

Circulation: Internal

Date: 29 June 2020

Contact: Nick von Westenholz / Gail Soutar

Tel: 07900 743384/ 07780335080

## Department of International Trade (DIT) announcement on Trade & Standards Commission

The Secretary of State for International Trade, Liz Truss has written to the President of the NFU, Minette Batters agreeing in principle to the establishment of a Trade and Agriculture Commission under the auspices of the Department for International Trade (DIT), subject to agreement on terms of reference.

The Secretary of State sets out the following parameters for the Commission in the letter:

- The Commission should not be another quango or regulator.
- Its work should be strictly time-limited.
- Once the Commission has finished its work, it will produce a report in line with its terms of reference that will be presented to Parliament by DIT.
- Its recommendations should be advisory only.
- The report, and the work of the Commission, should focus on four areas:
  1. Considering the policies that the Government should adopt in free trade agreements to ensure UK farmers do not face unfair competition and that their high animal welfare and production standards are not undermined.
  2. Reflecting consumer interests and those of developing countries.
  3. Considering how the UK engages the WTO to build a coalition that helps advance higher animal welfare standards across the world.
  4. Developing trade policy that identifies and opens up new export opportunities for the UK agricultural industry – in particular for small and medium sized businesses – and that benefits the UK economy as a whole.

The Secretary of State also sets out in the letter her position that she wholeheartedly agrees with the NFU that, “*any trade deal the UK strikes must be fair and reciprocal to our farmers, and must not compromise on our high standards of food safety and animal welfare.*” She also confirms that it is her intention to “*continue to fight for the interests of our farming industry in any and all trade agreements we negotiate.*”

The Secretary of State recognise the importance of close engagement with the industry and a clear ‘roadmap’, as the NFU has described it, to help inform agricultural trade policy and apply appropriate safeguards in UK free trade deals. The NFU has been invited to sit on the Government’s Strategic Trade Advisory Group (STAG). Nick von Westenholz will represent the NFU in that forum, the highest level of stakeholder engagement with the government on international trade matters.

### NFU reaction

The NFU welcomes this hugely important development. The establishment of a Commission has long been NFU policy. We have campaigned for its establishment for over 18 months.

We look forward to working with government and other stakeholders in the days ahead on the Commission’s terms of reference, to ensure that its work is genuinely valuable. In particular it will be vital

that Parliament is able to properly consider the Commission's recommendations and can ensure government implements them effectively.

The NFU will continue to scrutinise the progress of trade negotiations with the USA and other countries over the coming months outside of the work of the Commission so that our future trade deals work for British farmers and consumers, and believe it is vital that Parliament is provided a strengthened role in this regard as well.

### **Next steps**

The NFU will continue to seek meaningful amendments to the Trade Bill that improve Parliamentary scrutiny. Alongside the establishment of the Trade & Standards Commission, an enhanced role for Parliament in scrutinising and approving International Trade deals will make the work of the Commission more effective.

We shall keep under review whether specific amendments establishing a Commission are required to either the Agriculture Bill or the Trade Bill. The NFU will continue its engagement with Peers and MPs to explain and reiterate the importance of coherent and comprehensive government trade policy measures. The NFU's objective continues to be to ensure that UK farmers are not undermined by product entering our market that fails to meet the same food safety, environmental and animal welfare production standards as demanded of UK farmers.