

International Trade Committee

Oral evidence: The work of the Department for International Trade, HC 128

Wednesday 27 April 2022

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Members present: Angus Brendan MacNeil (Chair); Mark Garnier; Anthony Mangnall; Mark Menzies; Lloyd Russell-Moyle; Martin Vickers; Mick Whitley; Mike Wood.

Questions 184-313

Witness

I: Rt Hon. Anne-Marie Trevelyan MP, Secretary of State for International Trade and President of the Board of Trade.



Examination of witness

Witnesses: Anne-Marie Trevelyan MP.

Q184 **Chair:** Good morning and welcome to the International Trade Committee's inquiry on the work of the Department for International Trade. For this evidence session, we have the Secretary of State, Anne-Marie Trevelyan. I don't know whether the Secretary of State wants to introduce herself in any further terms, or shall we crack on?

Anne-Marie Trevelyan: Thank you, Chair. It is a pleasure to be here. Apologies about my ill health last week. I am glad to say I am better, which is good for everything.

It is really a pleasure to have the chance to discuss with you the many areas that we are very busy on in the Department. We have been particularly busy in the last couple of days. We have had my US counterpart, Ambassador Katherine Tai, here in the UK—we took her to Aberdeen and then to a number of London businesses yesterday—to help continue the trade dialogues that we started in Baltimore a month ago.

I think we are making really good progress in thinking about how we can tackle and grow the already very spectacular £200 billion of bilateral trade. That has been a really important focus and will continue to be in the months ahead, but I look forward to talking to you about all the other things that we are doing, too.

Q185 **Chair:** I don't really want to get off on this foot, but we might as well clear the air as best we can. As you know, there have been a lot of tensions between this Committee and your Department, at staff and member level, about the timings and the promises around the Australia FTA scrutiny. We had assurances way back that we were going to be given enough time, adequate time.

These assurances, as we try to nail them down, seem to evaporate somewhat or become uncertain, so we want to know, essentially, that we will have 15 days between the Government publishing the section 42 report and the triggering of CRaG—as a minimum. You can give us more if you want, but 15 days is what we are looking for. That would really help the work of the Committee.

Anne-Marie Trevelyan: I completely understand the request you are making and, exactly as you say, I want to be able to give you as much time as possible. I don't have the section 42 report yet. The team are working on it, and I don't actually have a date when it will be ready for me yet.

Q186 **Chair:** That's okay. We don't need as much time as possible; we just need 15 days.

Anne-Marie Trevelyan: I know you do, but the challenge is that I can't—I don't want to commit to a fixed timetable, in that I don't want to let you down. I hope that it will be more, but the challenge we have—



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Q187 **Chair:** Well, you will be letting us down if we don't get the 15 days, because there are telephone directories' worth of stuff here for members and particularly staff to get through. Fifteen days is a very reasonable ask.

Anne-Marie Trevelyan: The challenge I would throw back at you is that you already have probably 90% of all the documentation that we have. Obviously, we published the text immediately; this is indeed the great big tome.

Q188 **Chair:** Yesterday we had Professor Lorand Bartels with us. He was the chair of the TAC, as you know. We asked him how long he had. He said he had three months. He said his work was part of the scrutiny to inform this Committee and onwards. And then he said they had the Christmas recess, so the Department had given another fortnight—almost 15 days. So there was three months and 15 days—three months and 15 days—to do part of the scrutiny work.

To mop up at the end, we are looking for the Government to honour the commitments that adequate time would be given for the consideration. If we are being serious about the FTAs, being serious about the scrutiny and being serious as a Committee about doing this, we are needing the Department to be serious back to us. Will you be serious, with 15 days?

Anne-Marie Trevelyan: I hear you completely, but I cannot commit to a fixed period of time—

Q189 **Chair:** Why not?

Anne-Marie Trevelyan: Because it depends on the parliamentary timetable. That is the reality. Both section 42 and CRaG have to take place during sitting time. So, because I can't commit to a fixed time between those two—

Q190 **Chair:** Are you telling us that you are going to trigger CRaG on this Australia FTA before parliamentary scrutiny is done? Basically, Government are just riding roughshod over this; they don't care.

Anne-Marie Trevelyan: Not at all, but CRaG isn't the only thing—

Q191 **Chair:** Why are we bothering?

Anne-Marie Trevelyan: We are going to be laying legislation, Angus, in order to bring the FTA into action, so there will be plenty of time. It may well be, once we get to the new Session, that there is time. I don't know what the schedule is. I have not seen the timetabling of legislation.

Q192 **Chair:** How do you think it looks to stakeholders if, between Parliament and Government, we can't have the scrutiny done? This could be through Parliament and done before the scrutiny is finished.

Anne-Marie Trevelyan: Well, I don't think it will be, but my point is exactly that—

Q193 **Chair:** You "don't think", but we want to make sure it is not, and this is why we need our 15 days from the DIT.



Anne-Marie Trevelyan: Angus, I hear what you are saying, but—

Q194 **Chair:** No, we can't cross our fingers on this; we have to be professional on this.

Anne-Marie Trevelyan: In the same way as you have set out that Dr Bartels was given three months, the Committee has also had all the text and, indeed, Dr Bartels' report, the TAC report; you had it pretty much a week before it was published. So you have had everything available to you and your team to be able to scrutinise—in fact, for as long as and longer than they have had to do their report, which is obviously one part of the scrutiny process. And as soon as the section 42 report is completed, I will make sure that it is in your hands as quickly as I can.

Q195 **Chair:** But our work builds on that and can't be done in parallel completely. Therefore we need the time after it.

Now, the Australian Prime Minister, as you know, has called a general election in Australia; Parliament was dissolved on 11 April. Surely that is going to delay ratification of the UK-Australia FTA. At least, if you can't set the mood music, can we dance to Australia's tune on this, realise that it is going to be later, and give some comfort to the Committee and to the staff that we will have the time to do the work?

Anne-Marie Trevelyan: As to the Australians' process, as you say, they are into an election period now, but there has been—and, I have no doubt, will continue to be—very much cross-party support from the Australian side. Their process is quicker for bringing the treaty into action than ours is, anyway, so we are the ones who will be the last part by the time the legislation has come in and been through the various stages that our legislation takes here. Even though, as you say, everything will be paused while they go through their election, their process for ratification will be quicker than ours will be, anyway.

Q196 **Chair:** We are getting stonewalling on the 15 days here.

Anne-Marie Trevelyan: Angus, if I could, I would, but I simply cannot, because I do not yet know what the parliamentary timetable will look like in the third Session. I hope very much that it will be at least, if not more, but I do not want to give you a commitment that I cannot meet if the parliamentary timetable that comes through means that we—

Q197 **Chair:** So the parliamentary timetable rides roughshod over the scrutiny, despite the warm words from the Government and your predecessors.

Anne-Marie Trevelyan: There will continue to be plenty of time, because the legislation for bringing the FTA into force will run for a number of months, so there will be plenty more time and, indeed, opportunities for your Committee and all parliamentarians to share their views and highlight anything they wish to highlight through that process. I am comfortable that there will be plenty of time, and as soon as you have the section 42 report and I have had it too, there will be the chance for you to look at it and follow the formal processes that you wish to follow in publishing your own report.



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Q198 **Chair:** To clarify, do you have any idea in mind as to when the Government might publish the section 42 report?

Anne-Marie Trevelyan: I hope in the coming weeks. I do not have a fixed timetable, but the team are working at pace, which is what I have asked them to do, precisely because I want us to be able to have all the various scrutiny tools there as soon as possible.

Q199 **Chair:** One of the things to help us move at pace is that we were looking to have you here tomorrow on the Australia FTA, but you or the Department have refused to do that. When will you appear in front of us on that?

Anne-Marie Trevelyan: Tomorrow's logistics do not work, for which apologies, but in that first week back—is it the week of the 9th? I am hopeless on dates—I am sure we can find a date, if that works for you. I am very happy to come back.

Chair: Some time before the end of May would be—

Anne-Marie Trevelyan: Absolutely. That should be absolutely fine.

Q200 **Chair:** If we are looking at some time before the end of May, and we are maybe looking at publication of the section 42 some time in June—

Anne-Marie Trevelyan: I hope so.

Q201 **Chair:** Okay, and then we give it some time. Probably another two weeks after that—two to three weeks—you trigger CRaG after the section 42, and we can start working together on that.

Anne-Marie Trevelyan: Absolutely, and I want us very much to work together, which is partly why I made sure that you had the TAC report pretty much as quickly as I had it; you had it the next day, so that gave me time to read it, and that was pretty much it. In the exact same way, as soon as the section 42 report is in my hands and I have read it, I will make sure that you have it in an appropriate form.

Q202 **Chair:** We are hearing the warm words and intentions of the Government again. We have nothing nailed down, but we will go with warm words and your intentions, and we will take it as an honour situation for the Secretary of State.

Anne-Marie Trevelyan: One hundred per cent.

Chair: I don't know whether any other Members particularly want to come in on this? We have two. Lloyd Russell-Moyle.

Q203 **Lloyd Russell-Moyle:** Secretary of State, thank you very much. I can see that your civil servants have been bending your ear very successfully. I hope you will bend their ears and hold the scruffs of their necks equally, as is the job of any politician, to stop bureaucrats getting away with running the country as they want.

You spoke about legislation. I assume you mean just the laying of the CRaG and the secondary legislation process; you are not talking about



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primary legislation with the Australia deal.

Anne-Marie Trevelyan: There will be primary legislation, which you will see announced, I hope, in the Queen's Speech. Clearly, I cannot fix that, but the plan is that there will be the laying of the treaty for ratification. That will be primary legislation.

Q204 **Lloyd Russell-Moyle:** So the treaty will be done via primary legislation.

Anne-Marie Trevelyan: Australia and New Zealand together, because there are a number of small things that need to be brought in to bring it into action.

Q205 **Lloyd Russell-Moyle:** So you will not be enacting CRaG at all. You will be doing it via primary legislation.

Anne-Marie Trevelyan: No, the legislation is on a number of small areas, and this will happen as we go on, depending on whether we already have everything we have agreed to in the FTA we negotiate in our legislation, or if there are things we need to change. It is a few minor things.

Lloyd Russell-Moyle: I am just trying to work out the timeframe.

Anne-Marie Trevelyan: It is the same point. I do not know where we will be in that cycle, so CRaG will probably happen first.

Q206 **Lloyd Russell-Moyle:** Things can always change. We are always happy for you to say that things have changed, but on the order of things, the current intention is that CRaG is laid and, after CRaG is approved, there will be some small technical primary legislation to bring it in order. That is very helpful.

Anne-Marie Trevelyan: That, I think, is the plan. I hope it is the plan, but as you say—timetabling.

Q207 **Lloyd Russell-Moyle:** Is there any intention to offer the ability for any prelegislative scrutiny to this Committee on the primary legislative aspects, or are you assuming that that will be rolled into our general report?

Anne-Marie Trevelyan: I am happy to discuss that and look at it separately. Until I get to the third Session, in my head nothing is certain. We are not certain yet, so I am happy to come back to that.

Q208 **Lloyd Russell-Moyle:** I think that would be useful for us to know, because it is a separate process when you are doing primary legislation. You said that it is in the gift of the parliamentary timetable. The Government set the parliamentary timetable, of course, so what discussions have you had with your colleague, the Leader of the House, to make sure that this Committee can have 15 days? Have you had those discussions with the Leader of the House, raising that this Committee needs 15 days?

Anne-Marie Trevelyan: The discussions have been about the process, because obviously this is new and this is the first time we are doing this.



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The House authorities are fully conversant with the process that exists and what we need to do. I am not party to who will be doing the scheduling and where we will fit, but obviously we have discussed the wider areas about FTAs, treaties and the tools we now have at our disposal as we are moving into this new area of policy.

So those discussions have happened, but I cannot tell you what the actual schedule is, because I have not seen it and we will not see that until the Queen's Speech. The House authorities are aware, and we have discussed the CRaG process and how that fits.

Q209 Lloyd Russell-Moyle: Of course the House authorities are aware of the CRaG process—it is laid down and I sit on the Committee that is reviewing the CRaG process at the moment, so that is all well and fine.

Have you pressed the House authorities and the Leader of the House that you would need an additional 15 days to meet this Committee's request? You said that you would like to fulfil this Committee's request, but you are bound by the House authorities and the Leader of the House's timetable. Have you communicated officially with the Leader of the House and the House authorities to say that, in their timetabling, an allowance of 15 days would be what would be required?

Anne-Marie Trevelyan: When we were in PBL discussions some months ago—

Q210 Lloyd Russell-Moyle: Have you had those conversations?

Anne-Marie Trevelyan: Yes, a number of weeks ago now and we set our request to have a slot. We obviously set out the issues, exactly as you say, around CRaG. I have not gone back to them since then with any further discussions. We now wait for the third Session to begin.

Chair: Final question.

Lloyd Russell-Moyle: Sorry to press you a little bit—

Anne-Marie Trevelyan: That's all right.

Q211 Lloyd Russell-Moyle: I understand you have had conversations about CRaG, but have you explicitly mentioned to the House authorities the Committee's request on the 15 days, or has that not been part of your conversations with them?

Anne-Marie Trevelyan: I didn't have that conversation with them when I was at PBL a few weeks ago, no.

Q212 Lloyd Russell-Moyle: Will you endeavour, therefore, to contact the House authorities and the Leader of the House—we can do the same, as well—to say that this is a strong—

Anne-Marie Trevelyan: I am happy to write and express your particular interest. I am happy to do that.

Q213 Lloyd Russell-Moyle: And would you support that request if it were



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possible for them to fulfil it?

Anne-Marie Trevelyan: I am happy to write and set out the very clear intent and what you need. Of course I am; I am happy to do that.

Lloyd Russell-Moyle: That would be appreciated. Thank you.

Q214 **Anthony Mangnall:** And will you support it? We know what we want, but will you support our request for 15 days?

Anne-Marie Trevelyan: I will put that it is important for scrutiny, but, as ever, the scheduling of legislation is not within my gift to direct.

Q215 **Anthony Mangnall:** Absolutely. That's their problem—it's not your problem, but their problem. So you will support the 15 days, by letter to the Leader and to the House authorities.

Anne-Marie Trevelyan: I am happy to set out the importance of this to you and why—

Anthony Mangnall: No, but to you Secretary of State—

Anne-Marie Trevelyan: I am very comfortable, as long as my legislation is not destabilised by the timetabling. We want to make sure that Parliament has all the scrutiny time that it needs.

Q216 **Anthony Mangnall:** We had Professor Bartels in front of this Committee yesterday, and at the beginning of his session he eloquently said that his role was to advise you and to inform Parliament. Do you take his advice?

Anne-Marie Trevelyan: He has indeed, through his report and his—

Q217 **Anthony Mangnall:** When he gives you advice, do you take it? Do you listen to it?

Anne-Marie Trevelyan: Of course. That is what advice is for. I then make decisions with all the advice that I have, some of which is his, on how we progress, obviously working with all parties in order to make progress at pace, because we want to bring both FTAs into force as quickly as possible.

Q218 **Anthony Mangnall:** Fantastic, but the Government set up the TAC. He is advising on the contents of those agreements—

Anne-Marie Trevelyan: Yes, and he has done so.

Anthony Mangnall: Mainly the Australian agreement. He is saying that Parliament deserves to have scrutiny, so you take it that that advice is necessary and that there is a requirement of this Committee to be able to scrutinise his report and your response. You accept that advice from the head of your TAC?

Anne-Marie Trevelyan: Yes, absolutely. As I have said, we are pleased that we were able to give you both the full text and the TAC report a week before we published it for wider discussion. We will give you as soon as we can the section 42 report for you to look at as well.



Q219 **Anthony Mangnall:** The problem with what we are finding is that this is a totally disjointed approach to the trade agreements you are doing. So, with Australia, we are not getting the time to be able to scrutinise this, and the problem is that our Committee and our secretariat, who are working incredibly hard, have less resources than your Department, but are trying to move at pace to ensure that Members of Parliament are informed of what is in your trade agreements. However, when it comes to your next trade agreements—for example, the New Zealand trade agreement—you published that before even giving it to the International Trade Committee. You handed that agreement to the TAC before even giving it to this Committee. We are being hampered at every turn, not just on the Australia agreement, but on the New Zealand one.

Anne-Marie Trevelyan: We will continue to work with you—

Q220 **Anthony Mangnall:** But you are not, Secretary of State, that is the problem. You are not working with us, which is why this Committee is so angered and so moved about the point that we are not getting the opportunity to scrutinise this.

Anne-Marie Trevelyan: As I say, I have had it in the TAC, and of course had Dr Bartels' report with you as quickly as I have been able to do. We will continue to do that. I am someone who very strongly personally believes in the importance of parliamentary scrutiny, and I want to make sure that I can give you all I can. What I cannot do today is give you the timetable, because we have not got to the third session, and we don't know—

Chair: You will agree to—

Anne-Marie Trevelyan: I am very happy to write and set out absolutely the—

Q221 **Chair:** On the 15 days, the writing will include the 15 days?

Anne-Marie Trevelyan: I understand why you are asking for it, and I set that before the parliamentary authorities to ponder it. I want you to have it, but I cannot determine the pace at which they bring—

Q222 **Chair:** We need more than pondering; we need a timetable and respect for scrutiny. You say that you respect scrutiny, and we are trying to do scrutiny. We are trying to play your game, to be honest with you. The Government are saying that we have all signed up to this, but now you are saying, "Ach, we can't be bothered, and maybe we will let you ponder in Parliament." It is about more than pondering in Parliament; we have to be told what we need, and they have to timetable that way. I think that is the request from Mr Russell-Moyle and Mr Mangnall as well. Do I represent you correctly, gentlemen?

Lloyd Russell-Moyle *indicated assent.*

Anthony Mangnall *indicated assent.*

Chair: This is cross-party.



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Anne-Marie Trevelyan: As I said, I am very happy to write, and we will do that to the authorities, to set out my absolute commitment to ensuring scrutiny. I will set out and explain to them exactly what we have been able to do so far, and indeed where we have not yet, because the final part of this puzzle is not yet published. We will hope to persuade them to do their timetabling accordingly.

Q223 **Anthony Mangnall:** Secretary of State, with all due respect, I do not think that you are committed to scrutiny, because everything you have shown us to date has been the opposite of what you have suggested. I wonder, do you see any point in this Committee?

Anne-Marie Trevelyan: Always. Our Committees are incredibly important. You have, I suppose, 90% of all the primary data in the text itself, and now the TAC report, which I was very impressed with. Obviously, it was our first one, and I think it has been a demonstrator of the scrutiny that Dr Bartels and his team have brought to this—

Q224 **Anthony Mangnall:** His advice to this Committee yesterday was that we should have scrutiny, and we should have the ability to see the Government response—

Anne-Marie Trevelyan: Absolutely, and you will.

Q225 **Anthony Mangnall:** Will you cast your mind back to the first session that you had in this Committee, in which the Chair rightly said that he wanted to be a critical friend to the Government to ensure that we are getting the best out of our trade agreements? That is what this Committee wants, but we are not getting the opportunity to do that. We are happy to write reports for Parliament to ensure that Members across the House understand what is in trade agreements—the strengths and weaknesses—and to improve them going forward, but we are not getting the opportunity to do that. I wonder whether you might care to think about what that will do to the quality and ability of our reports on the trade agreements that we are trying to sign.

Anne-Marie Trevelyan: So, as I say, I am afraid that I disagree with you that we are not providing you—we have provided you with the text immediately and—

Q226 **Anthony Mangnall:** But you didn't on New Zealand. You sent us a cover letter without the report, which you handed to another committee. You handed the New Zealand trade agreement to the TAC before you handed it to us. Where is that helping parliamentary scrutiny?

Anne-Marie Trevelyan: In concert, because obviously they have their role and do their part as well.

Q227 **Anthony Mangnall:** Your words to us were about using your “best endeavours” to give us these things, but best endeavours is not good enough for this Committee to be able to scrutinise enormous reports. You are trying to do CPTPP and the GCC, you are now looking at India, you are doing state-to-state agreements with America and you are looking at a Singapore digital partnership—which you are under way to complete.



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These are huge pieces of work, which this Committee is trying to scrutinise to ensure that we can get the very best from them, but we are not even getting them in advance. How is that acceptable to this Committee? I would argue that that is holding this Committee in contempt.

Anne-Marie Trevelyan: I am happy to look at that scheduling to see if there was a problem. Bluntly, the New Zealand and Australian texts are actually very similar. They are very like-minded texts, so—

Anthony Mangnall: Which we would have known if we'd had them in advance.

Anne-Marie Trevelyan: In advance? I'm happy to look at that again. The idea is to get it to you as quickly as we can and give you as much time as possible. Obviously, as you say—

Chair: We have taken up quite a lot of time on this now. Two other Members—Mark Garnier and Mike Wood—want to come in on this and I am anxious to take them both in. This is really a battle that we shouldn't be having, but we are still having it.

Q228 **Mark Garnier:** I am just wondering whether there might be a bit of a misunderstanding here about the processes, so I just wanted to clear that up. One of my great regrets is not being in the Whips Office, so I don't fully understand how the legislative process works. I just want to get to the bottom of this. The spanner in the works seems to be the enabling legislation that makes certain bits of the trade deal happen. It is nothing to do with ratifying the trade deal, it is just to get—

Anne-Marie Trevelyan: No, the system is in place for that.

Q229 **Mark Garnier:** Brilliant. So, if that wasn't there, you would be 100% in control of the process and, therefore, you would be happy to give us 15 or 30 days, or whatever you can.

Anne-Marie Trevelyan: Absolutely.

Q230 **Mark Garnier:** That is great. That is positive working with us.

What I am trying to get my head around is what leans on what. Does CRaG have to be triggered in order for the enabling legislation to go through, or does the enabling legislation have to be moved before CRaG can be triggered? That's what I am slightly confused about, and I think it is quite an important point. If CRaG has to be triggered and completed before the enabling legislation goes through, and the business managers put it through as the first Bill of the new Session, you have to crack on immediately—

Anne-Marie Trevelyan: With CRaG?

Q231 **Mark Garnier:** Yes. Have I got that right? Does CRaG have to be triggered and completed before the enabling legislation can be passed through Parliament?



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Anne-Marie Trevelyan: Yes. CRaG is set in stone—if that’s the right way to describe it—and obviously that is the process it has to go through, which is why we want to be getting on with it as quickly as possible. But I am very comfortable writing, as Mr Russell-Moyle said, so that we can try and land that. What I don’t know is where those who are drafting the schedule want to put us.

Q232 **Mark Garnier:** Exactly right. Your problem is that you are held hostage to the business managers of the House.

Anne-Marie Trevelyan: In the nicest possible way, yes.

Mark Garnier: Yes, of course. We all are—

Lloyd Russell-Moyle: We are all held hostage.

Q233 **Mark Garnier:** There is an interesting point here. The business managers could schedule it, and then we scupper CRaG. The House can then, in theory—

Anne-Marie Trevelyan: There’s a thought. I’m hoping that there is enough good in this that your intention is not to bring down the treaty.

Lloyd Russell-Moyle: CRaG only delays it by 21 days. It doesn’t bring down the treaty.

Anne-Marie Trevelyan: Indeed. That is also partly why I don’t want to commit to something that I am simply not in control of, because this is the first time we are doing this.

Chair: We’re back to the point of the conversation with them—

Anne-Marie Trevelyan: Precisely, so let’s do that. Bluntly, this is a learning process for all parts of this system because it is the first time we are doing this.

Q234 **Mike Wood:** Presumably, if we need three weeks for the CRaG process, the business managers will know that, actually, it can’t be the first Bill laid in the new Session—because, obviously, it needs to be at least a month in. What advice have you given the business managers as to the very earliest point that this legislation can be brought forward, beyond three weeks into the new Session?

Anne-Marie Trevelyan: I haven’t had those deep conversations—I am looking around to see if any of the Clerks’ teams have had them. I am not aware of them, but I can find out. Those were discussions that we had during the PBL discussions earlier in the year, when we were asking to be able to bring this legislation forwards. We talked around the issues that we had. Again, because this is the first time that we are doing this, we are all working together to try to get there. I think the best way forwards is Mr Russell-Moyle’s very good idea to write and restate your requirements and timeframes and why those are important, while obviously fitting in within the CRaG process, which is already embedded in the system.

Q235 **Mike Wood:** I appreciate that officials are working to complete the



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section 42 report as quickly as possible. Have they been given any hard deadline that would be necessary for the business managers to have the freedom that they need?

Anne-Marie Trevelyan: I haven't set a formal deadline. I have indicated clearly that pace is important, this being, as we are describing, another really important peg in the journey.

Q236 **Mike Wood:** But if the business managers were planning on a Second Reading of your implementing legislation in early June, wouldn't there be a danger that the section 42 report might not be completed in time for when you would need to trigger CRaG if you don't have that kind of deadline?

Anne-Marie Trevelyan: Your point is well made, which is why, as I say, at this point I cannot give precision, but every part of the machine is working at pace. I am happy to write and I am sure, Chair, that you will write to the relevant authorities as well and reiterate these important timing issues.

Q237 **Mike Wood:** Do you have any indication at all as to when, over the next few months, you would expect the CRaG process to take place? Leaving aside the section 42 report and when you expect the primary legislation, do you have any idea of when you expect that three-week CRaG process to be for the treaty to be laid for ratification?

Anne-Marie Trevelyan: Not precisely but, as I say, we want to get the section 42 report—

Mike Wood: Or roughly?

Anne-Marie Trevelyan: Again, I don't want to commit to something that I can't at this point, because we are doing all these things for the first time, and I want to make sure that we do them thoroughly. Much like Dr Bartels said, we have asked for those scrutiny points, because I think it is really important that we do that, and I want to make sure that we try and flow through them as well as we can. I very much hope—I know that the Department are taking full note of the challenges that you are facing in doing scrutiny—that as we do this in a regular fashion in due course, we will be able to have a system in place that ensures that we can think very clearly about that timetable. But we are very much doing this for the first time. and because there is some enabling legislation coming in with that programme timetable, we are developing it as we go. So I don't want to commit something to you that I can't meet because it is outside my control, but let's continue to work together to see if we can help the process to be as smooth as it can be.

Q238 **Chair:** It is the same Government. It looks like you are telling us that the Government could land the timetable on a Department without the Department being ready for that timetable, and that seems very strange. I think there is some managing to do between Government Departments and within Government. I understand that the legislation can be laid and passed when the CRaG process is ongoing, too. Really the message is



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very clear from here—

Anne-Marie Trevelyan: It is very clear, and we will write.

Chair: It should be your own team. We're trying here, cross-party, to not make this political; we're trying to get a timetable of 15 days for the good of scrutiny of these things, as was agreed beforehand—adequate time. For months, we have been asking, and now we have spent half an hour on this, which is unnecessary really. But I think the views have been made very clear, across at least three political parties and probably more. It's not a political issue; we are agreed on this as a Committee. We are looking for you to sort the House authorities, with our support, to make sure this is done properly.

I now move you on to Mr Mick Whitley, who has other matters to start raising.

Q239 **Mick Whitley:** Good morning. What impact is the trade disruption caused by the Russian-Ukrainian conflict having on UK agrifood imports, specifically with reference to grains and fertilisers? How is the DIT working with importers to ensure minimal disruption to UK food supplies?

Anne-Marie Trevelyan: Of course, the illegal invasion of Ukraine is causing Ukraine some really big challenges; there are big areas of their country where they simply cannot plant this spring. We are working very closely with them, as are other Governments located more closely to Ukraine, to help them to think about how to maximise things.

To your particular question, our UK food supply chain is very resilient. We are indeed seeing some price rises, largely at the moment driven by energy costs around fertilisers, and also some disruption because of things like wheat, which does not particularly affect the UK market, but also the sunflower oil area, which will cause some disruption in our markets as well. But our UK food supply chains remain very secure, because we have a very diverse supply of imports from around the world, and of course quite a lot of domestic resilience as well.

DEFRA lead on that particular question and on thinking about UK food supplies. It is working very closely on that. I was talking to Minister Prentis about this last night to get a sense of where DEFRA is at. Every Department is working very closely with the Ukrainian embassy in London, which is incredibly grateful for the UK's leadership and support in many areas. From a domestic perspective, we want to mitigate the impacts.

If we turn that on its head, for UK businesses that are exporting to Ukraine or were exporting to Russia, we have provided—it is DIT's lead—support through our export support service to help them find alternates within their own supply chains. Of course, this disruption is affecting many supply chains, which are long and were often not fully understood by UK business until now. My DIT team and trade teams are working to support businesses—particularly those that are looking at those export markets—and we are working closely with DEFRA to support them. Obviously, on fuel and fertiliser, particularly for our farming communities, as opposed to



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the wider agrifood sector, close work is being done by DEFRA to support our farmers and find alternative sources to help them mitigate some of the costs and disruptions.

This will sadly continue to be a challenge. We are very focused on it, and we are working closely with the Ukrainian Government to support them and think about how we can work with them to find solutions.

Q240 Mick Whitley: You have reportedly refused to unilaterally remove tariffs in response to the rise in prices, purportedly because it diminishes leverage in trade negotiations. Why do you value the leverage you have in FTAs and talks over changes that could make a real difference to the millions of people struggling as a result of the cost of living crisis?

Anne-Marie Trevelyan: There are two areas to highlight. You may have seen yesterday that we liberalised all tariffs on goods coming from Ukraine into the UK in order to support Ukrainian trade.

On the wider question of liberalising tariffs, we usually have tariffs for defensive purposes—to protect our industries, historically and looking forward. As we negotiate with particular countries, we would consider reducing some tariffs for good, beneficial trade improvement, in the same way as we would ask them to reduce their tariffs to increase bilateral trade opportunities in particular sectors. I am very conscious that if we unilaterally reduce or take away tariffs, other than for somewhere like Ukraine, where we have done it for a specific reason—

Q241 Mick Whitley: There is a split in the Cabinet over this, isn't there?

Anne-Marie Trevelyan: No, not at all. Across every Department, we are all focused on thinking about how to use the tools that we have in our Departments and the interfaces with our constituents to find ways to reduce costs and strip them away. Tariffs are a tiny proportion—0.4%—of the cost of living, so they are not the key area. The important thing that DIT is doing is building out with FTAs and finding new markets with more choice for consumers. That is where it has real value in helping bring down the cost of the shopping basket and other aspects of consumer spending. That can bring prices down. As we do great trade agreements with countries, we strip away those costs and the consumer gets more choice.

Q242 Mick Whitley: To what extent is food security integrated into the Government's trade policy, including its approach to negotiated trade agreements?

Anne-Marie Trevelyan: Having been Secretary of State for International Development, I am acutely aware of the different levels at which trade policy can have an effect on food security around the world. At DFID, we worked very closely with African partners, in particular, to think about how we could help them, through trade policy, to grow their own food security and build their economies.

On food security, we are taking a leading role in Geneva at the WTO. We are cohering voices to think about the challenges of the impact on Ukraine, such as the reduction in their capacity to plant wheat this year,



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on the global food security challenge. We are looking to try to get a decision that will prohibit the use of export restrictions against humanitarian purchases made by the World Food Programme, for instance. A large proportion of Ukrainian wheat was shipped to Egypt, Yemen and other parts of north Africa—there are some really big risks for those countries—and, of course, a huge proportion to the World Food Programme, which reaches wherever need is most urgent.

We are urging other WTO members to commit to keeping their agrifood markets open, rather than—in worrying about their own food security—closing them completely. We want to avoid those export restrictions, which would mean that something like the World Food Programme could potentially not meet its obligations and those urgent challenges wherever they land as the year progresses. There is a lot of work going on multilaterally, such as at the WTO, and the UK is trying to provide the strongest leadership. The Prime Minister, as I am sure you are all aware, is absolutely committed to using every tool we have to ensure that these issues do not destabilise more than they already have.

Q243 Mark Menzies: Briefly on the back of that, Secretary of State, you and the Prime Minister have acted rapidly and decisively in taking tariffs from Ukraine off, and that has been warmly welcomed by the leadership of Ukraine. What other efforts can we make on this front, either through the WTO or other organisations, to get other countries to do the same to help support the Ukrainian people at a time of crisis? The fact is that we have done it and, as with many other things, we are first out of the blocks. That is great, but we need to encourage others to follow suit, so what efforts are being made on that front?

Anne-Marie Trevelyan: You are completely right, and it has actually taken us a couple of weeks to work through how we could do it, and we are going to do it through our existing FTA. We have the ability, therefore, to do this at pace because we have an existing FTA. I will be calling together my G7 counterparts and other trade Ministers in countries that have already demonstrated a level of support for Ukraine in various ways. I will challenge and ask them to think about how they too can liberalise and help Ukrainian economic flows continue and how they can support all their industries through whatever relationships they have with Ukraine.

We are looking to bring that group together in the next, I hope, few days and then push on with that. As we continue, as you say, to lead in sanctions—with the lead from the Foreign Office in terms of sanctions, the Treasury on financial areas and DIT around those trade sanctions—we need to look to see whether there are other areas where we can reduce Russia's ability to raise funds, because we need to do all we can to stop Putin funding his illegal war, and how, as a global family, we can support Ukraine. We will continue to do that.

I hope in the next few days to draw together my counterparts to encourage them and set out that where countries do not have an existing FTA, they will have to think about different ways to do that. Of course,



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that is one of the challenges, but we are really giving that encouragement as much as possible.

Q244 **Chair:** On that point of the FTAs, just to follow up on Mr Whitley's point and Lloyd Russell-Moyle's, you did say that there would be no reduction of tariffs unless an FTA was in place, because the battle we have heard of within Government has been a battle of either tariffs or the cost of living crisis that Mr Whitley mentioned, but your position is not to remove any tariffs to help people unless there is an FTA first—

Anne-Marie Trevelyan: No, no. As I say, we are looking—

Q245 **Chair:** You will remove tariffs without an FTA; is that what you are saying?

Anne-Marie Trevelyan: In the case of Ukraine, we have liberalised tariffs—

Chair: No, I am talking generally; I am not talking about Ukraine.

Anne-Marie Trevelyan: Generally, we are looking at where the impacts land. We have very few tariffs anyway—relatively speaking.

Chair: So some tariffs might be removed; some might not. I just want to understand because it is a double-edged sword.

Anne-Marie Trevelyan: We are looking across the piece at where there might be things we want to do on a temporary basis on the cost of living and other issues, but in terms of Ukraine, we are using the FTA because we have one.

Q246 **Chair:** So there could be temporary tariff cuts to help the cost of living crisis; is that what you are saying?

Anne-Marie Trevelyan: We are looking across the piece to think about how we could do that, but also bearing in mind that there is a reason why we still have a tariff. We are not a country that is protectionist. If we have a tariff, it is because it has come in place to protect an industry.

Q247 **Chair:** It is the first time I have ever heard of a temporary tariff, but that is—

Anne-Marie Trevelyan: But you can change within an FTA for specific reasons, like Ukraine's—

Chair: But even outwith an FTA, you might—

Anne-Marie Trevelyan:—which is why we are looking at it, because it is quite a complex area, and breaching WTO rules, and so on, is something that I won't be doing.

Chair: But what I am understanding is that even without an FTA, you might bring in a temporary tariff—



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Anne-Marie Trevelyan: So we are looking at all of these things because I have committed to the Prime Minister that we are all looking across all our Departments.

Chair: Lloyd Russell-Moyle, in you come.

Q248 **Lloyd Russell-Moyle:** Thank you very much, Chair. In October 2020, your predecessor said that the Government's trade policy was value-driven. In the light of that, what, if any, impact will India's neutrality on—and in some regards, soft support for—the Russian invasion of Ukraine have on a UK-India free trade arrangement?

Anne-Marie Trevelyan: That is a really good question. As we have set out already, a little, the UK is really leading the way on trying to both demonstrate positive support for Ukraine and, indeed, do all that we can, as the UK, and we have been working in concert with the US and the EU, in particular, to find ways to really reduce—and stop, where we can—Putin's ability to access finance to fund his war. However, every country takes a position and, as you say, India has taken a neutral position.

The Prime Minister was out, last weekend, helping champion all the work that my team are doing to move forwards on an India FTA. Of course, the FTA is all about trade. Also, the FTAs that we are building are about thinking about trade and, in future, the areas that we want to work. In the areas where, historically, FTAs have been very goods-focused—a very straightforward movement of goods—we are trying to lead the way in thinking about what this looks like. We are looking at innovation and thinking about digital questions, but the—

Lloyd Russell-Moyle: These are long-running issues.

Anne-Marie Trevelyan:—the key is that trade deals are not the tool for, if you like, the broader diplomatic agreement discussions. Those continue, and trade is incredibly important; I think you are all parliamentarians who believe in the power of trade, and that the growth it brings has real value.

Those continuing discussions around areas of policy difference, whatever they might be, will continue, but all we will continue to do is encourage everybody to think about how their relationships—with Russia, as we say, or indeed with the Ukraine—can be enhanced or reduced to bring this war to an end as quickly as we can. However, our negotiations with India are in the relatively early stages. It was great to have the Prime Minister go out and champion them and, indeed, highlight some of the mutual investment that is going, which is really exciting. Those discussions will continue.

Q249 **Lloyd Russell-Moyle:** All of that was long planned. The Prime Minister's trip to India has been long planned. I mean, it has been suspended twice.

Anne-Marie Trevelyan: Yes, bless him. Yes.

Lloyd Russell-Moyle: I am not questioning our ongoing relationship with India in that sense, or the desire, probably, for a free trade deal,



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eventually, with not just trade but a full economic partnership. My question is, has anything changed in that relationship or strategy, post Ukraine's invasion by Russia, because of India's neutrality—or is that not a negotiating issue within trade, and is just being dealt with in the diplomatic sphere?

Anne-Marie Trevelyan: On the trade track, if that is the way to talk about it, the team are in fact out there this week. They are in India this week, moving into the next stage—looking at the various chapters where the areas of agreement are, and indeed looking at text already, which is really exciting.

Q250 **Lloyd Russell-Moyle:** Do they have a mandate from you to be raising, within that trade track, the issues of Ukraine and Russia to ensure that that is part of a trade deal?

Anne-Marie Trevelyan: No. They have a very clear mandate to continue discussing the broad range—as I said—of trade issues that we want to see in a trade deal with India, and, as the Foreign Secretary set out just recently, this much closer broad defence and strategic economic partnership with India, which the UK is keen to do. In that arena, there are broad discussions ongoing. In fact, Jeremy Quin, the Minister for Defence Procurement, has been out in India for the last few days, talking to his counterpart. So, there are lots of different tracks going on, but for the trade relationship—the FTA position—we have a mandate from across Whitehall, and the team are cracking on with making progress, and we will see how we go. We hope we can make good progress. We may yet encounter challenges.

Q251 **Lloyd Russell-Moyle:** Values driven, but no regard currently for the Ukraine issue in India.

In February, Politico reported that DIT was in discussions to set a date for ministerial talks with China via JETCO. What changed in our relationship with China to instigate the resumption of talks, particularly with regard to the Russia-Ukraine war, where China has been even more supportive, and the ongoing issue with Uyghur Muslims? What has changed to suddenly make us start opening up the idea of talks?

Anne-Marie Trevelyan: We haven't suddenly started opening up talks. Those talks existed—

Q252 **Lloyd Russell-Moyle:** So you are not in discussions for a date.

Anne-Marie Trevelyan: Yes—we have been looking for a while now. China's capacity for those conversations is limited. As we are seeing, they are still in a very difficult economic situation because of their management of covid. JETCO is kind of an established dialogue tool and there are ways to look at strengthening trade and investment. We have nearly £100 billion bilateral trade with China. It is a really important market for us, both in terms of our imports and our exports with them. The JETCO is a place where you can have conversations about specific market access barriers and other issues that you might want to discuss, which are raised with us by UK businesses.



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Q253 Lloyd Russell-Moyle: So there is no link to the ethical behaviour of China with Uyghurs or their relations with Russia within the JETCO framework.

Anne-Marie Trevelyan: Again, to the earlier point about India, those wider issues are discussed. We have very strong relationships and discussions with our businesses about their supply chain issues. The JETCO process is a dialogue. We haven't had one for a couple of years—that is, bluntly, because of covid and the capacity issues there.

Q254 Lloyd Russell-Moyle: So it wasn't because of the ethical nature of China that they had stopped; it was just because of covid.

Anne-Marie Trevelyan: It was the logistics of trying to get anything going. We want to have that. I have many UK businesses who want me to be raising lots of issues. We are in discussions to try to find a date to do that, but we haven't got one yet. I think they are in a very narrow place.

Chair: Thank you very much. Mike Wood has the patience of a saint. He is waiting, ready and poised to come in. He is also going to demonstrate how to do this quickly—to show other Members how it is done. On you go, Mr Wood.

Q255 Mike Wood: Going back to India, the Government have previously said that they are considering an interim FTA and were hoping to have one in place by mid-April. Obviously, we are now in late April. Last week, the Prime Minister said he wanted a trade deal with India done by Diwali in October. Is DIT still considering an interim agreement? How would that relate to a full FTA?

Anne-Marie Trevelyan: We've always been open, from the beginning when we decided with our Indian counterparts that we really wanted to try to move forward on this, to whatever that route might look like. The interim agreement is a tool that others have used before and is something that they have thought about. In fact, they have just completed deals with Australia and the UAE, and I think their mindset has changed. Bluntly, their teams have had a focus on those two deals, quite rightly, because they wanted to get them done for political reasons of their own with those particular countries. The idea of working at enough pace to get to an April interim agreement slightly fell away by virtue of resource capacity within their trade team.

Having now had two rounds of talks with their team—they are a fantastic team, actually—there is a sense that we probably can do more than perhaps those early conversations when it was felt that the pace would only get us to an interim agreement. That is why we have all set ourselves the challenge of seeing if we can draw what can be the broad FTA that both parties want to see through the course of this year.

The teams are now going at pace. Their negotiating team now has more capacity to really focus on the UK one because they have completed the other two that were in the mix for their team.



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Diwali seems like a good landing point. All of us as politicians know that if you provide a political anchor, it helps drive the energy. But we may yet come across areas of disagreement that we need more time to move on. While our respective Prime Ministers have given us that landing zone and the teams are very keen to make progress, and there is real optimism and effort on both sides to do that, we will hope to do so but should we come across bumps in the road, we will deal with them accordingly. I am very clear that what we want is a really good deal for the UK. There are some clear areas that UK businesses have pointed out to us through the consultation process; we have had very strong voices on what could be a great improvement. We want to make sure that we achieve that. We want something broad, balanced, and good for the long term—that is really important.

Chair: Thank you, Mr Wood; that was excellent.

Q256 **Martin Vickers:** I shall be equally brief. Secretary of State, the National Audit Office has recently recommended that trade strategy should be brought together in one place. Do you intend to follow the NAO's advice?

Anne-Marie Trevelyan: The way we want to make progress is to have something that is dynamic and agile. We want to be able to look at the bilateral relationships we are building and give a real focus and priority to specific countries, or—in the case of CPTPP—a trade bloc. I do not want to be in the position where we have written our trade strategy, and so that is what we have to work with. Actually, the world moves. We look at areas of new business and how our unicorns want to find ways to free up digital trade so that those areas can become big new export opportunities. I want to be able to have those flows and that flexibility. I do not want to embed something that will become out of date immediately.

What I want to do is make sure that we are harnessing the voices of all our businesses and going out and championing what it is that they need to build their markets. Some of those markets are very established, but many, in particular those in the Indo-Pacific tilt, are new and growing markets—growing at real pace—and we want to be part of them. I want us to have the flexibility and agility to do that. The breadth of the Australian and New Zealand trade deals demonstrates the areas that we want to both talk about and pitch and agree with those that we are looking to do FTAs with. I do not want to embed something that becomes historic; I want to always have the fluidity to allow us to move forward. The Government are prone to being behind business at the best of times; I want to do my best to keep up and help them have the tools they need to maximise export opportunities. We don't export as much as we could yet. It is really important to me that we have the FTAs, and all the other tools we use to strip away market-access barriers. It is not only the FTAs; the teams are constantly working, and we stripped away nearly 200 barriers last year. We need to have that fluidity and to work alongside business to open up those markets.

Q257 **Martin Vickers:** As you just mentioned, if we want to increase our exports—which we're all agreed upon—would you acknowledge that



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different sectors, such as agriculture or environment, need a clarity of focus as to what the Government's objectives are? That is clearly what the NAO was getting at.

Anne-Marie Trevelyan: I hear that, but we have our DAGs and STAGs with which we have this constant conversation—speaking about sectors. As I say to everyone, my door is always open; please come and say if there is an area that you want to be leaning into that you feel the Government have not focused on. We have this amazing team around the world. It is a team of 5,000, and more than half of them are elsewhere—not in the UK—reaching out and finding those markets and joining up those networks. That is what DIT brings to the party that wasn't there before—a really dynamic ability to work with businesses. That is what we want to ensure we are pushing on with, whichever sector it is. We have brought in our new agriculture specialists as part of that team to help drive that, because the opportunity for agriculture exports is great. We have some of the best products in the world, without a doubt, and we want to make sure they reach far and wide. However, we want to be able to do that alongside business in an agile way. That is what we will continue to do.

As we have seen, new challenges arise, and we want to be thinking about different markets. We had a gathering of SMEs yesterday with Ambassador Tai, so that she could meet some of our brilliant SME exporters. One of them had been looking at a couple of countries but contracting was difficult and they couldn't find the right distributors in that vicinity. It was one of the DIT advisers who said, "Have you considered looking in—?" I cannot remember what state they suggested in the US, but our team knew there was a real opportunity for this SME's products there. The team in the States were then able to help them find a good distributor and bring them away from that rather grim experience they had had where they had nearly been caught out, and build that. Our advisers are there to help bring people into the practical parts of "Well, I don't know how to export to Colombia or Saskatchewan" and help us to make those practical links in their particular sector. We continue to hone that, but we are very much at the heart of what businesses are looking to do. We are working with them; I was in the City this morning, talking at City Week with the fintech industry. Those are incredible areas, and we want to be at the heart of that, working with them, because otherwise we are not providing them with what they really need.

Sorry—he was quick, I was slow. I am sorry about that—50% success.

Chair: Gold stars to Mr Wood and Mr Vickers but, Secretary of State, your gold star is still in the box.

Anne-Marie Trevelyan: Not so much. I am still working on it.

Chair: Must do better. This time, with Lloyd Russell-Moyle, I am sure it will be displayed and demonstrated.

Anne-Marie Trevelyan: On both sides.



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Q258 Lloyd Russell-Moyle: The Board of Trade’s green trade report says, “this report does not reflect government policy.” You referred to the green trade report as a source of DIT trade objectives. You are the President of the Board of Trade, and you are its only member. It is therefore a report published under your name that you say reflects DIT trade objectives, so how does that square with it not reflecting Government policy? Can you just tell us exactly what the state of Board of Trade reports is? I am a little bit confused.

Anne-Marie Trevelyan: The Board of Trade is an extraordinary thing. It is ancient, and it has had many iterations and spaces within the British government system.

Q259 Chair: Are you still the President of the Board of Trade?

Anne-Marie Trevelyan: I am the President of the Board of Trade. You may refer to me as Madam President any time you like.

Chair: Yes, Your Excellency.

Anne-Marie Trevelyan: It is a source of enormous entertainment between Alok and I on the subject.

Chair: Presidents are known to be brief.

Anne-Marie Trevelyan: Really? Are you sure?

Chair: Yes. Biden, Obama—

Anne-Marie Trevelyan: Both. The role as it exists now—it was reinvigorated when the Department came into being a few years ago—is to have the opportunity to draw in advisers. The advisers who sit on the board are not remunerated; they genuinely give their time. They have expertise, and we have a wonderful collection of trade experts in all sorts of areas. We bring them together, and they work with some of my officials to drill down into any particular area of potential interest. For instance, last summer, my predecessor asked them to look at green trade and range slightly more widely—not to write, if you like, a blueprint for policy, but to look across the piece at what trade could mean in a particular sector. We have just published one on maritime, for instance.

Q260 Lloyd Russell-Moyle: So the green trade report was actually written, not by the member of the board, but the advisers of the board. It is a reflection of what the advisers are thinking.

Anne-Marie Trevelyan: It is a reflection of the advisers’ perspectives and wanting to bring together their views on a specific area of trade, which then gives me—and, indeed, the Department and other stakeholders more widely—the chance to think more widely about that. For green trade, for instance, Government policy continues to develop as we drive our net zero agenda. How does that affect trade and the UK’s ability to lead that at a trade level and a business level—to not only export domestically, but across the world?



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Q261 **Lloyd Russell-Moyle:** All good. I am trying to get on to the content. The reports—not the content—are, more accurately, not reports of the Board of Trade. They are submissions from the advisers to the Board of Trade, which is you.

Anne-Marie Trevelyan: They are members of the Board of Trade as advisers.

Q262 **Lloyd Russell-Moyle:** They are not members of the Board of Trade. You are the only member of the Board of Trade; they are the advisers to the Board of Trade, so it is a report from the advisers to the Board of Trade, which you have accepted.

Anne-Marie Trevelyan: Yes, I suppose that is accurate. It is a uniquely quirky construct in that sense.

Lloyd Russell-Moyle: You have accepted the green trade report, for example.

Anne-Marie Trevelyan: Yes. It was very interesting.

Lloyd Russell-Moyle: At what point, when the President accepts it—the Secretary of State accepts it—does it become Government policy, or is it just published for noting?

Anne-Marie Trevelyan: It does not become Government policy. It is a report in the way that others might do so. It is there to help me, and indeed I share it widely with my colleagues, to think about how the importance of trade is reflected in the decisions we make elsewhere.

Q263 **Lloyd Russell-Moyle:** With other reports that you receive from advisers, often the Department will issue a response note to say, “This is how we are responding.” You respond to us, as you respond to lots of others. Will you consider doing that for the advisers’ report to the Board of Trade so that we can know what parts of that report the Government have adopted and accepted?

Anne-Marie Trevelyan: It is not there to be adopted or accepted. That is not its purpose. It is a unique construct. The reports are published and—

Q264 **Lloyd Russell-Moyle:** Reports are not there to be adopted, but you write back to us formally to say, “This is what we agree, and this is what we do not accept.” With the green trade one—

Anne-Marie Trevelyan: It isn’t in the formal process in that sense. That is why I say the Board of Trade is a unique, quirky, ancient—

Q265 **Lloyd Russell-Moyle:** They send this report to the Board of Trade, and the Board of Trade then just does not respond.

Anne-Marie Trevelyan: It is drawn together and published. We think about how we help—

Lloyd Russell-Moyle: It sits in the ether.



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Anne-Marie Trevelyan: Yes, we will go with “sits in the ether.” I could certainly write more fully my views on it. I don’t think there is—

Chair: I am going to have to chair this Committee—

Anne-Marie Trevelyan: It is a really interesting challenge. Let me take that away and think about it.

Chair: Excuse me.

Anne-Marie Trevelyan: Sorry.

Chair: Mr Mangnall is next.

Lloyd Russell-Moyle: I think it would be very useful if the Secretary of State did outline in a short note her responses to the Board of Trade report.

Chair: Let’s move on.

Q266 **Anthony Mangnall:** Do you ask your advisers to come forward on a report of this nature?

Anne-Marie Trevelyan: Yes. We gather, we discuss.

Q267 **Anthony Mangnall:** But you give them instruction.

Anne-Marie Trevelyan: Yes, and then we say—

Anthony Mangnall: You say you want a report on this topic and they go away and write it.

Anne-Marie Trevelyan: Yes.

Q268 **Anthony Mangnall:** You set the homework, you mark it yourself, and then it becomes Government policy.

Anne-Marie Trevelyan: No, it does not become Government policy. That is the point. It is a set of advisers looking at trade policy and bringing together their deep, deep knowledge, and, if you like, challenging—Often it generates more discussion from many of the wider stakeholders in that particular sector, all of which helps to push forward Government policy more widely in the long term, but they sit uniquely aloft.

Q269 **Mark Garnier:** May I follow up on the conversation you had with Martin Vickers about export performance? When I look back to the creation of the Department back in 2016, when I was at the foothills of my ministerial career, which turned out to be shorter than I was expecting—

Anne-Marie Trevelyan: You never can tell in this business.

Mark Garnier: I think you can, actually. One key thing that we identified as a big problem was that the UK was a very poor export performing nation. Our exports as a percentage of GDP were about 28%, and that made us the second-weakest export nation in the European Union. We identified that a country like Germany was something we should aspire to.



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Its exports were about 48% of GDP. When we set out the key strategy, before we started doing everything else, we wanted to help the UK's current account deficit by bringing more money through exports and also through foreign growth. Those are two things to do with the current account deficit. The reality of it is—you are lucky in this case because I think you started your job only on 15 September last year.

Anne-Marie Trevelyan: Yes. Indeed.

Mark Garnier: So you are only responsible for the bit going back to the middle of September last year, but the reality of it is this. The Department, in terms of trying to promote exports, has failed to boost those numbers. If you look at the data, the value of our exports has been plus or minus a few billion from about £460 billion since 2015 and has not really moved. Importantly, since 2019, the value of exports as a percentage of GDP has fallen by 12%. When you look at UK exports compared with the rest of the world, everybody had a problem in 2020 with the pandemic, but the rest of the world has now got back on track, where you would expect it to be, and we are now stuck quite low down.

I do not want us to get bogged down in an argument about Brexit and our trade with the European Union, because that is a bit of a red herring. I am really interested in what you think has gone wrong with the Department. The ambition was very, very clear in 2016 to boost exports.

You have discussed excellent individuals who are out there promoting worldwide, but the reality is that, by any measure of success, in the last six years the Department has singularly failed to promote exports in this country. What do you think is going on, or not going on?

Anne-Marie Trevelyan: I cannot speak to the Department's previous activities. You raised the point about the complexity of the last—

Mark Garnier: I take responsibility—I was there for two years, doing exactly this. As a Minister, I have to take responsibility for that.

Anne-Marie Trevelyan: This is a very complex puzzle, as you know well, Mark. In the last couple of years there have been many challenges, and they keep coming: changes in our relationship with our EU partners through Brexit; disruption to norms; a pandemic; the closure of great swathes of markets; the impacts on supply chains; and the continuing disruption of that, alongside more impacts. Going back earlier—

Mark Garnier: But that affects everybody.

Anne-Marie Trevelyan: Indeed, that's right, but differently because we all have different flows, so different things. I cannot speak to that longer-term reason. What I did when I came into post in September was to say, exactly to your point, that we need to be doing better and looking strategically across the piece. That is why we published the export strategy, which has a new lease of life and some much punchier focuses on how we can help.



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One in 10 of our businesses export. One in seven could in a flash—they would not have to do anything. There is an easy area of businesses we know have the right goods and services but they do not export, or are not doing it as much as they might. The export strategy sets out a 12-point plan; there are various tools from the export support service that we launched, which has been less busy, helping on the Ukrainian-Russian challenges in the short term but looking more widely to support that. The teams have a much more—aggressive is the wrong word—precise focus to help those particular businesses in those sectors to do more.

We have to keep working at it and drill down and understand why businesses that could do not, or businesses that have done in the past now do not, or indeed businesses who have not before tried it and then go, “Oh, it’s easier than I thought.” That is very interesting, as I meet businesses, particularly some of our SME export champions, some of whom I was with last night, who are always surprised by companies that do not export, because they say that you just need to know how to do it and you have your contacts in country. There is a disconnect there, which is partly what the export strategy is focused on: really trying to drive through and give that enthusiasm, and help make sure that organisations such as the FSB and the chambers of commerce can really help businesses that do not yet export or that do not do as much as they might.

Q270 Mark Garnier: They can help—I go along with that. At the Liaison Committee, when the Prime Minister was asked about this he said: “There is no natural impediment to our exports. It is just will and energy and ambition.” The problem is that, as you have said, there are astonishingly good people in post around the world. I cannot remember what it is—186 posts in 145 countries, if I remember the stats I used to trot off on an hourly basis. They do very well. But you have to get the businesses. It is a fundamental problem that we have in this country.

If you look at a comparison with Germany, which through its apprenticeship programmes and trading in all this kind of stuff, talks a huge amount about taking the product to market, and that includes your export market. We do not have any of that. If you look at the penetration of chambers of commerce, where we deliver some of this export support, I think the chambers of commerce have just 3% or 4% penetration into businesses in the same area. I have 3,500 businesses in my constituency, and I think a handful of them are members of the Hereford and Worcester chamber of commerce, and that is where you get this brought up.

The reality is that this is a problem of promoting the concept of taking your product to market, where the market is overseas. But for six years, there have been strategies and all the rest of it, but it has not actually changed. This is a real problem. If we are going to deal with our current account deficit and start taking advantage of global Britain and going out and the post-Brexit opportunities, more needs to be done.

What I am looking for from you, Secretary of State, is fresh thinking of how to promote this concept. There have been websites—I have been



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involved in a whole load of this other stuff. It is all very good, but when I meet businesses, they still do not have any idea about the concept of taking their product to market beyond the next town or the next county. I want to hear reassurance from you that you will get a grip of it and change it, beyond having another strategy. How are you going to put it in place?

Anne-Marie Trevelyan: The export strategy is not a document that sets out policy. It is a whole series of tools that are there to reach out to business, saying, "Right, come on. Let's do more." There are those who lean in quickly and take advantage of those tools—that is fantastic, and they often do more trade. What we are asking, actually, is to work in concert with them, and our export champions are becoming a much more important part of that, which is to have that business-to-business conversation, because there is only so much a Government can say, "Come on, do more." At the end of the day, you have to decide—you are already running an SME, you have a staff of 50, you have plenty of contracts and you are busy—the next stage of choice in terms of having those relationships in the right country, where your product or service might find a new market, and how you get through those stages. Those relationships are really important.

We are also looking at a big-picture level and being much more focused and co-ordinated in our Government-to-Government work, which is something that the UK has not done historically, except in the defence space, which has always existed, for obvious reasons. We are looking to make that a much more holistic way of doing business, so that we can reach in more easily to those much bigger contracts with the construction industry and some of our world-leading service sectors and make it easier for them to reach in and build those G-to-G relationships. Again, that is a new tool that we are bringing together. Across Whitehall, it will be a signpost to say, "Think about this. This is a new way of doing business."

As a Government, we are going to be much more forward leaning with countries and say, "What you want is UK world-leading businesses in x or y sector." It is a new way of thinking, and there is a much more proactive Government lead on that. But at the end of the day, we need to be helping all those bodies, to your point about the chambers. The FSB are amazing, really interesting and very active in this space now. They are really wanting to try to energise their small businesses to do that. We can provide the tools and, as you say, these amazing people who know really well where those in-country opportunities lie. It is a concerted effort across the piece, for which the Government can provide quite a lot of the tools and the leadership, but we also have to be energising right the way through the system.

Mark Garnier: We'll have you back in six months.

Anne-Marie Trevelyan: We will see how we are going.

Q271 **Chair:** The OBR originally thought it would take about 10 years of Brexit for trade to reduce by 15%, but that has happened in just over a year. It



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was reported in *The Guardian* that ONS data saw “a 12% fall in exports between January and December last year compared with 2018”. The report added that this demonstrated a greater percentage decrease in exports to the European Union than the percentage decrease in exports to the rest of the world. In short, Brexit is costing the economy more than the Department is failing. Or is it both?

Anne-Marie Trevelyan: As I was saying to Mark, the breadth of disruptions to the status quo have come thick and fast for businesses over the last few years.

Q272 **Chair:** What is the estimate of the cost of Brexit red tape at the moment?

Anne-Marie Trevelyan: I don’t have a figure that I can give you.

Q273 **Chair:** Okay—£13 billion is the figure that is given. This cost is added to exporters and importers. If you are adding £13 billion to the cost of exporting and importing, do you think your exports and imports will go up or down?

Anne-Marie Trevelyan: As I say, one of the challenges that we have, and obviously with the changes through Brexit—

Chair: Will the £13 billion put exports up or down, if you have that red tape? The UK cannot export a chicken leg at the moment without the same weight of paper to go with the chicken leg. If you have this situation, what happens, in simple trade terms, to your trade when you add this extra red tape?

Anne-Marie Trevelyan: What we are working to do, obviously, is to reduce any barriers. That is what the export support services has literally been set up to do.

Q274 **Chair:** What do you think Brexit has done to the barriers? Has it increased or decreased the barriers?

Anne-Marie Trevelyan: What has been really interesting—Mike Freer has led on this work—is to drill down and really understand where there has been a shift in sales for those who did export and do not anymore, and for those who are looking to do it. We need to really understand exactly what those are, so that we can work with our EU partners and think about how we do that as we are doing new trade deals.

Chair: I am going to move to Anthony Mangnall. It is clear that it is not immediately obvious to the Department what happens when you increase trade barriers.

Q275 **Anthony Mangnall:** If I may, I will very briefly go back to Mr Vickers’s question on India. India has done an agreement with the UAE and Australia. What do you know about the terms of those agreements?

Anne-Marie Trevelyan: They are quite different.

Q276 **Anthony Mangnall:** But do we know specifically what is in them? Have you seen the text?

Anne-Marie Trevelyan: I have not read the text.



Q277 **Anthony Mangnall:** Has your Department read them?

Anne-Marie Trevelyan: Yes, the team has looked closely. They are quite different. They have built new relationships that sit around some of the key areas that both parties in each case wanted to grow. They are not terribly deep and complex trade relationships, but what they demonstrate to us, which I am very encouraged by, is that India is genuinely serious about wanting to do modern, forward-thinking FTAs with nations. I think that is great news. As I have said, their negotiation team and ours are really cracking on and thinking about how the UK and India FTA will be as broad as it can be and will support all our businesses.

Q278 **Anthony Mangnall:** The reason I ask is because we have obviously successfully completed a digital economy agreement with Singapore. We learned from the Australia-Singapore DEA about how that worked. Are we using the same approach as they have taken with the UAE and Australia to formulate what we will do with India?

Anne-Marie Trevelyan: My chief negotiator is deep into moving towards this. We want to do a really broad agreement. Neither the UAE nor the Australian one is in any way of the breadth or depth that we are looking to achieve with India, which is why the teams are out there now on that third round. What has been really interesting for us is that we can—and are very comfortable to—share with India a lot of the text from our Australia and New Zealand deals. A lot of that is proving to be something they are keen to take up. I hope that we will be able to build something that is genuinely broad and deep and that our businesses can build on.

Q279 **Anthony Mangnall:** I welcome the point you make on that. When we visited the GCC countries, the agreement between the UAE and India had not been published. I am very happy to be corrected, but as far as I am aware, it still has not been published. Unless your Department has seen something that the Committee has not seen and that I have missed—again, I am very happy to be corrected—

Anne-Marie Trevelyan: I will find out for you.

Q280 **Anthony Mangnall:** On the DEA with Singapore, can you say a bit about how the agreement balances provisions that support, for example, innovation and free data flows against ensuring personal data protection and the ethical use of new technologies?

Anne-Marie Trevelyan: This is a great deal. It is the first one that Europe has done with Singapore, and I think it has been a great opportunity. When I talk to other countries, they are very interested in how we have got there. We have got there because it supports personal data protection by placing a requirement on both parties to have a data protection framework in place. We have one, and they have one. In that sense, we were able to bind that into an agreement in a relatively easy way. We have UK best practice, and we are not shifting that. We are very comfortable with our position. That is really important. It was able to work very well with Singapore. Personal data that flows outside the UK is protected by our legislation. As in other sectors, that is not changed by



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having a trade agreement. We have set those rules. Everyone knows that we have, if you like, created those red lines. The data protection standards for the UK are not lowered as a result of it, which is really important. Fundamentally, we got there, and it is something really punchy and powerful because we both have clear protections. The recognition of both our protections ensures that we have the data protection we want for our citizens and businesses.

Q281 Anthony Mangnall: Sorry to keep referring to Mr Vickers, but I know he has a question on advisory groups. You said in response to his earlier question that the Government are prone to being behind business. As I understand it, the Government consulted telecoms and technology stakeholders through its trade advisory groups, of which we have rather a lot, but not consumer and digital rights groups or labour organisations. If we are looking for what I believe to be a very advanced digital trade policy that is hopefully going to be benchmarked around the world, included in the CPTPP and other groups like the GCC, and attract other countries, why weren't we consulting those businesses? Why weren't they given the opportunity to have more of an active hand in your agreement with Singapore?

Anne-Marie Trevelyan: We engaged extensively with trade unions and businesses.

Q282 Anthony Mangnall: Through the trade advisory groups, but not the consumer and digital rights groups.

Anne-Marie Trevelyan: We have invited the trade unions to come on to a number of our advisory groups, and we are in discussion with them at the moment. Frances O'Grady of the TUC was with us in Aberdeen on Monday as part of our US-UK trade dialogues, which was great. When we had our first trade dialogue in Baltimore, some of the American labour unions had been invited to those talks. That was very much the first time in the US they had had labour unions and businesses in the room with Government talking together. So we have a system where we have obviously invited the unions to join us on some specific groups, but we engage with them directly as well, to make sure that we are gathering—and with every consultation before we launch into the negotiation of an agreement, we have the consultation programme. People are very happy to share their thoughts, which is really important, and we continue to encourage that as we do each of these new agreements.

Q283 Anthony Mangnall: Just going forward, then I will hand back to you Chair, do you intend to use in the future consumer groups and digital rights groups beyond the 21 advisory trade groups that you have?

Anne-Marie Trevelyan: As I say, through the consultation bit of the whole process, we encourage and ask everyone who has a view, an opinion or an anxiety—whichever one it is—to share that with us, so that the team has then got a really broad picture of where we want to take the discussions. That will continue, and obviously within the specific advisory groups we draw together a broad range of experts and leading voices from each of those sectors.



Chair: Now we go to our friend from Fylde—the great Mark Menzies.

Q284 **Mark Menzies:** Thank you, Chair. Secretary of State, in July 2021 your predecessor said that DIT would review the trade remedies framework as an urgent priority. It appears that changes have been made to aspects of that framework, but the review is ongoing. When will the review conclude and can you explain why the changes to the framework have already been made?

Anne-Marie Trevelyan: Yes. We have adopted the legislation, which enables me to call in transition reviews and indeed reconsiderations of reviews, which the TRA conducts. That is really important. That means that I have always got that greater oversight of a particular case and then the ability to decide on what I feel the appropriate measure needs to be, based on that evidence that they have brought in.

In March—about a month ago—I wrote to the TRA, calling in their reconsideration of the steel safeguard measure. I have called in that reconsideration, because I think it is strategically really important and it is an area that you will be aware of, with my section 232 tariff negotiations, which we successfully achieved. I am acutely aware of how we make sure that we get this right for our steel industry. It is critical to all that we do in every sector strategically, but also because of our green revolution, and the need for that and making sure that we are part of a global steel network that doesn't allow for bad behaviour; that is really important. So the TRA kind of assists in the case and then provides a report setting out its findings, which I can then look at again in more detail.

To respond to your point about moving this process forwards, having that call-in function means that I can now decide whether I want to vary, maintain or indeed revoke the measure, taking into account whatever the TRA's report findings are. So it is really important—critical, actually—that they do their thing independently and give me very blunt direction, but I will have that flexibility so that I can bring together all the evidence that I have and indeed, particularly in the case of the steel sector for instance, that strategic importance, so that I can ensure that I am making a decision that I believe will be the right one to move the sector forward, and ensure that whether those trade remedies need to be used or not is an issue that we look at holistically.

The TRA is a great team and I have been hugely impressed by the leadership that Simon Walker has brought. He has brought the team together and it is starting to become a really punchy organisation. Any business can go to them directly, with an "I'm concerned about...", and they just crack on. They will update me; I will get a note saying, "Just so you know, we're going to be looking at this area". They don't tell me where it has come from; I'm not privy, if you like, to that one. There is that really good arm's length relationship, but the team that they are building up, and their reputation with businesses that have a sense of trust that they are going to do a really good job, are really important as part of that trade remedies tool that we have for our businesses.



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Mark Menzies: That's great. Thank you.

Q285 **Chair:** The previous Secretary of State said that she would write to the Committee in July 2021 to give us an update of the exact scope and timeframe that will be followed, but the Department has not sent that information to the Committee yet. Will that dropped ball be picked up and rectified?

Anne-Marie Trevelyan: Noted.

Chair: Noted. Okay. Thank you very much.

Anne-Marie Trevelyan: Do I get a gold star for that shortest answer ever?

Chair: Yes. I didn't want to dwell on it too much, but it's absolutely excellent—brilliant.

Q286 **Mike Wood:** The 2018 export strategy set out an ambition to increase exports, as a share of GDP, to 35%. That target was not mentioned in the Department's 2021 strategy, but there is a new target to increase exports to £1 trillion by 2030. Has the Department abandoned the original, 35% target or has the new, £1 trillion target replaced it?

Anne-Marie Trevelyan: No. We published our refreshed export strategy—we were coming at it, as I said earlier, as something much more gritty and practical; it was less an intellectual analysis and much more a case of, "How do we get this done?"—at the end of last year, and we launched our domestic "Made in the UK, Sold to the World" campaign. That has been really interesting to watch as it starts to take root with businesses. It's great; it's really interesting to watch how they make it "Made in Dudley, Sold to"—pick a state beginning with D. It is really lovely to see the energy that is coming behind it, which is that understanding of what exports can mean. That relationship between communities is one we are trying to build, because trade is of course between people and people, between those old twinned towns—all those relationships. That is what trade is about, and we really want to try to harness it and give our businesses the tools.

In the export strategy, as I was saying earlier, the 12-point plan of different tools is about doing that. And the £1 trillion by 2030 is grittier and easier to understand and it helps us to work through this. But of course, one of the things you need to reach that number is some big trades. That is partly why we have brought in the new, Government-to-Government policy—to think much more holistically about how we can help those big contracts and shift the dial in that space, so that we can come up that big next step that we need to achieve to see those export numbers really climb in the way, as Mr Garnier challenged me, we haven't yet achieved.

Mike Wood: Thank you.

Chair: We are being brief all round. That's good. Martin Vickers.



Q287 Martin Vickers: Can we explore a bit the advisory groups that you have? We understand that there are at least 21. What is your view on streamlining the advisory groups to prevent overlap?

Anne-Marie Trevelyan: That is a really interesting challenge, Martin. I am of the view that people are willing to come and share their time and expertise with us, with a particular sectoral focus, and are very much part of the early thinking of policy making as we go forward if we are looking at a particular area, country, trade bloc or whatever. So I don't think I would want to shrink that. More voices, real expert voices, coming from the sectors and who either see the barriers or know the opportunities are really important for us to make really good, dynamic decisions to help move that forward. They are an amazing group of people who come and share their expertise with us, and I wouldn't want to reduce that.

Interestingly, I was at City Week this morning and talking to one of the team who are helping to bring together an international fintech group—don't ask me to understand half this stuff; it's completely beyond my capacity. They are bringing them together, working with some of my DIT team within the financial services space, so that we are making sure that we really are alongside them as we think about what we do, so that when we are going into negotiations or we are trying to deal specifically with a market access barrier somewhere, we really are at the cutting edge of what our businesses need.

We have genuinely world-leading businesses in so many sectors—across the piece—so they are incredibly important. So I don't think I would want to shrink that. Where we have an area, we want to bring in those who are going to genuinely look us in the eye—I'm very open to them telling us we're not doing it right or we're missing a trick. That is really important to us if we are going to get this right; the DIT is genuinely there to be an economic driver for the wider UK economy. So they are a great team, and as there is movement—new people come in and some people step away—we are getting, we are seeing, the lifeblood flow of those who are right at the front end of wanting to make sure that what we do, as Government, gives them the ability to do as much as they can.

Q288 Martin Vickers: I can see why you would want advice from all the different sectors, but going back to Lloyd's questions about your role as President of the Board of Trade, are these the same advisers who advise the President?

Anne-Marie Trevelyan: No. The Board of Trade is a small group of—in the nicest possible way—volunteers who are deep experts in something and who have been brought together over time. Secretaries of State have invited them to come in. It is very separate from the formalities of our advisory groups, who are formally invited to represent their business sector and to be part of the voice that feeds directly into the work that my negotiations teams do.

Q289 Martin Vickers: As you said earlier, the whole set-up is rather quirky.

Anne-Marie Trevelyan: It is. It is a wonderful, ancient—



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Q290 **Martin Vickers:** Since you are the only member, I presume you are in constant session, or do you have meetings with yourself?

Anne-Marie Trevelyan: Interesting question. To be fair, my schedule does feel like I am in constant session. When travelling all the time, you never quite know what time of day it is, so that makes me on duty all the time as President, yes.

Chair: Thank you. Waiting patiently, Mr Mick Whitley.

Q291 **Mick Whitley:** The Secretary General of the International Chamber of Commerce commented that having a separate advisory group for trade unions “is not the best way to build consensus”. Why are there separate advisory groups for business and trade unions?

Anne-Marie Trevelyan: As I mentioned, we engage extensively with trade unions to ensure that the interests of those workers who are the lifeblood of all our business are consulted fully across our trade policy piece. The trade union advisory group in and of itself provides a kind of high-level forum for representatives chosen by the leading trade unions to advise Government on thinking about how to protect—and advance, importantly—the important interests of workers, as part of the strategic level of thinking that we have on trade policy.

TAGs in the sectoral areas are designed to focus on the sector-specific business interests, and I am in regular contact with Frances O’Grady of the TUC about how we bring trade unions into those where appropriate. We are looking to make progress on that at the moment. I was discussing that with Frances on Monday, in Aberdeen. All TAG members—to Martin’s point—who come from a broad range of areas and businesses, are required to sign confidentiality agreements, because the discussions are very open and candid on what can be very market-sensitive matters. That will apply to the trade union as well when it joins the TAG.

We are looking forward to making progress there, but the trade union group is also important because we are able to discuss with the experts in the sphere what that looks like. It was very interesting that in Aberdeen we had a quad meeting. It was the first time it had been done, but I was keen to do it, with both Frances O’Grady and Eric Gottwald, who is the deputy leader of AFL-CIO—with me and Katherine Tai—to have a really in-depth discussion about how we work together and make sure that we are driving forward across trade policy the issues that set an example not only domestically but across the world through our trade agreements of what is important. There are areas such as forced labour, which the trade unions are fantastic champions against. We need to make sure that we are speaking clearly together. It was really good to have the US—very different perspectives—and us together to try to make progress.

We will continue to work closely with the trade unions. I hope that in the months ahead we will be able to bring where the relevant specialties are into some of those TAGs too.

Q292 **Mick Whitley:** On 31 March, the Government published the membership



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list of the UK's domestic advisory group, as provided for under the trade and co-operation agreement with the EU. The TUC and four UK trade unions, which collectively represent more than 6 million British workers, have been assigned just five seats on the DAG; employers have over 30 representatives. That represents a significant divergence from the EU's domestic advisory group, where employers, unions and other civil society groups have equal numbers of seats. Why has the UK decided to allocate seats disproportionately to employer groups? What assessments have you made of the TUC's recommendation that at least a third of the seats on the DAG should be allocated to the trade unions, a third to the employers and a third to other civil society groups?

Anne-Marie Trevelyan: That is really important. As I said in response to Martin's earlier point, we want to be agile, move forward and work with the relevant groups—all the voices that can feed in and share their expertise and their perspectives.

Q293 **Mick Whitley:** So is it going to be a third, a third, a third?

Anne-Marie Trevelyan: Well no, but looking more widely, we will continue to move forwards and think how we best get the representation that we know that we need.

Mick Whitley: Is it going to be a third, a third, a third?

Anne-Marie Trevelyan: I am not able to set out what that will look like yet, but I want to make sure that I have as many—

Q294 **Mick Whitley:** But you also said that these are non-disclosure agreements as well, so why can't it be a third, a third, a third?

Anne-Marie Trevelyan: Within a specific TAG—pick a sector—everyone is always asked to sign—

Mick Whitley: Aviation.

Anne-Marie Trevelyan: I'm sorry?

Mick Whitley: Aviation. The trade unions and the aviation sector worked closely together during the pandemic, which, as you know, went down to 2%.

Anne-Marie Trevelyan: Yes. Indeed, UKEF, part of my Department, was able to underwrite, support and provide financial support to ensure that the airlines were able to then come back, as we are seeing, which is great news. They are back in action, as we go forwards.

Q295 **Mick Whitley:** So, Secretary of State, are you working towards a third, a third, a third?

Anne-Marie Trevelyan: As I say, I am working towards making sure that I have representatives from across the piece. It probably won't be identical in every sector, because, by definition, I want all the voices within each sector to be there, to make sure that my negotiating teams have got the ability to talk and to really test the issues that we want to



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challenge as we go forwards. We want to think about where we want to be pushing forwards in those free trade agreements, for instance, what those key areas are and having that breadth of expertise and those voices sitting with them, one of which I hope, of course, will be trade unions voices, which will be really important in many of those sectors. We are continuing to work on that.

Q296 **Mick Whitley:** So it is not a third, a third, a third, then. So are you making progression to include the trade unions?

Anne-Marie Trevelyan: Yes. Those decisions are ongoing. We have already offered six spaces on some of the TAGs where, I think, it will be really important to have union voices. We are looking forward to making progress and hoping that those will come forwards in the months ahead.

Q297 **Lloyd Russell-Moyle:** You have mentioned Frances O'Grady a number of times, but she has been clear by saying: "the trade union advisory group is no substitute for proper engagement involving unions and employers around the same table." In December 2020, Politico reported that more than eight in 10 of the Government's current advisory groups come from big business, not even small businesses and small business federations, while non-governmental groups, such as NGOs, smaller businesses and trade unions account overall for only two in 10.

It seems to me as if your Department, your bureaucrats and you think that they know better than trade unions and the ICC businesses themselves that are saying that they want to meet in equal numbers. The ICC president has said that they want to meet in equal numbers around the table with trade unions, and the trade unions are saying that they want to meet in equal numbers around the table. Why does your Department think that it knows better than the advisers, in terms of who should be meeting around the table and talking?

Anne-Marie Trevelyan: As I say, we continue to want to make sure that—

Lloyd Russell-Moyle: Why do you know better than what they are asking?

Anne-Marie Trevelyan: It is not about knowing better. Advisers bring their positions and I want to make sure that I have a breadth of voices in each of those central voices. I am hoping very much that the trade union members who we have invited—

Q298 **Lloyd Russell-Moyle:** If the businesses and the ICC are saying that they want to meet in equal numbers around the table— The European Union meets in equal numbers around the table, and even in America they meet around the table in equal numbers, so why have you—your Department, your bureaucrats and yourself, with your leadership—decided to take a different course that everyone is saying isn't working?

Anne-Marie Trevelyan: I think it is working. We have a fantastic set of—

Lloyd Russell-Moyle: The ICC doesn't think it is working and the TUC



doesn't think it is working.

Anne-Marie Trevelyan: We are getting good thinking and strong advice for my negotiating team to be able to work from each of these sectoral groups. In terms of the trade unions specifically, we have invited six of them so far, where we think there will be a real value to having a trade union voice, and we continue to have that discussion.

Q299 **Lloyd Russell-Moyle:** In the digital Bill, you failed to consult with large sectors of both business and civil society because of the arrogant approach of your Department. Why can't you just go back and get your Department to look properly at this again, and have a proper balance? What is wrong with just having a proper balance?

Anne-Marie Trevelyan: As I say, and to Martin's point, everything is in agile form. Nothing is permanent, fixed forever. We continue to work on that, and I want to see trade union membership on as many TAGs as possible. That is something we are working on at the moment.

Q300 **Lloyd Russell-Moyle:** Why can't you commit to trade union membership on all the TAGs? What is wrong with that?

Anne-Marie Trevelyan: As I said, within each one, we want a mix of sectoral expertise. We are working through that, and so far there are six where we feel that it is really important. I am working with the TUC and hopefully we will be able to see that—

Q301 **Lloyd Russell-Moyle:** Can you give me an example of a TAG where a trade union, civil society and small businesses should not be involved?

Anne-Marie Trevelyan: No. I am saying that I want to have that mix. So far, there are six where we have invited—

Q302 **Lloyd Russell-Moyle:** But why not all of them? You have 21.

Anne-Marie Trevelyan: Each of them is there to bring a series of voices together. There are also so many other ways in which everybody—not just the particular advisers—can feed in.

Q303 **Lloyd Russell-Moyle:** Six out of 21. It is six out of 21 groups, not even six out of 21 members—each group has numerous members. One place on six, and the others have no representatives. Why do you think that that is appropriate? Why is it appropriate for trade unions to be excluded from those others?

Anne-Marie Trevelyan: As I have said, so far, we have invited trade union representatives for six of them. We continue to look across the piece at where I can make sure that my team has got—

Q304 **Lloyd Russell-Moyle:** Is it an aspiration to have trade unions, civil society and small businesses on all of them?

Anne-Marie Trevelyan: I want to make sure that I am bringing in—as I say, it is dynamic—the right people to provide the advice and their experiences of their part of a sector so that we have a really strong mix of



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voices, expertise and the ability for my negotiating teams to know that they have got a great group helping them to understand the sector and ensure that we are pitching for all those for whom those areas of trade are important.

Lloyd Russell-Moyle: I hope that you do better than Singapore, because you failed to do that with the Singapore deal.

Chair: Just picking up on that, to avoid group-think, rather than having 80% of the places for big business, have the trade unions, the small businesses and civil society. There is more creativity there and more experience to draw on, and it might improve the dire UK trade figures that I mentioned earlier. The two Committee members are making valid points and should be listened to, and given not just the positive spin, but the actuality. To be as unbiased as I can, if TAG membership was 80% trade unions or 80% civil society, we would think there was a problem, so a third, a third, a third seems a reasonable thing to do.

I shall stop trying to be reasonable and move on to Anthony Mangnall.

Anthony Mangnall: Always a good point to stop—trying to be reasonable.

Secretary of State, I have got the last two questions and you can judge for yourself how long you would like to speak on both.

Anne-Marie Trevelyan: I can't see the clock, so I don't know.

Q305 **Anthony Mangnall:** Up to you. There is a really ambitious strategy coming out of your Department, and we have touched on a number of things already. Obviously, the Australia and New Zealand agreements have made their way through almost to ratification, depending on Parliament. We have got CPTPP. You have got about 70 rollover deals. You have got India. There are what I understand to be state-to-state negotiations going on with America—I think a representative is coming over this week. There is a lot going on at the same time. Is that impacting the way your Department is working? I congratulate you on the fact that 73% of your office are back, working from the office, which is a good achievement.

Anne-Marie Trevelyan: We are very proud of that.

Anthony Mangnall: Can you briefly give us an idea of the problems you may be facing and the challenges of having so many concurrent deals and negotiations?

Anne-Marie Trevelyan: We have a fantastic team of negotiators. Obviously, DIT is not only about the FTAs. Other parts of the Department do inward investment. There is the export support service and all the gritty activity on exports, as we have discussed at length. The negotiating team is fantastic, with some world-leading negotiators. We are bringing on and training up the next generation as well. It is one of the great opportunities we have, now that we have our own trade policy, and DIT is



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very much up and running. However, we have had to prioritise the countries—and the trade blocs in the case of CPTPP. We look at, first, economic importance, but also close friends and allies that we want to be able to do more trade with, where we know there is an opportunity to grow those bilateral trade relationships.

In this year—2022—obviously CPTPP is a big anchor. It has a relatively prescriptive framework. We are the first new country to ask to accede to it. There is a system built in, so we are being put through our paces in a relatively straightforward way, in that sense. As part of that, we have Australia and New Zealand as two key CPTPP partners. We have now launched discussions to do a next-generation FTA with Canada, which is also an important CPTPP partner, and with Mexico, so those are up and running.

The India piece is obviously a big one and, if you like, new and different again. We have got quite a big team focused on India, because there is a huge opportunity there that we want to try to harness where we can.

To your point about the USA, because President Biden is not keen to look at the gritty detail of an FTA just yet, we are working across the piece in many other areas where we know there are market access barriers, and state to state is one of those. There is a great deal of work that can be done. We are looking at that in a very active way, and Penny Mordaunt is leading that work for me, to look at mutual recognition issues, to free up, quite easily at a state level, those opportunities for businesses to work together.

We have a broad range, and a number of smaller but important trading partners—Switzerland and Israel among others—where we are focused, because they have important trading opportunities for us too.

Q306 Anthony Mangnall: Out of interest, has India jumped the pecking order? How long has your team been established in the Department for an India trade agreement?

Anne-Marie Trevelyan: We launched it at the beginning of the year. It had been in discussion; you will be aware that my predecessor was talking about it. That is where the idea of having an early-harvest/interim agreement in April came from. Those discussions were very much in the early stages last year.

The system we have for consultation and those steps has been running for a while. India was very much in that pipeline. We've been able to get to the point where, having done our consultation, we could see clearly what the opportunities were. Their enthusiasm has also clearly worked, because both sides want to play.

Q307 Anthony Mangnall: As you know, the Committee has been out to the Gulf. Where is the GCC in your discussions? Will you be looking at bilaterals before doing a GCC agreement?



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Anne-Marie Trevelyan: We are making really good progress on the GCC. We hope to be able to formally launch in the relatively near future, which is very exciting.

Q308 **Anthony Mangnall:** When is that?

Anne-Marie Trevelyan: Let me go with "in the very near future". Will that do for you?

Q309 **Chair:** In the next six weeks, let's say.

Anne-Marie Trevelyan: Very near future. We want to look at a GCC trade deal in and of itself. That is really important for lots of reasons. There are a number of the partners who are keen to do more. We are very relaxed and open to that. We have very strong relationships with all those countries already. We will do that, but we want to ensure that we crystallise the GCC framework, ensuring that we are working with all our Gulf partners, before we move to that bilateral space.

Q310 **Anthony Mangnall:** These are my last two points before I hand back. First, how are you on staffing numbers in the Department?

Anne-Marie Trevelyan: We have an amazing team working at full pelt. It is great; we got a very good settlement at the end of the year. That has been really helpful for us and the team.

Q311 **Anthony Mangnall:** You are a growing team.

Anne-Marie Trevelyan: We are a growing team; and we are growing that expertise. Because we are a relatively new Department, we are able to build up that expertise, and we keep stealing people from other parts of Whitehall, where we know we have some really brilliant young minds who are going to be great UK negotiators.

Q312 **Anthony Mangnall:** There are definitely some points we would like to make on that at another time. Can I finish as we started? Can we see the letter that we asked for today? You have a team of officials behind you.

Anne-Marie Trevelyan: I will do my best. They are sitting behind me; I don't know what their faces look like.

Anthony Mangnall: They are looking delighted.

Q313 **Chair:** Enthusiastic. Thank you for your time. Secretary of State, to recap on the big thing here. We had the unseemly row earlier, but we want you to stand up for your Department and its work within Government. Get the 15 days. We will probably be back during the next few days about this, to ensure that this is nailed down. We wanted this earlier; I think it is 24 hours that Mr Mangnall has given your Department.

Anne-Marie Trevelyan: He said the end of the day and that is not 24 hours. I'll bank yours, Chair.

Chair: Indeed. You can demonstrate to the nations, the public and Parliament the lightning efficiency of the Department by doing this by the end of today. We look forward to that being demonstrated. Finally,



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Secretary of State, I hope you enjoy the rest of your day as much as you have inevitably enjoyed this morning. Thank you all.