**

9. The group continue to support the Analytics Unit develop a strong business case for the 2024/25 Spending Review, this includes a Rapid Evidence Review (RER) and compilation of a Policy Impact Matrix (PIM) based on which an economic case will be made for the impact of current and proposed FSA activities. Members of the group have provided feedback and advice on key elements of this work, including how to evaluate the strength of evidence provided by the RER.
10. The group will next meet on the 16<sup>th</sup> February, where they will discuss progress on the work outlined in paragraph 9. A verbal update on this will be given at the 27<sup>th</sup> February Plenary meeting.

**Professor Spencer Henson, Chair - ACSS Economics Working Group**

**Nicholas Daniel, FSA lead - ACSS Economics Working Group**

[\[1\]](#) Including: the economics of digitisation, behavioural economics, international trade; emerging labour markets, environment / sustainability and the economics of wellbeing.