



**HOUSE OF LORDS**  
International Agreements Committee

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The Rt Hon Kemi Badenoch MP  
Secretary of State for Business and Trade  
Department for Business and Trade  
Old Admiralty Building  
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23 March 2023

Dear Kemi,

Congratulations on your appointment as Secretary of State to the new Department for Business and Trade. We look forward to working with you and the new department. I hope we can maintain and enhance the strong working relationship we had with your predecessor department.

When we met last year, you indicated your willingness to engage with the Committee on developing and finalising trade agreements, as well as to consider wider issues such as the possibility of a published government trade policy framework, setting out strategic policies and objectives for trade negotiations and related matters. I am writing further to a consultation held by the Committee on the latter subject late last year.

The Committee heard from businesses, trade associations, NGOs, unions, academics and other experts. All hoped the Government would publish an overall trade policy framework, and believed this would help focus your consultations with them more efficiently.

Our view is that a published strategic framework, scrutinised and debated by Parliament, would benefit the Government during negotiations. As well as setting baseline expectations for individual negotiations, it would also show third countries how any items outwith the agreed framework could jeopardise ratification by Parliament. Such an approach is used by other countries and clearly strengthens their hand. The 2021 Integrated Review<sup>1</sup> outlined high-level objectives, but it was unclear how they informed negotiations.

The Government has expressed concern that publishing a framework might reveal too much information.<sup>2</sup> The Committee and stakeholders acknowledge that sensitive information must be kept confidential, but such a document should set out the Government's core principles and objectives, rather than detailing trade-offs or specific negotiating red lines.

There are international examples of such a framework. The 'worker-centric' approach of the US Trade Representative's 2023 Trade Policy Agenda<sup>3</sup> sets out eight elements as the focus of its trade

<sup>1</sup> HM Government, [Global Britain in a competitive age – The Integrated Review of Security, Defence, Development and Foreign Policy](#), March 2021

<sup>2</sup> [Q15](#) (Rt Hon Greg Hands MP)

<sup>3</sup> Executive Office of the President of the United States, [2023 Trade Policy Agenda and 2022 Annual Report](#), March 2023

policy.<sup>4</sup> The New Zealand ‘Trade for All’ agenda<sup>5</sup> sets out key principles with a focus on sustainability and inclusivity, and was praised by stakeholders for the consultative approach that the Government took to its development. This exemplifies how a Westminster-style democracy can utilise a comprehensive trade policy.

Based on the views we heard from stakeholders, the published trade framework should provide clarity on the following questions:

- What are the criteria when deciding to pursue individual trade negotiations? How are matters such as the rule of law, regulatory frameworks and transparency considered?
- What are the Government’s main priorities in preferential trade negotiations, including on tariffs, standards, data and digital provisions, and investor-state dispute settlement?
- How will it seek to deliver broader foreign and domestic policy objectives as part of its trade objectives?
- Who, and how, will it consult prior to setting negotiating mandates, and during talks?
- What values does it see as integral to preferential trading relationships – for example, market economies, labour and environmental standards, and robust legal frameworks – and how will it seek to promote these in trade negotiations?
- How will the Government seek to balance consumer and producer interests?
- What are the Government’s principal objectives in services agreements, including on labour mobility, market access, mutual recognition of qualifications, and sectoral interests?
- What are the Government’s priorities on matters such as WTO reform, and multilateral, plurilateral and regional agreements? How will it seek to advance these?

We acknowledge that not all agreements will necessarily be able to cover all trade policy objectives, and that negotiators should retain some flexibility.

The Committee welcomes the Department’s willingness to engage with us on individual agreements and would like to build on this in widening our agenda to the consideration of the trade policy framework within which negotiations take place. We look forward to an early meeting with you both on this and on specific agreements.

I am copying this letter to Lord Johnson of Lainston CBE, Minister for Investment, and Angus Brendan MacNeil MP, Chair of the Commons’ International Trade Committee.

Yours sincerely,



**Baroness Hayter of Kentish Town**  
Chair of the House of Lords International Agreements Committee

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<sup>4</sup> Executive Office of the President of the United States, [‘FACT SHEET: USTR Releases 2023 Trade Policy Agenda and 2022 Annual Report’](#), March 2023

<sup>5</sup> Trade for All Advisory Board, [Report of the Trade for All Advisory Board](#), November 2019