

Briefing on the Trade and Agriculture Commission's final recommendations report

May 2021

The Trade and Agriculture Commission (TAC) was initially set up for a 6-month period to report on food and trade in response to the [widespread public concern](#) about trade deals potentially undermining the UK's food and environmental standards, and undercutting the UK's ambition on climate and sustainability. The TAC took evidence and issued its interim and final reports as critical trade deals with big agricultural exporters – the US, Australia and New Zealand – were being negotiated.

The passage of the Trade Bill further emphasised the inadequacy of current scrutiny arrangements for trade negotiations. The government announced a new statutory Trade and Agriculture Commission, as a way of responding to those concerns, while the 6-month TAC was still running. The new TAC will be set up on a statutory footing for three years and will produce an impact report that will be laid in parliament alongside each new trade agreement prior to ratification. However, the 6-month TAC's remit was wider and its [final report](#) published in March 2021, setting out a vision for the UK's approach to trade in agricultural goods, is worth separate and full consideration. The Government's response to this report will show the direction it intends to take towards agricultural trade at a critical point for UK trade policy, agriculture, and environmental action.

This briefing highlights some important recommendations that stem from this report, focussing on the need to establish core standards for imports into the UK (recommendation 8). **Parliamentarians must closely scrutinise the Government's response to the TAC report and call for an ambitious uptake of this recommendation.**

Key points

- The UK should use its newly independent trade status to support the delivery of stronger and more sustainable food and farming supply chains at home and abroad by taking forward the recommendations on core environmental standards set out in the TAC report.
- The need to establish core environmental standards is already supported by a range of businesses, who recently signed a [statement of support](#) to that effect.
- The core standards should not rely only on tariff differentiation (Pillar 2 of Recommendation 8) but should include a critical role for import restrictions (Pillar 1 of Recommendation 8). Pillar 1 is necessary to provide an effective minimum regulatory floor applicable to all food imported and produced in the UK.

Core environmental standards

Greener UK welcomes the broad range of recommendations in the TAC report, including liberalising trade without compromising on standards (Recommendation 1), enhanced impact assessments of trade agreements for environment and animal welfare (Recommendation 9), and aligning the UK's policies on trade, aid and climate (Recommendation 21). It also supports the recommendation to create a global framework for environmental standards in trade, following WWF's proposal of a Codex Planetarius, while establishing rigorous national standards (Recommendation 3). This briefing focusses on Recommendation 8, the need to adopt core standards for all products imported into the UK, as it is a key measure to bring UK trade policy more in line with its environmental and climate ambitions.

Core standards for food are critical to a transition to more sustainable methods of agriculture. The UK has high ambition in this area: the Global Resource Initiative aims to drive demand for sustainable production globally, and the "public money for public goods" scheme under development in England promises a shift to a much greener system of agricultural subsidies. UK trade policy should be aligned with this ambition, and prevent the offshoring of harmful methods of food production outside the UK's borders. Core environmental standards would ensure that all products imported and produced in the UK are subject to minimum regulatory requirements regarding their impact on the environment.

The Government has reiterated their commitment to maintain existing standards. This is very welcome, but it is not enough to meet current environmental challenges. Currently, the only standards that apply to all food sold in the UK, regardless of origin, are food safety standards. These protect humans, animals, and plants from harm to health. As the TAC report states, "there is an opportunity to reform the UK's current import policy to create an ambitious, forward-thinking and more holistic approach". This should include expanding the standards to include climate change, environment, and animal welfare considerations.

Many UK supermarkets already require their suppliers to meet higher voluntary standards, and avoid the bottom [25% of producers](#) who account for 50% of the damage to the planet, but not all importers do. Creating a set of standards which set a minimum for all foods imported and sold in the UK would help level the playing field between these players. A group of businesses, including the Co-op, Waitrose and Nestlé, have already signed a [statement](#) in support of the Government launching a process to create core standards (reported in [Mail on Sunday](#)).

While the TAC report focuses on trade in agri-food products, the process of designing core environmental standards could include a broader range of products that are relevant for the environment and which may be affected by trade, such as chemicals.

The three pillars of the TAC approach to core standards

The exact way the UK's core standards should operate is still to be agreed. The concept was first suggested in the National Food Strategy: Part One, where the focus was on zero quota zero tariff access for food produced to the same high standards as in the UK. The TAC develops the concept further by placing the preferential tariff element within a broader framework of domestic import restrictions and international standards. But, importantly, at the centre of both ideas is the acknowledgement that

the UK can and should reflect its values on climate, environment, ethical and high animal welfare in its approach to trade.

The TAC report sets out three pillars in its recommendation 8 on developing core standards. Pillar 1 sets out the general trade approach, confirming that import restrictions for the purposes of protecting climate, environment and animal welfare can be introduced under WTO rules.

Pillar 2 proposes that zero tariff, zero quota access to the UK markets in FTAs should be matched by a set of standards and technical norms, which grant higher market access to products that comply with them. Pillar 3 relates to international fora, which it recommends should be used as a place to champion increased ambition on international standards for the environment, climate change, etc. These Pillars are meant to be complementary.

As the TAC report states, the Pillar 1 approach is fundamental to existing trade policy: the UK should be able to decide which products it will import. As long as import restrictions are applied equally and fairly to domestic and foreign producers, and designed in an appropriate way, they are consistent with WTO rules. An example from the United States, the Marine Mammal Protection Act, demonstrates how import restrictions aimed at protecting the environment (in the US's case, seals, dolphins, and other marine mammals) can be designed in a WTO-compliant way (for more information on this, see this [blog](#) and [briefing](#) by WWF).

Greener UK supports the development of core standards which would require products imported into the UK to meet a core set of mandatory regulations that apply to those produced in the UK. This would set a floor for all products sold in the UK, giving UK consumers the confidence that any products that they buy will not result in the offshoring of environmental harm to countries with more lax regulations. For example, the standards could require that the produced goods do not cause excessive water pollution, in a way that is equivalent to the UK's regulations on water, but adapted to suit a range of different contexts. The process of developing such standards would need to consider which areas are the most important to regulate from an environmental perspective, and how to create standards which are sufficiently flexible and adaptable, amongst other considerations (see [this briefing](#) for more information on the process of developing core standards).

As the UK develops its agricultural regulations post-Brexit, core environmental standards will need to be reviewed on a regular basis and adapted to align with the UK's growing ambition. This would ensure that the level-playing field between UK farmers and importers is maintained alongside the transition towards more sustainable forms of agriculture.

As the TAC report states, trade policy needs to be aligned with aid and climate strategies, and similarly the development of core standards cannot be separated from working with trade partners to support the process of transition and adaptation to such standards. One of the ways in which countries can be assisted in adapting to any new standards required from their exports is to provide appropriate financial assistance through Aid for Trade, which should be used to support the transition to more sustainable methods of production. Furthermore, differential treatment of developing countries, especially Least Developed Countries, would be possible under WTO rules.

Pillar 2 measures – dual tariffs or quotas – could be used above and beyond import restrictions to encourage even more sustainable methods of production. Pillar 1 measures would provide the baseline regulations for all products sold in the UK, and the differentiation of tariffs could be used to provide further distinctions between more and less sustainable production to incentivise best practice. Possible ways to use Pillar 2 measures could be to bring them in line with voluntary standards widely used in the UK, such as [Global GAP](#).

Under Pillar 3, the UK could use its position as a new independent trading nation to champion the development of international environmental standards, for example through the Codex Planetarius, an initiative launched by WWF and supported by the TAC report. The best way for the UK to champion a new international standard is on the basis of having established its own national set of core environmental standards. These core national standards could then serve as an example for the long-term goal of developing international environmental standards. For more information on the Codex Planetarius, and how the parallel development of national and international standards could work, please see this [briefing on the “twin track” approach](#).

Conclusion

Responding to the TAC report is a great opportunity for the Government to ensure that the UK’s approach to trade is aligned with a shift to more sustainable ways of food production and land use, both in the UK and abroad.

The process of designing core standards would not happen overnight; it would require a thorough and well-consulted process in which the views of UK farmers, and trade partners, especially developing countries, would be taken on board. The White Paper that will follow the second instalment of the National Food Strategy would be an excellent opportunity to launch the process of establishing core environmental standards, alongside other reforms making the UK food system more sustainable.

In the year when the UK hosts G7 and COP26, and takes up its independent seat at the WTO, progressing these recommendations would showcase the UK’s ambition to be a global leader on climate, nature and trade.

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