

Briefing for Commons committee stage of the Trade Bill: amendments supported by Greener UK

22 June 2020

Summary

Greener UK supports the government's manifesto commitment that in trade negotiations it "will not compromise on our high environmental protection, animal welfare and food standards".¹ In order to put this commitment into practice, new legislative assurances will be needed that help guide and shape our trade policy.

Trade relationships have the potential to impact on environmental conditions and protections both here in the UK and abroad. In order to match up to the government's ambitions of global environmental leadership, it is vital that the UK designs a new trade policy that is innovative and responsive to the needs of the 21st Century. In particular, the UK's trade policy must be compatible with addressing the climate and nature crisis as well as working to achieve the government's plans to "deliver a UK and world economy which is stronger, cleaner, more sustainable and more resilient after this [Covid-19] crisis".²

In order to ensure that trade agreements work with, rather than against, environmental protection, Greener UK believes the Trade Bill must be amended in order to set us on the path towards an inclusive, transparent, and democratically accountable framework for addressing sustainability issues within the UK's future international trading relationships. It must also lock in environmental safeguards and support high quality, effective regulation into the future. Amendments which Greener UK supports and believe go towards this goal are:

- **Amendment 11** which would ensure future international trade agreements would not conflict with the UK's environmental obligations in international law
- **Amendments NC5 and NC7 on scrutiny of free trade agreements** which would give parliament a debate and vote on the UK's negotiating objectives
- **Amendments NC2 and NC6 on Sustainability Impact Assessments** which would ensure the environmental impacts of a trade deal are taken into account
- **Amendments NC9 and NC11 on food and agricultural import standards**

Whilst we understand that the powers in this bill exclude new trade deals, the government seemingly does not intend to introduce primary legislation for future free trade agreements (FTAs). This means that there is currently no legal framework to guide and shape the development of the UK's new trade policy. Specifically, there are no adequate mechanisms to provide scrutiny of future trading negotiations and no adequate guarantees that environmental standards will be protected against deregulatory pressure from trade deals. Greener UK's view is that it is necessary that this bill should also inform the emerging negotiations relating to new UK trading arrangements so that the development of the UK's trade policy can be both democratic and aligned with its ambitions for global green leadership.

Greener UK supports the following amendments

1. Multilateral environmental agreements

Greener UK supports amendment 11 on multilateral environmental agreements (MEAs).

This amendment would ensure an international trade agreement is implemented only if the provisions of that international trade agreement do not conflict with, and are consistent with the United Kingdom's environmental obligations in international law. These include the Paris Agreement, Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES); and the Convention on Biological Diversity, including the Cartagena Protocol on Biosafety.

Achieving the UK's environmental goals, including net zero by 2050 and those in the 25-year environment plan, requires action across all areas of policy, including trade. The risks to the environment from poor trade policies are considerable. FTAs can promote the import of cheaper and higher carbon goods, effectively offshoring the UK's emissions. They can also allow overseas interests and investors to challenge domestic legislation that is brought in to protect the environment or embed ambitious climate measures.

Greener UK believes that multilateral environmental agreements (MEAs) relating to climate change, and their implementation should have supremacy over trade measures should there be a conflict. This is important because trade agreements are more often used as the basis for legal challenges than MEAs. Therefore, we support this amendment which ensures there is no conflict between the two.³

2. Scrutiny

Greener UK supports NC5 and NC7 on scrutiny of free trade agreements.

NC5 would set out a structure for parliamentary scrutiny of negotiations on proposed trade agreements, it would ensure ongoing transparency through the release of negotiating texts and regular updates to Parliament. NC7 would require parliamentary consent to launch trade negotiations which would ensure a scrutiny procedure of all future trade agreements.

Currently, the UK government can negotiate and ratify FTAs without guaranteeing MPs a vote on whether to approve or reject trade deals. Parliament does not have powers to scrutinise ongoing FTA negotiations or to propose amendments, and civil society has no right of input. As trade is a reserved matter, devolved governments also currently have no say in deals in spite of the potentially significant implications for devolved powers in areas such as the environment. Trade policy should be developed in a way which is transparent, democratic, builds consensus and is a benefit to all.

Amendments NC5 would set out a structure for how the Secretary of State would ensure parliamentary scrutiny of future free trade deals whilst NC7 would ensure that UK trade policy is following best practice by ensuring parliamentary oversight, which is standard in other democracies, including the US Congress and the European Parliament.

3. Sustainability Impact Assessments

Greener UK supports NC2 and NC6 on Sustainability Impact Assessments (SIAs).

These amendments ensure SIAs are conducted covering a range of impacts on the environment, including the need to protect and preserve the oceans, biodiversity, the rural environment and air quality, and the need to meet the UK's international obligations to combat climate change.

Sustainability impact assessments should be carried out for any amendments to the terms of trade entered into with third countries and fully take into account the climate and environmental impacts for both the UK and third countries, enabling the international sustainability footprint of the UK's trade to be minimised. They should take place during the negotiating process, prior to the final agreement of the FTA and at regular intervals throughout the life of the FTA. These impact assessments should address both the impacts on the UK and the impacts beyond the UK's borders. They should also be carried out for any future trade agreements not covered by the Trade Bill.

4. Import standards

Greener UK supports NC9 and NC11 on import standards.

It is essential that the UK does not offshore its environmental impact and undermine its domestic producers by allowing goods produced to low environmental standards to be readily imported into the UK to the detriment of existing high British standards.

Trade policy and agreements seek to increase the flow of goods and services across national borders. In many areas, the UK currently has high standards for production and consumption in order to protect public health, consumers and the environment. These standards must be upheld, and indeed improved on over time. A lax approach to liberalisation may result in a relaxation of our food standards or those prohibiting the use of dangerous chemicals in everyday products and could increase the amount of low standard, low-quality goods imported into the UK. This can have the effect of both exacerbating the UK's footprint of environmental damage taking place overseas and undercutting UK producers who want to adhere to the highest standards.

NC9 would set a requirement for imported agricultural goods to meet animal health and welfare, environmental, plant health, food safety and other standards which are at least as high as those which apply to UK produced agricultural goods.

NC11 would prevent trade agreements that do not prohibit lower standard agricultural and food imports.

In addition to specific requirements for food imports, government trade policy should also include matters relating to the environmental impact of all imports. Chemicals and energy are two obvious examples of areas where the UK should seek to maintain high standards through its trade policy.

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Endnotes

- ¹ Conservative Party 2019 [manifesto](#) p.57
- ² [Our plan to rebuild: The UK Government's COVID-19 recovery strategy](#), Cabinet Office, 12 May 2020
- ³ [Putting climate change at the heart of trade policy](#), Greener UK, June 2020

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