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Sir Robert Goodwill MP
Chair, Environment, Food and Rural Affairs Committee
House of Commons
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06 December 2022

Dear Robert,

Thank you for your letter of 23rd September regarding HM Government's response to your committee's report on the United Kingdom-Australia Free Trade Agreement (FTA). Your committee has raised concerns on certain parts of our response and have encouraged us to go further.

First, on your recommendation that HM Government commit to core standards for food entering the country, import standards decisions are a matter for the United Kingdom, protecting consumers' interests in safety and affordability, and are made separately from trade agreements. Our trade deals, including with Australia, will provide opportunities for British businesses through fair and reciprocal access, taking into account sectoral sensitivities.

As you acknowledge in your report, the TAC's conclusions on the United Kingdom-Australia FTA support our position, particularly that the FTA reinforces the United Kingdom's statutory protections. The TAC's report also confirms that we are further able to protect our levels of statutory protection indirectly by ensuring that Australia does not gain a trade advantage by lowering Australian standards of protection or not

properly implementing its domestic laws. Each FTA is bespoke, and we will continue to meaningfully engage with your Committee and the agricultural sector as we negotiate new FTAs.

You noted three specific areas where your Committee would appreciate further detail on your recommendations:

1. That the Government commit to increasing food and drink exports by at least £278 million in the Agriculture, Food and Drink Exports Council trade strategy.

There is significant untapped potential to drive up our world class food and beverage exports from current levels, where just a fifth of producers export.¹ The actions HM Government are taking have already had a significant impact on food and export figures: the latest estimates for the twelve months to the end of August 2022 show that United Kingdom food and drink exports were £23.4 billion, an increase of £2.5 billion (up 12.2%) against the previous year, nearly ten times higher than the £278m your Committee has set out.² We will continue to support the sector to export as the United Kingdom-Australia FTA enters into force.

We are committed to providing the best possible support for the sector to achieve its export potential. Other forms of support include:

- Our new package of **trade missions and shows/events** to support the industry, enhancing our support to both visitors and exhibitors and giving businesses opportunities to meet buyers.
- Building a connected network of agriculture, food and drink export advisers including posting eight new dedicated **British agriculture, food and drink attachés** in North and South America, Africa, India, and Asia-Pacific.
- Promoting agriculture, food and drink via our **‘Made in the UK’ and ‘GREAT’ campaigns**, supported by colleagues at overseas posts, Trade Envoys and Export Champions.
- Our £1m **seafood export fund**, part of DEFRA’s broader £100m fish and seafood support package. This will boost the opportunities for British producers to export their products around the world.
- Increased support for exporters to navigate the export system through a programme of export academy webinars designed for business.

2. That the membership of the agri-food Trade Advisory Group (TAG) be expanded to provide it with additional expertise on animal welfare, health and environmental considerations.

The Department for International Trade’s Trade Advisory Groups (TAGs) represent sectors vital to our economy. Members are invited for their expertise and ability to inform and strengthen the United Kingdom’s negotiating positions and trade policy more broadly.

¹ DF Food and Drink Industry Report.

² HMRC Overseas Trade Statistics: August 2022.

As you note in your letter, a review of the membership was undertaken in summer 2022. The outcome of this review is currently being finalised and an update will be published on GOV.UK in due course.

In addition to working with the TAG, wider consultation occurs via the Strategic Trade Advisory Group, the Thematic Working Groups, the Civil Society and Think Tank Roundtable, as well as the Trade Union Advisory Group and a Domestic Advisory Group with environmental stakeholders.

3. That the Government set out what additional resource it will provide to the Trade and Agriculture Commission (TAC).

HM Government is aware of Professor Bartels' resourcing concerns for the TAC. We will share further details with your Committee in due course.

Lastly, we would like to thank you for your suggestions regarding how our Departments work together in pursuit of our shared goals. We are committed to building on and enhancing the positive working relationship our officials have built with your team. In preparation for trade negotiations, there is extensive consultation across HM Government on objectives and aims. We carry out robust analysis, drawing on our Departments' deep evidence bases to inform our collective understanding of the potential gains from each new trading partnership.

Yours sincerely



THE RT HON KEMI BADENOCH MP

Secretary of State for International Trade and President of the Board of Trade



THE RT HON DR THERESE COFFEY MP

Secretary of State for Environment, Food and Rural Affairs