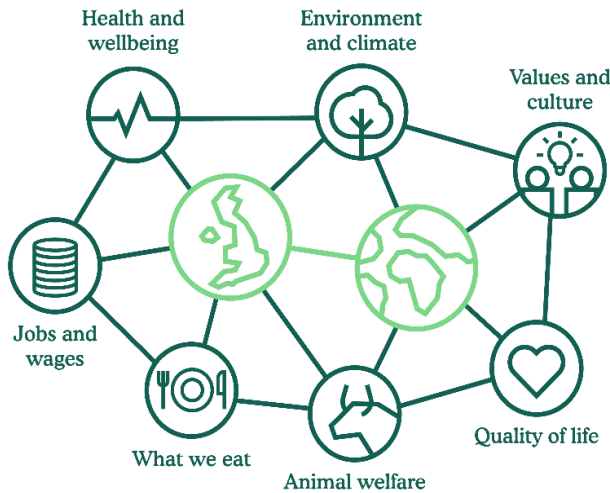


# Trade fit for the future?

**What does it mean to be a responsible trading nation? As we enter a new era as an independent trading country, is the UK's vision of trade fit for the future?**



To bring more light and less heat to the debate, the Food, Farming and Countryside Commission launched its inquiry – **Trade Unwrapped** – with advisory members including Chatham House, RSPB, Which?, Green Alliance, World Resources Institute, WWF, Soil Association, Food Ethics Council and University of Leeds. Trade Unwrapped has convened thoughtful and balanced conversations with trade experts and citizens around the UK to explore how trade can adapt to be fit for future generations.

Trade has become a hot topic. Citizens and organisations have contributed wider perspectives and fresh thinking into debates that have often been polarising and simplistic. Those voices have shown that trade is a powerful tool through which we can set out our nation's values, our place in the world, and work **to build the kind of country we want to live in, now and in the future.**

Trade Unwrapped has found that:

**UK citizens really care about trade.** People are not only concerned about choice and price. They want a fair system; they care about health, environment and employment; and they don't want to offshore impacts. Polling has consistently shown that around 80% of the UK want to retain high food standards in future trade deals – broad consensus whether Leave or Remain, Labour or Conservative, high or low income.<sup>1-3</sup> The recent Which? National Trade Conversation highlights that people expect the UK government to take a long-term view of trade negotiations for the health of the nation and the planet, that trade should help address regional

inequalities by protecting and promoting jobs and skills, and that there is citizen appetite to have their say in future negotiations.<sup>4</sup>

**Trade is complex and the stakes are high.** How we trade impacts every aspect of our daily lives. Its consequences cut across domestic political commitments such as the 'levelling up' agenda and progressing devolution, as well as international obligations like the Paris Agreement, Sustainable Development Goals, and membership of the World Trade Organisation.

**It is essential to have clear policy goals in mind.** There are difficult choices to be made, but it is possible for trade to advance policy goals and issues that citizens across the UK care about. Trade can:

- Boost good quality jobs whilst improving labour rights and working conditions across the supply chain – we should join up state and non-state governance to regulate employers more effectively.
- Assist climate adaptation mechanisms – we should include commitments to pursue Paris Agreement targets in Free Trade Agreements and the UK should support other countries to reduce their emissions.
- Improve the nutritional quality of UK diets and peoples' ability to afford them – we should follow the example of countries like Canada and design FTAs that promote healthy and safe food.
- Encourage practices that benefit nature and biodiversity, stop deforestation, and improve animal welfare – we should commit to mandatory due diligence requirements across all areas.<sup>5</sup>
- Ensure high UK food standards whilst supporting other nations to raise theirs, the two are not mutually exclusive – we should provide technical and financial assistance to developing nations.

**We need a modern approach to trade,** recognising the interconnected nature of trade outcomes. The Global Resource Initiative's recent work shows, 'the choice between environmental protection, economic growth, human rights and livelihoods, health and food production is a false one. **These aims can be achieved simultaneously, in fact they can only be achieved together.**'<sup>6</sup>

Evidence gathered throughout Trade Unwrapped points to two key recommendations:

## 1. Strengthen trade governance for the new arrangements

Trade must balance citizen and business interests whilst not compromising on the ambition to act together on global challenges. This needs structures that can deal with the complexity of trade, allowing for responsible and practical analyses of the different impacts of future trade deals. This should include:

- **Proper Parliamentary scrutiny:** Parliament must have a strong role before, during and after trade negotiations to understand the potential outcomes and ensure the Government's objectives are in the public interest. Effective scrutiny would improve the quality of decision-making.
- **Coherence across government:** Government must co-ordinate between UK nations and work cross-departmentally when structuring trade deals to ensure outcomes do not cut across divergent policy ambitions. Conflicting food standards policy in UK nations could undermine trade at home and abroad.
- **Joining up state and non-state:** Government must work with business and NGOs to prevent human rights and environmental abuses in supply chains through enforceable – and enforced – regulation. Private sector food and environmental standards should work coherently with government standards.
- **Platforms for dialogue:** Citizens, organisations and nations across the UK must be given meaningful opportunities for their views to be considered. The Trade and Agriculture Commission must be further strengthened with the addition of environmental, health and citizen groups alongside committing to a rolling annual appraisal of the membership to ensure the commission remains representative in the future.

## 2. Establish guiding principles for modern trade policy

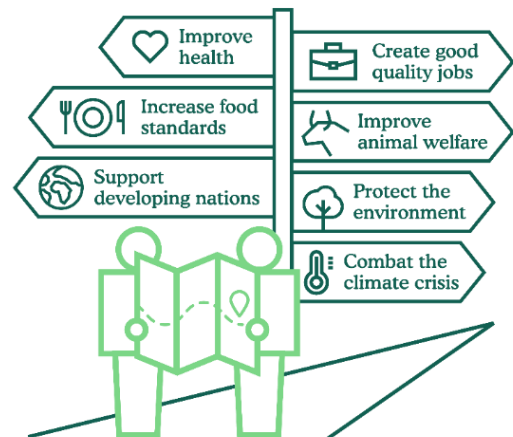
Trade should be a force for good. As the UK takes charge of its trade for the first time in 40 years, it should step up and pursue an ambitious, modern approach to global trade that advances policy ambitions:

- **International leadership:** The UK should progress debates to explore how a global harmonisation of standards could facilitate better trade for people

and planet, through an international body similar to the Codex Alimentarius for food standards.

- **WTO:** A modernised and fully functioning WTO is essential.<sup>7</sup> There are many existing mechanisms through which the UK can push to elevate ambitions, such as stricter animal welfare standards through the SPS Committee.
- **COP26 and G7 Presidency:** Use these opportunities to place nature-based solutions and a global call for action on sustainable supply chains the centre of efforts towards achieving the Paris Agreement.
- **International relationships:** The UK must work closely with nations to help meet their trade and wider policy ambitions by building institutional capacity and creating better finance structures.

### Trade should:



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