

International Trade Committee

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Rt Hon Elizabeth Truss MP Secretary of State for International Trade Department for International Trade Old Admiralty Building Admiralty Place London SW1A 2BL

9 September 2021

Dear Liz,

I was concerned to see media reports yesterday claiming that you agreed with the Secretary of State for Business, Energy and Industrial Strategy to "drop both of the climate asks" in order to make progress on securing a free trade agreement (FTA) with Australia.

On 7 July you told my Committee that climate change was an important point to be included in trade deals², and that the FTA had "a commitment to working together on the environment, not just net zero"³ and would provide "a template of climate change and environmental co-operation"⁴ for future FTAs. You also noted that "the world we are living in now" means climate change issues have to be addressed through bilateral and plurilateral trade arrangements, rather than at the multilateral level⁵. All this against a background of the upcoming United Nations Climate Change Conference (COP26) in Glasgow this November.

If the claims in the media are correct, this does not seem to provide a strong template for future FTAs, demonstrate the Government making "tackling climate change and biodiversity loss its number one international priority"⁶, nor showcase the UK's intended position as a leader on climate issues. I acknowledge that the FTA with Australia will be the first one it has signed up to with specific reference to climate change⁷. However, this is a relatively low baseline.

As you will be aware, my Committee is running a short inquiry into COP26 and international trade, and Minister Stuart is giving evidence on 21 September. Given the importance of this issue in that context, I would appreciate an urgent response to the following questions as soon as possible, and by the end of next Tuesday (14 September) at the latest.

¹ "Ministers bowed to pressure to drop key climate commitments for UK trade deal with Australia", Sky News, 8 September 2021

² Q181

³ Q183

⁴ Q184

^{5 0181}

⁶ Global Britain in a Competitive Age: the Integrated Review of Security, Defence, Development and Foreign Policy, HM Government, July 2021

⁷ Q181

- Can you confirm that you have not agreed to remove either an explicit reference to the temperature goals of the Paris Agreement or to the "precedence of Multilateral Environmental Agreements over FTA provisions"
- If you have agreed to remove these provisions, can you explain why, and what the practical consequences will be?
- Can you also confirm that the Government will not sign any FTAs unless they
 explicitly protect and/or expand upon the UK's strong environmental
 commitments and standards, including in the two above areas, demonstrating
 your assertion that "Free trade is a way of achieving net zero"9?
- Finally, if the draft FTA with Australia has changed in terms of its environmental commitments, what effect will that have on the ongoing FTA negotiations with New Zealand, or future FTAs?

In accordance with our usual practice, this letter, along with any replies, will be published on the Committee's webpage.

Kind regards,

Argas & MacNeil

Angus Brendan MacNeil

Chair of the International Trade Committee

⁸ "Ministers bowed to pressure to drop key climate commitments for UK trade deal with Australia", Sky News, 8 September 2021