



International Trade Committee

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Rt Hon Elizabeth Truss MP
Secretary of State
Department for International Trade
King Charles Street
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26 May 2021

Dear Liz,

Thank you for your engagement with my Committee on the Government's international trade and investment priorities for its presidency of the Group of Seven (G7). Further to our recent evidence session, we would welcome a response on the points below following the G7 Leaders' Summit in June.

The Government's G7 presidency comes at a time of significant challenge to the multilateral trading system. We welcome the Government's prioritisation of trade issues through the inclusion of a ministerial "Trade Track" within its presidency, and the associated priority areas of work: World Trade Organization (WTO) reform; trade and health; digital trade; and trade and climate policy.

WTO reform

We acknowledge the challenge of building consensus for reform of the WTO and welcome your indication that some issues related to the WTO are likely to be escalated to the agenda of the G7 Leaders' Track.¹ We note the Government has invited Australia, India, South Africa and South Korea to participate as guest countries at the Summit. We are also mindful that building consensus requires the involvement of WTO member states.² In response, please outline the specific input of guest countries in the discussions of WTO reform at the G7 Leaders' Summit.

Once agreed, we would welcome sight of the work programme to advance WTO reform efforts ahead of the G20 Summit in October and the WTO's Twelfth Ministerial Conference (MC12) in November. We also ask that you set out the Government's view of reviewing the role of WTO secretariat within this work, including any consideration of empowering the secretariat to make proposals.³ Further, please provide an update on what outcomes have been agreed to advance the other areas of WTO work referenced in your opening statement on 19 May 2021.

¹ [Q25](#)

² [Qq 3-4](#)

³ [Q9](#)

We note your reference to improving the UK’s “toolkit multilaterally and unilaterally” in response to unfair trade practices, and the limits to the powers of the Secretary of State under the UK’s current trade remedies system.⁴ As you will know, we recently published a report on UK trade remedies policy and are considering the Government’s response.⁵ In response, please provide further information about the Government’s intentions in this area including: the timeline for the review of the Secretary of State’s powers; any likely changes to relevant legislation arising from this review; and any anticipated impacts on the role and work of the Trade Remedies Authority.

Trade and health

We welcome efforts by your Department and the Minister for Covid-19 Vaccine Deployment to advance access to vaccines through voluntary licensing. As you will know, in our report into the Covid-19 pandemic and international trade, we recommended that the Government evaluate the case for putting in place measures to adjust intellectual property provisions to allow for the compulsory licensing of therapeutic drugs or vaccines.⁶ We ask that, in your response, you summarise the discussions of this issue between G7 Trade Ministers, and at the G7 Leaders’ Summit. Further, should the US put forward proposals on a waiver for intellectual property provisions for Covid-19 vaccines, we ask that you set out your views on this in writing to us.

We agree on the importance of encouraging partners to lift export restrictions in response to the pandemic. In response, please outline what discussions the Government has undertaken with trade partners to encourage the lifting of export restrictions and to advance proposals for a new WTO agreement on trade and health.

Digital trade

We welcome the reference to international trade in the joint ministerial declaration by G7 Digital and Technology Ministers, and the commitment to advance the Joint Statement Initiative (JSI) on E-commerce by G7 Trade Ministers. Nonetheless, we note evidence we heard that developing countries may not be able to help shape such discussions, and that further clarity is required on digital governance globally.⁷ As you will know, we have been inquiring into digital trade in recent months and will set out further recommendations in this policy area in due course.

Trade and climate policy

We understand the Government’s desire to embed approaches to carbon leakage and the collection of relevant data within the multilateral system. Further, we note your concerns about the adoption of unilateral measures in this area. In response, we ask that you set out what data needs to be collected and what agreement, if any,

⁴ [Q23](#)

⁵ International Trade Committee, Third Report of Session 2019-21, [UK trade remedies policy](#), HC 701

⁶ International Trade Committee, First Report of Session 2019-21, [The COVID-19 pandemic and international trade](#), HC 286

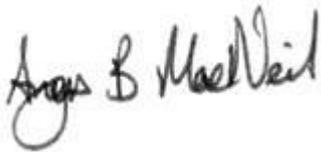
⁷ [Qq 16–17](#)

the G7 has reached on this. In addition to a carbon border adjustment mechanism, we would welcome clarity on what other policy options the Government is considering to address carbon leakage, and what efforts it has made to discuss these at the multilateral level, including during its G7 presidency, at the WTO, and during preparations for the 26th United Nations Climate Change Conference (COP 26).

Finally, in addition to negotiations with Australia, please provide a summary of any bilateral trade discussions which coincide with the G7 Leaders' Summit.

This year is a critical year for the advancement of these issues in international fora and we wish you success in your efforts.

Kind regards,

A handwritten signature in black ink that reads "Angus B MacNeil". The signature is written in a cursive, slightly slanted style.

Angus Brendan MacNeil
Chair of the International Trade Committee