

International Trade Committee

Oral evidence: UK trade negotiations, HC 233

Thursday 25 March 2021

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Members present: Angus Brendan MacNeil (Chair); Mark Garnier; Anthony Mangnall; Mark Menzies; Mick Whitley; Craig Williams.

Environment, Food and Rural Affairs Select Committee Member present: Neil Parish.

Questions 130 - 151

Witnesses

I: Rt Hon Greg Hands, Minister of State for Trade Policy, Department for International Trade; Victoria Prentis, Parliamentary Under-Secretary, Department for Environment, Food and Rural Affairs; and Tim Smith, former Chair, Trade and Agriculture Commission (TAC).



Examination of Witnesses

Witnesses: Rt Hon Greg Hands, Victoria Prentis and Tim Smith.

Q130 **Chair:** Welcome Greg Hands, Victoria Prentis and Tim Smith. I would ask you to introduce yourselves—name, rank and serial number—on your own terms. We will start with ladies first again.

Victoria Prentis: Hello, I am Victoria Prentis. I am very pleased to be here. I am in charge of farming, fisheries and food at DEFRA.

Chair: Mr Hands, good to see you.

Greg Hands: Good morning, it is good to be back in front of your Committee. I am Greg Hands MP, the Minister of State for Trade Policy at the Department for International Trade, joining you from Ljubljana this morning.

Chair: Goodness, how is the accent going in Ljubljana? I know you have a good line in accents.

Greg Hands: Dobrodošli.

Chair: Very good. There you go, that is impressive.

Tim Smith: Good morning, everybody. Good to be here. I am now the former chair of the Trade and Agriculture Commission. I am in Sheffield, which is not quite as exciting as Greg's location.

Q131 **Chair:** No, we may find after further questioning that Greg would prefer to be in Sheffield, but we will not go down that path.

I will kick off, and then Neil Parish will come in. He is the Chair of the EFRA Committee and is guesting with us this morning, as I am sure you are aware.

Victoria Prentis, in spring 2020 your Department indicated that it would be undertaking a rapid review and consultation on the role of food labelling to promote high standards and animal welfare. Can you tell us what the review and consultation intended to achieve? We do not need a definition of the word "rapid" given a year has elapsed.

Victoria Prentis: I am afraid, like so much in our lives, we were overtaken by the pandemic. I can only apologise for the fact that "rapid" has not, in this case, meant rapid. The same people were trying to ensure that food was kept on our shelves and on our tables as would have been providing the consultation on food labelling, which we very much hope we can now get on with.

We are still hoping to do the consultation into food labelling on animal welfare. This is the first part of what I think this Committee will have heard is going to be a long and complex process. We are hoping to get that launched, our consultation, in the first part of this year, so by the end of June is my goal. We might slip a little, depending on what happens



with the pandemic, but we are keen to get on with it. There are two main purposes to the review. The first is that we want to show more transparency to consumers about what sort of food they are eating and what they are buying. The second is that we want to explore how we can improve animal health and welfare through food labelling.

Q132 Chair: Are you happy that the review and the consultation will achieve that comprehensive information?

Victoria Prentis: It is the beginning of what is, in fact, a very complicated issue. You have heard evidence—and I was very pleased to listen in to the end of the last session—about how complex and how nuanced this situation is. I think anybody who has looked at a packet of biscuits, for example, knows that there is already a lot of information on that label, some of which consumers find easy to understand and some of which is less easy.

We are going to focus initially on animal health and welfare, which I think is right. We also have quite an exciting year in food terms in that we are expecting the Henry Dimbleby review of food strategy generally in July, and we are going to prepare a really big and comprehensive Government response to that, which I suspect will be ready towards the end of this year, beginning of next year.

I am also very aware that there are increasingly loud calls for us to do something on labelling in the environmental space, which is a very difficult and complex issue that will, undoubtedly, require further work and consultation. Yes, it is the beginning of an important conversation.

Q133 Chair: I might come back to the point of labelling perhaps being used as a Trojan horse to allow a drop in standards in trade agreements, but I will leave that hanging at the moment.

Victoria Prentis: DEFRA's position on that would very much echo what you heard from your previous panel, and I think we put ourselves in the same place as those witnesses. Labelling is one tool in our toolbox, but we are very committed as a Government to increasing standards, not lowering them.

Q134 Neil Parish: Thank you very much for letting me into the International Trade Committee this morning. To all three of you, one of the things I have dealt with in my political career, and I still have the scars to prove it, is religious slaughter, labelling and all these things in connection with it. We as a party—to both Greg and Victoria—have a real commitment on animal welfare. We will need, I think, at least to have labelling in the future, especially for shechita slaughter that has been used to process meat for the Jewish community, because we have never been able to negotiate any form of stunning with the Jewish community.

However, with halal the New Zealanders are able to prove there is some recovery of the animal, and many of the Muslim communities in New Zealand—and they export to the Middle East—are using this system of



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partial stunning and the meat is then exported. Victoria, in the first instance, can we look at bringing in a similar system for halal slaughter in this country that can then be labelled as such?

Greg, through trade agreements and the like, how are we going to be able to restrict, or otherwise, meat coming in that might have been halal or shechita slaughtered? A nice, easy question for both of you at the beginning of the session. Victoria, I think I will allow ladies first. I am not sure you are that keen on having it first.

Victoria Prentis: We have discussed this many times before, Neil, and you are right, we have policy positions as a Government. We are concerned about some of the welfare issues that are covered by the terminology "religious slaughter," but we respect people's rights and rights of religion to slaughter in the way that they choose. However, I think this is the moment to tackle whether this can be covered by labelling, and I would like to confirm that this will be part of our consultation on labelling shortly to be launched.

Q135 **Neil Parish:** Before you finish, Victoria, it is probably not for today's meeting as such, but I would ask you to look to see what the New Zealanders have done because we were not allowed, under European law, to do the test on this particular pre-stunning. I think it is worth investigating, because I am absolutely adamant that I want to see all animals stunned at slaughter and this is a good process. You do not have to talk too much about it this morning, but could I have your assurance that you will at least look at that?

Victoria Prentis: Absolutely, we are very much looking at practices around the world. We want the UK to be genuinely world leading in this area. It is going to be difficult, these are deeply sensitive issues for many people and rightly so, and it is right that we consult, but it is also right that we are quite open about what exactly happens when animals are slaughtered. This is the moment to have these difficult conversations.

Q136 **Neil Parish:** Thank you. Greg, we are looking to do all sorts of trade deals all across the world. We are conscious as a party that we want to have very strong animal welfare commitments. How confident are you that, written into a new trade deal, meat coming in, especially processed meat, would not have been slaughtered either under halal or a shechita system? Would we have any checks and balances to know whether that had happened?

Greg Hands: Just to be clear, the domestic operation of a food labelling system is with DEFRA, but as you rightly ask about the international trade aspects I will seek to address them.

It is worth stepping back for one second to the role of the World Trade Organisation in international trade. Obviously we provide advice, both legal advice and operational advice, to other Government Departments on how the WTO operates in this space. You have to notify the WTO of any draft mandatory labelling scheme, but those commitments do not



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stop us from introducing labelling schemes as long as we follow the rules. That is very important.

Broadly speaking, at the WTO, a labelling scheme has to follow four rules. First, that it does not discriminate against or between foreign products or producers, so you cannot have a labelling scheme that says Australia is fine but New Zealand isn't. Secondly, that the scheme is no more trade restrictive than necessary to fulfil a legitimate objective. If your objective is animal welfare, you can overcook it, for want of a better term, to clobber the whole sector.

Thirdly, that it is based on international standards where possible. That is a very important aspect of the WTO. Fourthly, that it accounts for developing countries. Whatever scheme is developed would need to be consistent with WTO rules on food labelling schemes.

I might just add that a lot of these areas have strong potential for UK exports. For example, my understanding is that there is considerable demand in the United States for halal lamb; lamb in general, but halal lamb in particular. As you know, UK lamb is currently not allowed in the US thanks to the small ruminant rule. If we can get that rule removed or another easement for UK lamb, I think halal lamb is a big part of our future exports to the United States. We should see opportunities here, as well as questions for our domestic labelling schemes.

Q137 Neil Parish: The point you make about the exporting of halal lamb to the US would be very good, provided we can bring in the New Zealand system to allow partial stunning. They are doing partial stunning of sheep, which the New Zealanders export to the Middle East. It is accepted by the Muslim community. If we are going to export lamb to America, let us make sure it has had partial stunning, because then we fulfil our animal welfare requirements and we create trade. I think it is something we can co-operate on together across Departments of Government.

I think you will find that a massive amount of French sheep are slaughtered by halal methods without stunning, and not all of that meat goes into the halal sector to be bought by those who want halal meat. This is why we have to be careful with labelling, careful with stunning and get it right, because I think we can improve the situation.

It is one of the things that I have always been passionate about. That will probably be enough for this morning but, as we export lamb, we should make it clear that it has had some stunning, because otherwise we are doing the animal welfare situation a disservice.

Tim, from your commission's point of view, you probably steered clear of religious slaughter, or did you venture into it?

Tim Smith: I would say we steered clear of that. We simply acknowledged during our conversations that the UK would need to resolve its own question of standards of halal and shechita slaughter



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before we sought to impose those on those we wanted to import from. Critically, as Greg Hands said, much of this should be about export. We should be thinking about having our own standards set in a way that allows people to be very clear when they are buying from the UK what the standards are that we have adopted. That is all about transparency and trust.

Neil Parish: Thank you very much. Angus, I will leave it there, otherwise I will be taking too much of your time.

Anthony Mangnall: I want to make a clarification point. You suggested at the start that labelling was a Trojan horse and that standards were being lowered, but that is not what was said on the previous panel. Minette said that the UK had kept its welfare standards up and had not lowered them. Given that we are being recorded and the evidence was received previously, we should be clear.

Chair: Could be. I should qualify that.

Q138 **Mick Whitley:** Good morning, everybody. Victoria, what plans do the Government have to review policy on the forms of labelling with respect to how food is produced, such as in relation to environmental aspects of production?

Victoria Prentis: I touched on that earlier. We will start with our animal welfare consultation, to be launched shortly. Then I suspect there will be other aspects of labelling thrown up by Henry Dimbleby's food strategy report. We will do a really good response towards the end of this year or the beginning of next year. We have said we will do that within six months of publication, and I understand his current publication date is July. I had a long talk with Mr Dimbleby yesterday, and I suspect there will be other aspects of food strategy that he talks about that we will want to consider as the Government in the six months following his report.

Then carbon capture, for example, and environmental labelling. Some have suggested we move towards a traffic-light system as one being easier for consumers to understand. This will be very complex to bring in, and I do not see us being in a position to consult on that until early next year, at the earliest, truthfully. But it is definitely an ambition of mine. The more information we can give to consumers, the better.

Mick Whitley: Do any other witnesses want to comment?

Chair: No. Okay, thank you. We will move to Anthony. We will have to pick up the pace in case we lose the Minister, who is under pressure in Slovenia.

Q139 **Anthony Mangnall:** Minister Prentis, thank you very much for joining, and a very happy birthday for yesterday. I am a Committee member who cares, even if the Chair does not.

We heard a lot in the previous evidence sessions about loose goods and, beyond the retail sector, stuff that is going into pies and other products



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that are being sold in restaurants, and things like that. How is your consultation going to take that into account? You just mentioned the Dimbleby report. Do you have a date for that and, if so, are you looking to tie in the first part of the consultation with the Dimbleby report?

Victoria Prentis: We had initially wondered whether that might be the case. After we were sadly hijacked by the pandemic last year, one idea was to try to run the two together. However, having talked to Henry Dimbleby yesterday, it seems he will not be ready to publish until, we hope, early July; certainly sometime in July. I would rather, I am afraid, crack on with the beginnings of the consultation.

I suspect we will launch first, but I do not want to give any absolute guarantees. This is, as you are all hearing, an extremely complicated area, and we want to get it right. I do not want anybody to be under any illusions that we are going to deal with all of food labelling in one go, because we are not. The part we want to focus on to start with is the animal health and welfare pathway. We are very keen to start the consultation on that. That will include composite foods and foods that are eaten out of home. Do you remember those days, when we ate food out of home?

Anthony Mangnall: That is very helpful. Thank you.

Q140 **Chair:** Thank you very much. In response to that rather barbed comment by Mr Mangnall, all I can say is, "Happy birthday to you. Happy birthday to you. Happy birthday, dear Victoria. Happy birthday to you."

Victoria Prentis: Thank you very much. It was, I'm afraid, a big birthday, so I did note it.

Chair: Twenty-one again, I am sure.

Victoria Prentis: Or that one.

Chair: Just to show that I care more, that is all. That is the reason for that small intervention.

Q141 **Craig Williams:** Happy birthday. I will be very quick, Minister Prentis, because you have touched on the consultations. Of course, we accept that the pandemic got in the way, but you have a lot of live consultations at the moment, which anyone who represents a farming community will thank you over and over for. You said in September there would be a post-Brexit transition period looking at the method of production. You then said the first half of this year. Can you write to the Committee with all these live consultations and the reports you are expecting, with some firm dates, and perhaps with the outcomes from the consultations?

Victoria Prentis: I think I can do better than that. I will share with the Committee when we publish a consultation. I am still very much pushing for the first half of this year. The only caveat I give is that it is the same team working on pandemic food procurement for the nation, which I think we all accept is pretty important. But assuming things go to plan,



and the road map goes to plan, I very much hope we will crack on with that animal welfare consultation in the first half of this year. Realistically, it will probably be June that we start.

It is almost ready to go. We have done a great deal of work. It is a consultation, and it is a genuine consultation, not that I would suggest any of our consultations are not, but it is very much something to which we will need to know what people think. These are issues that go to the heart of the food we eat. People feel very strongly about this, and people, as we know, feel very strongly, rightly, about animal welfare. It will not be a consultation that does not go into the difficult issues.

Chair: Thank you. We will move on now to Mark.

Anthony Mangnall: He is not here, Chair. Are you happy for me to take on his onerous task?

Chair: Why not? You have shown an incredible keenness, despite the barbed comment.

Q142 **Anthony Mangnall:** You bring it out in me. It is a pleasure to serve on your Committee.

Minister Hands, I am interested in the work that you or your Department will have done with the WTO on mandatory labelling. What engagement have you had with DEFRA on this subject? Minister Prentis has just referred to the fact that there are other mechanisms we will have to look at. I will refer you to a *Telegraph* article, which came out in June last year, highlighting the concept of dual tariffs and charting it as a win for the Secretary of State for DEFRA, and that your Department and Minister Prentis's Department had come to an agreement over dual tariffs. First, can you confirm whether or not that was agreed and, secondly, can you update us on where we are with that?

Greg Hands: On your first question, in terms of discussions with DEFRA, our two Departments work very closely on this. We recognise domestic food labelling schemes are a DEFRA responsibility, but if such a thing were to be introduced it needs to be WTO compliant in the way I have outlined. Those key requirements, which you will find across most WTO rules, are designed to prevent domestic regulations being discriminatory, either against foreign producers or between foreign producers. We obviously retrieved our independent seat at the WTO last year, last February, and we have been active on WTO forums. I am not aware of there being work at the WTO on food labelling currently. I may be wrong. There are a lot of things going on at the WTO, as you can imagine.

In terms of where we might be, in relation to the article in *The Telegraph* last year—I do not have that article in front of me, but I am going a little bit from memory—let us be clear, our commitment to high standards is absolute. You, Anthony, Victoria and I, and more than half the MPs on this call, were elected on the same manifesto of no compromise on our high standards of animal welfare, food safety and environmental protection. That commitment is absolute and needs to be maintained.



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In terms of where we are in any individual FTA negotiation, that is a matter for that negotiation. I am not sure which negotiation *The Telegraph* article was speculating on, but clearly it is difficult for me to comment on what the UK opening tariff position would be in those negotiations. Nothing is agreed until everything is agreed. If it was with reference to the United States, Australia or New Zealand, those are all live negotiations. I am afraid I have limited room for manoeuvre to say what has been said, if anything, in those negotiations.

Q143 Anthony Mangnall: Thank you for the answer. Just to push on that, first, it is somewhat concerning to hear. We have a representative in the WTO. This is something we should be exploring in terms of food labelling, and it would be helpful if your official might action this point. On the point of dual tariffing, it would not have to be resigned to just one trade deal. It could be a principle in all trade deals, and we look at it in that approach. Is this something that was agreed on last year?

Greg Hands: In terms of doing trade deals, we start off with the UK global tariff. That is our starting point that we published last May. Trade deals, at least the tariff elements of trade deals, are all about where we would lower those tariffs in that individual negotiation, or doing something else on tariffs, such as a phasing of tariffs. But that is very much localised to that negotiation.

Our starting point is the UK global tariff, and that is the right one to look at. In terms of where we may be on those negotiations, it is absolutely clear that the UK wants to be a world leader when it comes to animal welfare. Everything that DEFRA has done, and Victoria has done, and we at DIT have done—do not forget we set up the Trade and Agriculture Commission, and we are hearing from Tim Smith. That was a DIT initiative with DEFRA support. We are very much sold on the agenda of making sure we maintain very high standards of animal welfare.

In terms of work at the WTO, I will take that point away. There is a lot going on at the WTO at the moment. We have a new director general. The new US Administration makes the WTO a more interesting place going forward, but I will certainly take on board your point about where the WTO is on any initiatives on food labelling at the moment.

Q144 Mark Garnier: Victoria, happy birthday for yesterday. If it was a big birthday, it must have been your 30th.

Returning to the Government's commitment to ensuring that our free trade agreements do not undermine our UK food production and animal welfare standards, why do we feel it is necessary to have a consultation on method of production labelling?

Victoria Prentis: A lot of my concern is with the internal market. As I said, I am motivated both by a desire to promote animal welfare and by a desire to promote transparency for the consumer, our internal consumer, on the food they are eating. I caught the end of the first session, and you heard that it is relatively easy to have a method of production label that



works for shell eggs, which is one of the reasons why that has been a genuinely successful labelling result. It is much more complex when you get into different methods of meat production, for example, particularly lamb and beef production, which is often done outside, but the animals may choose to go under cover when it is comfortable for them. There are many nuances in the way that animals can spend some of their time being finished inside, whereas they live much of their lives outside eating grass. That does not mean we should not tackle it.

It might be helpful for the Committee to have a little look at what Lidl are doing at the moment on chicken, for example. Google that, or I can send you the link. It shows a range of different methods of chicken production, both British and elsewhere in the world, which seems to be working for them. Obviously, other retailers are available, but that is one of the ways that method of production can be tested and seen to work for one of our major retailers. I want to test this further. I do not want it just to be in the too-difficult box.

Q145 Mark Garnier: That is really interesting. You might have heard when I was talking to Minette Batters that we were talking about the amount of information you can put on one of these labels. At the end of the day, the more information you put, the more confusing the whole thing gets. To a certain extent, it requires what “chlorinated chicken” actually means. As we know, chances are it means that you have a quarter of the chance of getting campylobacter from a chicken that has been dipped in chlorine than you would have from an EU chicken, allegedly. Could we not end up in a position where we give too much information and it becomes rather meaningless?

Victoria Prentis: You have set me running down another track. I very much want to emphasise that labelling is only ever going to be one of the tools that we have at our disposal for safeguarding animal welfare, production standards and, indeed, the standards that our farmers have to uphold. The chlorinated chicken example is overused, possibly, but it reminds us that we already have domestic regulation that would prohibit its consumption here. There is no need, without changing the law, which I certainly have no appetite to do, to worry about that. We would not ever get to a place, unless we were to change the law, which I doubt, where we would have to label that. Regulation is a very useful baseline for protecting our standards.

Our new consultation will look at whether consumers are influenced and can be influenced further by knowing more about the food they eat. We have a certain amount of historical information about consumer behaviour. However, I think that buying behaviour has changed a great deal over the last year, and I am really excited about the conversation that I hope we will have over the course of this year with consumers about buying local and buying sustainable food. I think there is an appetite for that after the pandemic, which I want our producers to build on.



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Q146 **Mark Garnier:** Fantastic. Greg, you have spent an awful lot of time travelling the world and talking to policy gurus in other countries with your trade policy hat on. What work have you done in trying to persuade other countries around the world to adopt the extraordinarily high standards that we have in the UK, as evidenced by the hard work that Victoria is doing?

Greg Hands: That is a very good question. As I said earlier, the UK makes no secret of our liking high standards of animal welfare, and we have stated that up front to all our trading partners. Again, I refer back to the manifesto we were all elected on.

In terms of getting others to follow us, we work closely with DEFRA, the Foreign, Commonwealth and Development Office and others to put that case across. I am not sure the WTO is necessarily the best forum for that. DEFRA also has international forums that are well placed to take forward that agenda. There is a role for the WTO here, because these standards read across to trade as well. Principally, I think this is a role for DEFRA in different international forums.

Victoria Prentis: We work very closely with the World Organisation for Animal Health, and will continue to do so. It is genuinely leading the way in this area. We are very pleased with the way that relationship is going.

Q147 **Mark Garnier:** Greg, one last, quick question for you. When you have been talking to other countries and other trade Ministers, what conversations have you been having about food labelling, and what do they say about it? What is the feedback from our trading partners?

Greg Hands: To be honest, Mark, it is difficult to talk about food labelling until we know where we are domestically. That is not a criticism of the slowness; Victoria is quite right that a number of Government consultations have been slowed by coronavirus. In terms of food labelling, it is better to establish where we are going domestically before engaging our international partners on that level of detail. Obviously, in all our discussions, just to be absolutely clear, we are adamant and front-footed on maintaining our high standards, and there is no compromise, specifically on animal welfare, environment and food safety standards.

Mark Garnier: That is brilliant, thank you. I could go on forever, but I will hand back to Angus.

Chair: Excellent, thank you very much. I am looking at the five standards of Lidl. I have taken the DEFRA Minister's advice. British organic, British free range, British indoor plus, British indoor and indoor, which I gather is reared outside the UK to the legal housing requirements of the UK. We have our standards as a floor, and labelling could not be used anyway, but it is not being used as an access into the market for goods produced below standard. I think that is an important point.

Anthony Mangnall, you are next, and you have until 11.55 at the latest, because I want to give Greg Hands the freedom of Slovenia before



midday.

Q148 **Anthony Mangnall:** My question is to Mr Smith. First, I congratulate you on your recent report. As first reports go, it is brilliant. You will have heard the previous panel speak very highly of it. I am interested in what consideration the Trade and Agriculture Commission gave to the method of production labelling in compiling its report. I also wonder what consideration you gave to tariffs—sorry, you can see I have a bee in my bonnet here—because I see no mention of dual tariffs. That surely comes under a suggestion or a recommendation that you and your commission would be able to propose.

Tim Smith: The commission examined in detail how trade policy can help meet the needs of consumers in that area of labelling. We included in that debate whether we should mandate method of production labelling for some imports. It was one of the most keenly debated topics. Those with a retail interest went on to argue that they already provide their shoppers with all the information they find useful in making decisions. They thought that any more at this stage would be confusing and unhelpful. I will come on to the consumer version of that. They posed the sensible challenge that I heard Minette refer to earlier, that those eating out or buying loose foods do not enjoy the same level of information, and that is an important aspect. For the hospitality sector, it is less about what information to provide and more about how it could be done practically. There was a general sense that that was not the route for them.

I echo what others said in panel one, that the best approach we recognise is to remove the need for that labelling by setting standards, specifications and quality measures, and backing those up with assurance schemes and certification body work that means that, by the time you look at the top of a retail label, you know all those things have been done on your behalf.

What goes into our recommendation is the knowledge that consumers increasingly say they want to have their decisions about purchasing go beyond safety and standards and into ethical, animal welfare and environmental issues. We know that clear labelling will provide some of those opportunities. I go back to what I just said, that much of this should be about setting standards and specifications in the first place, and enshrining those in the free trade agreements.

On the tariff point, it is difficult to give you a short answer. The whole of chapter 6 in our only report—I do not want to correct you, but it is not the first report; it is the only report of this particular commission—deals with how to approach the tariffication. It gets to the point where we say that import policy that balances zero tariff and zero quotas has to be matched with the absolute requirement that we safeguard long-established UK standards. There is reference to international standards in there, too. The key message is that none of the food we import should be allowed to enter, there should be no backsliding, no race to the bottom;



the gains in a trade agreement would not be achieved by any backsliding on those standards.

Q149 **Chair:** Excellent. Minister Hands, we are coming to an end. The TAC's report, which is commissioned by your department, states that food labelling has a role to play, but consumer behaviour alone cannot guarantee and safeguard UK standards from the effects of trade liberalisation or trade changes. How do you respond to that assessment? Do you agree?

Greg Hands: We will be responding formally to the Trade and Agriculture Commission, which, again, we have stated publicly and I have stated directly to Tim as well. Thanks for doing the report. We will be responding fully to the report.

In terms of what Tim said, and others have said, trade agreements should not be a back-door way of getting products into the UK that we would not be satisfied with. That is the policy objective, or one of the policy objectives, here. We are obviously strongly committed as a nation to free trade, but we are also strongly committed to those standards, and those standards apply to imports as much as they apply to our domestic products. There is no question of our backsliding on our standards. Some of the goods that are featured in some of your questions are illegal today, they were illegal last year and they will remain illegal. But that does not prevent us doing a trade agreement with these counterparties. That is obviously a matter for the negotiation. We are absolutely clear that a trade agreement is not a back-door way of bringing in a product that does not meet our legal standards as they are today, and as they were last year in those particular cases.

Q150 **Chair:** Food standards may, of course, change over time in response to many things, but they will not be changing in response to trade agreements. That is the message I am taking from that.

The final question that I have for you, Minister Hands, while we have you—and we have about 60 seconds left with you—is the small ruminant rule. It was first brought in due to scrapie concerns many decades ago. The Americans have promised to abolish the small ruminant rule. They have not done this. They are now hoping to use the same promise twice, if it ever comes to the matter of a trade agreement. Is the small ruminant rule to be treated, from a UK perspective, on the original promise of abolition, or is the UK allowing it to be rolled into a potential trade agreement, and America gives the same thing, yields twice, on the same issue?

Greg Hands: This is not a classic trade agreement issue. This is a market access issue that predates the UK having its own independent trade policy. UK lobbying to allow British lamb into the United States predates Brexit. It predates the independent trade policy, and it continues. It does not need to wait for a free trade agreement between the UK and the US.



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Q151 **Chair:** The point is it would not be used in a trade agreement. As I say, this is outwith a trade agreement, because this should be dealt with long before even the thought of the negotiation.

Greg Hands: As I say, it does not need the free trade agreement for it to happen. Those discussions are ongoing. As you know, the new US Trade Representative, Katherine Tai, has only just been confirmed by the Senate. She has a lot on her plate. The United States Department of Agriculture will certainly have an interest here as well, a very substantial interest. We are looking to push that forward, because it is so important for us to get our British lamb exports into the United States. It is one of the biggest markets for lamb, without a massive domestic production itself. I think it is a high priority for us to do that.

Chair: Thank you. We look forward to that being done for this autumn. We hoped to promise you the freedom of Ljubljana and Slovenia by midday. It is midday our time, GMT. We are about to change to BST, perhaps for the last time, this weekend. Who knows? As a Government Minister, you might want to make sure British Summer Time is not abolished and this is the end of it.

At the moment, I thank you all for your participation this morning: Greg Hands finding the time while in Ljubljana, Tim Smith, and of course the birthday girl plus one, nobly pointed out by Mark Garnier that the birthday was indeed what it was. I have checked on Google, and indeed it was her 30th birthday, so it must be true. Thank you all very much for your participation this morning. Colleagues on the Committee, I will see you later for our discussions on trade agreements with New Zealand and Australia.