

Written evidence from the Fairtrade Foundation (SIT 06)

Public Administration and Constitutional Affairs Committee

The Scrutiny of International Treaties and other international agreements in the 21st century inquiry

1. Introduction

- 1.1 Fairtrade in the UK is part of a global Fairtrade system which supports 1.71 million Fairtrade workers in 73 countries around the world. Our vision is to make trade fair and secure a better deal for farmers and workers, contributing to the UK's wider climate crisis, international development efforts and achievement of the Sustainable Development Goals (SDGs).
- 1.2 Fairtrade welcomes the opportunity to submit evidence to the Public Administration and Constitutional Affairs Committee inquiry on the scrutiny of trade agreements.
- 1.3 The Fairtrade Foundation, alongside civil society partners such as the [Trade Justice Movement](#), have long been calling for greater transparency around the UK's trade agreements, which we believe is vital to ensuring a strong UK trade policy that works in support of our environmental and human rights commitments.

2. Key messages

- 2.1 Transparent and effective scrutiny of ongoing and future trade deals will help the Government ensure that FTAs align with existing commitments on climate, human rights and the SDGs, and is an important opportunity for 'buy-in' on the direction of UK trade policy from the public and civil society.
- 2.2 By contrast, the absence of parliamentary scrutiny on trade deals could diminish public trust in UK trade policy at a moment when open and informed discussion of our trading future is badly needed.
- 2.3 The Fairtrade Foundation would like the Government to include provisions to ensure that MPs have a say on negotiating mandates, with a binding vote once a deal has been agreed.
- 2.4 Impact assessments of environmental and social impact (including against our commitments on climate change and international development) are required early in the process of policy development to inform policy coherence.

3. Parliamentary Scrutiny

- 3.1** The Fairtrade Foundation would like to see a stronger offer from Government with regard to the transparent and democratic scrutiny of trade negotiations, which at a minimum brings the UK into line with key trading partners. The current offer for UK MPs is currently less than those afforded to EU MEPs and the US Senate, both of whom have a process for democratic scrutiny of trade deals. The Fairtrade Foundation is calling for the Government to urgently set out a process for democratic scrutiny of any new trade deals, using the EU process as a baseline.
- 3.2** We recognize the need for appropriate confidentiality in the negotiation process. At the same time there are ways for Parliament to scrutinise without compromising these requirements. For example, the EU has previously used a “secure reading room” approach to offer MEPs access to sensitive negotiation texts.
- 3.3** We welcome the opportunity to consult with DIT through the “Trade Working Group” structures, and DIT’s commitment to these processes. At the same time we note that these consultation structures are by invitation, which means that not all stakeholders are present, and that these structures are subject to change. They do not therefore replace Parliamentary scrutiny.
- 3.4** The Fairtrade Foundation supports calls by the Trade Justice Movement for a parliamentary process which includes:
- 3.4.1** Parliamentary involvement before negotiations. Members should be able to debate and vote on proposals before entering in to formal negotiations, protected by legislation.
 - 3.4.2** Transparency during negotiations, with the regular release of key negotiating texts after negotiating rounds and to Parliament during negotiations.
 - 3.4.3** Guaranteed debates and a meaningful vote. There should be a process, set out in legislation, which goes beyond CRAG to ensure that both Houses are given adequate time to debate and vote on trade agreements before they are signed. The resolution approving a trade agreement should require approval from the House of Commons.
 - 3.4.4** An enhanced role for civil society and businesses. Although we welcome the engagement that DIT already offers through a variety of working groups, the “by invitation” nature of these groups means that key stakeholders may well not be present. The arrangement is not fixed, so ministers can review membership and structure at any time. DIT needs to be routinely and proactively reaching out to any group that is potentially impacted by a forthcoming deal, so that concerns and opportunities from all perspectives can be brought to light and considered. While some

confidentiality requirements may be needed, DIT should avoid using NDAs in stakeholder engagement unless strictly necessary to protect the negotiation process.

3.4.5 Full and timely impact assessments. Impact assessments are vital to ensure policy coherence between future UK trade policy, climate commitments, human rights and sustainable development priorities. They should be produced in a timely way, commissioned independently, and published before a negotiating mandate is established. Impact assessments should consider the countries directly involved in any potential deal, and also to lower income countries that may be affected *indirectly* by a bilateral deal (for example because their current market access is eroded by a new FTA).

3.5 Effective scrutiny will support the development of an overarching trade strategy that works in support of the Sustainable Development Goals (SDGs¹), tackling the climate crisis, and our proud commitment to uphold human rights around the world. Our trade policy must support fair, sustainable and resilient supply chains – supporting farmers, workers while shoring up future UK food security.

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¹ The SDGs set targets for using trade as an instrument in support of poverty reduction, notably under goal 17. See for example <https://unctad.org/en/Pages/DITC/Trade-Analysis/TAB-Trade-and-SDGs.aspx>