

# Farmers' Union of Wales' response to a Trade and Agriculture Commission Call for Evidence on the accession of the UK to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

15th August 2023

## About the FUW

1. The Farmers' Union of Wales (FUW) was established in 1955 to exclusively represent the interests of farmers in Wales. Since 1978 the union has been formally recognised by UK Governments, and subsequently by Welsh Governments, as independently representing those interests.
2. The FUW's Vision is *thriving, sustainable, family farms in Wales*, while the Mission of the Union is *To advance and protect Wales' family farms, both nationally and individually, in order to fulfil the Union's vision.*
3. In addition to its Head Office, which has thirty full-time members of staff, the FUW Group has around 80 members of staff based in twelve regional offices around Wales providing a broad range of services for members.
4. The FUW is a democratic organisation, with policies being formulated following consultation with its twelve County Executive Committees and eleven Standing Committees.

## Broad concerns

Government consultation with key stakeholders prior to and during negotiations

5. The FUW fully appreciates that the role of the Trade and Agriculture Commission (TAC) is to scrutinise new Free Trade Agreements (FTAs) once they are signed in order to inform Parliament. However, we would take this opportunity to highlight our concerns regarding the limited degree to which the UK Government seeks the views of representatives of key sectors before and during negotiations.
6. As members of the Trade Advisory Group (TAG), the FUW welcomes the opportunity to receive briefings on progress and updates from UK Government officials involved directly with negotiations and to ask questions on these.

7. However, interactions with such individuals are invariably limited to just that, and opportunities to discuss detailed issues, concerns, opportunities and priorities relating to UK agriculture are limited or negligible, while lengthy dedicated meetings to discuss detailed technical areas of importance to agriculture do not take place.
8. As such, the degree to which the TAG is genuinely 'advisory' as regards the detailed needs of UK agriculture and the repercussions of proposed trade deals is extremely limited, whether by design or otherwise, and the FUW believes that greater detailed consultation with agricultural stakeholders is required ahead of and during future negotiations.
9. Such concerns regarding scrutiny are compounded by the fact that the day before the CRAG period of the Trade (Australia and New Zealand) Bill came to an end, the UK Government declared that there would be no Commons debate on the treaty, contrary to the recommendations of the International Trade Committee (ITC) and UK Government's assurances that this such a debate would take place.
10. As such, it is believed that more transparent and democratic processes must be adopted, as happens routinely in other democratic countries, and that the failure to do this to date demonstrates contempt to those industries most affected by trade deals and to the work of the TAC.

#### Relationship between the CPTPP agreement and previously signed agreements

11. While it is appreciated that this response relates to the TAC inquiry into the accession of the United Kingdom to the CPTPP, the UK already has trade agreements with key CPTPP members.
12. As such, there is concern that CPTPP terms have been limited and steered to a large extent by those terms already agreed bilaterally with a number of its members.
13. We would therefore highlight the importance of the TAC reviewing previous evidence received as part of its inquiries into both the Australia and New Zealand free trade agreements in particular, both of which are now widely acknowledged as having been overly liberal in terms of granting agricultural access to UK markets and in so doing undermining UK agriculture - including by former Secretary of State for Environment, Food and Rural Affairs George Eustice.
14. In particular, we would take this opportunity to reiterate the Department for International Trade's estimate that the trade deal with Australia will increase UK GDP by 0.1% at the most by 2035, leading to an average long term increase in UK wages equivalent to just 60p a week based on 2019 figures, while increases in Australian food imports are predicted to lead to a fall in the GVA of the UK's agri-food sectors of more than a quarter of a billion pounds "*...driven by increased import competition in the beef and sheepmeat*

*sub-sectors*”, and a reduction in gross output of around 3% for beef and 5% for sheepmeat.

15. The equivalent DIT impact assessment of the deal with New Zealand gives estimates of benefits to the UK which are lower than those estimated for the Australia deal - but with the adverse impacts again concentrated in the farming and food-production sectors, including a fall in the GVA of the categories into which farming and semi-processed foods fall of £132 million.
16. Notwithstanding the above, the FUW accepts the Agricultural and Horticultural Development Board (AHDB)’s assertion that the CPTPP deal is unlikely to cause further dramatic changes to agricultural trade, particularly in the short-term, but may have the potential to result in modest increases in UK exports of beef, dairy and pork in the medium to long-term.

## Maintenance of UK regulatory standards

17. CPTPP membership comprises a diverse range of countries, with standards of animal and plant health, animal welfare and environmental protection that vary greatly.
18. While such standards may be significantly higher in some CPTPP countries than in others, all produce food in manners that would be illegal in the UK, whether due to:
  - a. Animal identification and traceability systems aimed at minimising the spread of disease - for example, while the UK has strict animal tagging and movement reporting requirements, with deadlines measured in days, many CPTPP member countries have no tagging or movement reporting requirements, and where they do deadlines can be measured in months
  - b. Legislation that is of direct relevance to animal welfare - for example in terms of allowing battery hen cages and sow stalls, both of which are banned in the UK, and having liberal or non-existent animal transportation rules, in stark contrast to the UK which has strict rules and limits relating to welfare
  - c. Variations, ambiguity or liberal approaches to drug, insecticides and other chemicals that may be banned or subject to stricter rules in the UK, and the monitoring of their use in agriculture - including antibiotics at a time when UK farmers are working hard to reduce antibiotic use in order to reduce antimicrobial resistance
  - d. Levels of environmental legislation and protection
19. With regard to all such areas the CPTPP has the potential to:
  - a. Undermine UK agriculture, through subjecting UK farmers to unfair competition

- b. Undermine UK food standards, through the importation of food produced to lower health, welfare, environmental and/or safety standards than are currently required of UK producers and the majority of those countries with which we currently have trade deals
  - c. Expose animals and plants in the UK to diseases not present in the UK, due to poor traceability and monitoring in countries of origin
20. The TAC will appreciate that the provision of an exhaustive list of specific examples of such differences between standards is not possible even for a selection of CPTPP countries. However, it is believed that the UK Government should have undertaken detailed comparisons of key standards relating to animal and plant health and chemical/drug use, animal welfare and the environment in order to inform negotiations and the work of the TAC and parliament.
21. In a similar context, the FUW remains concerned that the UK Government's commitments to ensuring equivalence and protecting UK animal and plant health and food standards remain ambiguous, and stand in stark contrast to the work that the EU Food and Veterinary Office undertake in order to protect EU farmers and consumers by conducting missions to countries with which the EU has trade deals.
22. Such concerns are compounded by successive UK Governments ongoing failure to implement SPS checks at UK borders.
23. On a related matter, we would take this opportunity to highlight the FUW's frustration with the way in which UK Governments have continued to use commitments to 'upholding UK production standards' in a way which implies disingenuously that this encompasses the quality of imported foodstuffs: Clearly, upholding UK production standards has no bearing on production standards that apply in countries with which the UK strikes trade deals unless UK standards are somehow included as requirements in such trade deals, meaning that maintaining UK standards while signing trade deals with countries with lower standards will undermine UK farmers and food producers as well as UK food standards *per se*.
24. In this context, we would highlight the fact that efforts made by the UK Government to ensure that, where possible, standards are included in trade deals in order to ensure equivalence, maintain UK food standards and protect UK farmers from unfair competition have been absent or negligible when compared with the negotiating positions taken by the EU and other countries.