



Public Accounts Committee

Crawford Falconer
Interim Permanent Secretary
Department for International Trade
Old Admiralty Building
London
SW1A 2BL
By email:

3 November 2022

Treasury Minute response- Progress with trade negotiations (45th Report Session 2021-22)

Dear Interim Permanent Secretary,

Thank you for the [Department's response](#) to the Committee's report on [Progress with trade negotiations](#). I am grateful for some of the commitments made, including the commitments to write to the Committee by April 2023 to update us on the Department's progress with trade negotiations and to set out how the Department has supported businesses to use the trade agreements the UK has signed so far.

However, I am disappointed that the Department did not accept one of the Committee's recommendations, and I am not satisfied with the response for a number of those you did accept.

My specific concerns are:

- **Recommendation 2a** (not accepted) on setting clear and measurable outcome-based metrics with targets for the Department's programme of trade negotiations and **Recommendation 2b** (accepted) on reporting progress to Parliament on reporting actual value achieved versus initial forecasts. While I welcome the commitment to monitoring the impact of trade agreements, the Committee is concerned that no outcome-based targets have been set against which Parliament can hold the Department accountable. The response states that published impact assessments set out expectations of the impact of free trade agreements, but in the response to recommendation 2b, it states that the modelling estimates in impact assessments are not forecasts. In the absence of any outcome-based targets or forecasts, it remains unclear what benchmarks will be used to assess the Department's progress in achieving benefits from free trade agreements. I would therefore ask you to reconsider and provide further, specific assurance on how your reporting will allow the Committee and Parliament to hold the Department to account for achieving outcomes from trade agreements.
- **Recommendation 5** (accepted) on improving transparency and communications around trade agreements and their impacts, to inform scrutiny. Most of the arrangements set out in the response were already in place when the Committee took evidence and do not include any new measures to address the Committee's specific concerns about providing clearer information to Parliament and to the public on policy trade-offs in relation to human rights



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and environmental priorities. The Department has also not proposed any new measures to help clarify the factors and assumptions driving changes in forecast benefits.

- **Recommendation 6** (accepted) on making further commitments to support robust and timely Parliamentary scrutiny. The Committee recognises that the [exchange of letters](#) published in May between Lord Grimstone and the International Agreements Committee consolidates DIT's existing commitments and provides a framework for Parliamentary scrutiny of trade agreements. However, more recent correspondence from the [HoC International Trade Committee Chair to the Secretary of State](#) demonstrates that the issues around timeliness persist.

I would be grateful if you could provide me with further information on how you will address these points by the **end of the month**.

I am copying this letter to the Comptroller and Auditor General, the Treasury Officer of Accounts, the Permanent Secretary at Defra and the Chair of the International Trade Committee.

Yours sincerely,

DAME MEG HILLIER MP
CHAIR OF THE COMMITTEE OF PUBLIC ACCOUNTS

