



Department for
International Trade



Department for
Business, Energy
& Industrial Strategy

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Dear Dianne,

Thank you for your letter dated 29 October regarding the climate change commitments in the Australia Free Trade Agreement (FTA) and I apologise for the delay in replying. Let me say at the outset, the Department for International Trade is committed to using both trade policy and FTAs to support our Government's climate change objectives.

I would like to reassure you that our ambitious trade deal with Australia will include a substantive article which affirms both parties' commitments to address climate change. Both Australia and the UK make clear their commitment to the United Nations Framework Convention on Climate Change and the Paris Agreement and achieving all its goals, which delivers on commitments made in the Agreement in Principle (AIP). By referencing the importance of achieving their goals in the text, this includes the temperature goal, as well as important goals on climate adaptation and finance. It is the first time that Australia have included a specific climate change article in an FTA, and this includes setting out areas for future cooperation on issues where trade may support our objectives on climate, for example, emissions reduction and zero emissions technology, energy efficiency and sustainable transport.

We have also made clear in the deal that the sovereign right of the UK and Australia to establish our own environmental laws includes those related to climate change, safeguarding our space to take the necessary action to meet our ambitious climate change and net zero objectives. The chapter also includes a wide range of provisions on environmental issues, for example, forestry and illegal logging, marine litter and pollution and the circular economy. It establishes a clear basis upon which the UK and Australia can cooperate to ensure our trade and environment policies are mutually supportive.

We will continue to champion global action, building on the UK's chairing of COP26. There is certainly an important role for our FTAs in supporting our climate goals. Alongside this, as I'm sure you appreciate, the most effective route to considering these issues is a multilateral one and we are committed to working with like-minded partners to do so.

Yours ever,

Lord Grimstone of Boscobel, Kt
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