

## **International Trade Select Committee inquiry - UK trade negotiations: Agreement with New Zealand**

### **Submission by Compassion in World Farming**

1. Compassion in World Farming (Compassion) welcomes the inquiry by the International Trade Select Committee into the agreement in principle on a free trade agreement (FTA) between the UK and New Zealand.
2. Our submission focuses on the issue of farm animal welfare standards. In particular, on ensuring that imports into the UK meet existing domestic legislation, do not undermine UK farming and food production standards and allow for further improvements to UK standards – including those set out in Defra’s Action Plan for Animal Welfare.

### **What is likely to be the impact of the agreement on social, labour, environmental and animal welfare issues?**

3. The free trade agreement negotiated between the UK and New Zealand is a further step in the Government signing deals with countries that will export significant agricultural products to the UK - including, in this instance, a 2,400% increase in beef imports.
4. While New Zealand’s animal welfare standards are broadly comparable with current British standards, Compassion remains very concerned that the headlong rush to increase meat imports, when combined with the UK-Australia FTA, could come at the expense of Britain’s higher welfare, pasture-based farmers. There will be significant challenges in ensuring that imports actually meet British standards, and the Government must set out how it will ensure that they will do so.
5. Similarly, the deal must not have a chilling effect on Britain’s ability to raise farm animal welfare standards in future. Whilst the inclusion of an animal welfare chapter and reference to 'non-regression' is welcome, the true test will be whether the wording in the final deal is meaningful and binding - the language currently seems to be non-binding; for example, words like 'reaffirming', 'recognising', 'cooperating' are used.
6. The fundamental principle on animal welfare, for all trade agreements that the UK Government signs, should be that any deal does not compel it to allow the import of products produced to standards of animal welfare, food safety or environmental protection that are lower than those required by UK law. This means that imports would either have to meet UK law or be subject to requirements that are genuinely comparable in effectiveness to those of UK law.
7. Britain cannot win a global race to the bottom, and British farmers who raise their standards must not be undercut by lower-standard imports.
8. Generally speaking, New Zealand’s farm animal welfare law is currently comparable to UK law – and the most aligned to UK standards anywhere outside the EU. In 2014, World Animal Protection’s Animal Protection Index ranked New Zealand as an ‘A’ for animal welfare. In 2020 it dropped to ‘C’. The UK is ranked ‘B’, overall, but on the issue of farm animal welfare specifically, the UK is ranked merely as ‘D’, whilst New Zealand continues to be ranked at ‘C’<sup>1</sup>

9. The specific objections that applied to low-welfare Australian exports therefore do not arise here. The difficulty is the future outlook and the Government's failure to require that imports meet current and future British standards, which will be an issue in each trade agreement.
10. Specifically, there are a number of areas, set out below, where one (or both) nation(s) is seeking to improve farm animal welfare regulations, and this deal must not prevent either party from doing so. Indeed, it should be noted that the UK-New Zealand FTA will not in itself improve animal welfare standards, as these commitments already existed before any Agreement in Principle was reached.

### **Crates and cages**

11. Defra, as set out in the Action Plan for Animal Welfare, is reviewing "the use of crates and cages". New Zealand is also reviewing their policies here – but each party is unlikely to reach identical conclusions at the same time. ***Will improvements to British legislation be held back by the prospect of imports produced to different standards?***

### **Laying hens:**

12. This would especially be the case regarding egg products. Battery cages, illegal in the UK since 2012, will be phased out in New Zealand at the end of 2022 - but colony ("enriched") cages will remain legal. We expect the UK Government to end the use of enriched (or "colony") cages. Additionally, all the major supermarkets in UK have either stopped selling caged eggs (e.g. M&S, Sainsbury, Waitrose, Morrisons) or plan to do so by 2025 (e.g. Tesco, Asda, etc.).<sup>2</sup>
13. New Zealand is unlikely to move swiftly to ban enriched ("colony") cages if they have just been installed by farmers. The UK Government must ensure that imports of eggs or egg products (e.g. egg powder) are from production systems that are, as a minimum, comparable to the legal minimum requirement expected of UK producers.

### **Farrowing crates:**

14. Legislation ending the use of farrowing crates could come into effect first in either nation, although the move on farrowing crates in New Zealand looks more probable to be sooner – the New Zealand Government has announced the phasing out of farrowing crates and mating stalls by 2025,<sup>3</sup> whilst Defra's Action Plan for Animal Welfare is unlikely to see a phase out of farrowing crates pre-2025. The UK must therefore begin the process of phasing out these systems in order to keep up.

### **Live animal exports**

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<sup>1</sup> <https://api.worldanimalprotection.org/country/new-zealand>

<sup>2</sup> "Policies of the UK Supermarkets: *Laying hens*", *Compassion in World Farming*, 2019

[https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKEwiO4MKRONjzAhV-hf0HHcTHB\\_AQFnoECC4QAQ&url=https%3A%2F%2Fwww.ciwf.org.uk%2Fmedia%2F5263479%2Fuk-supermarket-policies-in-uk-laying-hens-dec-2019.pdf&usg=AOvVaw1jJiitF2AgG1KCj4E-WVSH](https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKEwiO4MKRONjzAhV-hf0HHcTHB_AQFnoECC4QAQ&url=https%3A%2F%2Fwww.ciwf.org.uk%2Fmedia%2F5263479%2Fuk-supermarket-policies-in-uk-laying-hens-dec-2019.pdf&usg=AOvVaw1jJiitF2AgG1KCj4E-WVSH)

<sup>3</sup> <https://www.newshub.co.nz/home/rural/2020/12/government-to-phase-out-use-of-farrowing-crates-in-pork-farming-by-2025.html?fbclid=IwAR1gHsV7Q8I4F6g2yCS52muKsZqQwqqlzJTGgqXyVo31nhCnMCBuDyNANSo>

15. New Zealand is currently ahead of the UK, in terms of its policy restricting the trade in live animal exports. New Zealand's 2016 Regulations already mean that the export of cattle, sheep, deer and goats (livestock) for slaughter are effectively banned. In April 2021, this ban was extended to fattening and breeding animals exported by sea.<sup>4</sup>
16. However, the UK can expect to catch up via the Kept Animals Bill, which should see a ban for slaughter and fattening exports (but not breeding stock) introduced in the UK sooner than two years – and covering all forms of transport for export (rather than just by sea).

### **Antibiotics**

17. UK: It has been illegal to use any antibiotic as a growth promoter in the UK or the EU since 2006.
18. New Zealand: New Zealand does not permit the use of antibiotics it considers medically important to be used as growth promoters. However, four antibiotics not currently used in human medicine continue to be used for production purposes.
19. Furthermore several antibiotics are licensed under veterinary prescription for continuous use in pigs, chickens or cattle at growth-promoting doses. These antibiotics were banned as growth promoters in the UK and are no longer licensed for any use in British livestock.
20. In New Zealand, hormone implants are licensed to promote growth in cattle, a practice that is banned in the UK and the EU.<sup>5</sup> ***Will meat produced with these antibiotics be allowed to be imported into Britain?***

### **Beef production**

21. New Zealand's beef production can take place in feedlots. Although not necessarily illegal in the UK, these systems see cattle left in the open without shelter – this is a difference in standards between the two parties, as UK beef production is predominantly pasture-based. ***The UK Government should address this in the final terms of the agreement when considering tariff free access for beef*** (which, as noted previously, will increase by 2400% under the terms of the deal).
22. Similarly, the killing of bobby calves is about to be phased out voluntarily by the British industry yet still permitted in New Zealand.

### **Areas the UK Government could act to offer support to UK farmers**

23. Ministers must ensure that current UK standards are protected, and that existing import bans are maintained. The UK must resist pressure to lower standards to compete with lower standard imports. Instead, the Government should introduce policies to protect UK consumers and producers and farm animal welfare standards. Two such areas where the UK could act in this respect are:

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<sup>4</sup> <https://www.rnz.co.nz/news/political/440434/government-announces-ban-for-live-cattle-exports-by-sea>

<sup>5</sup> Alliance to Save Our Antibiotics, [Farm Antibiotics and Trade Deals](https://saveourantibiotics.org/media/1864/farm-antibiotics-and-trade-deals), November 2020

<https://saveourantibiotics.org/media/1864/farm-antibiotics-and-trade-could-uk-standards-be-undermined-asoa-nov-2020.pdf> ; and [Differences in farm antibiotic standards in the UK and New Zealand](https://saveourantibiotics.org/media/1956/211021-differences-in-farm-antibiotic-standards-in-the-uk-and-new-zealand-oct-2021.pdf), October 2021

<https://saveourantibiotics.org/media/1956/211021-differences-in-farm-antibiotic-standards-in-the-uk-and-new-zealand-oct-2021.pdf>

### **Labelling as to farming method**

24. The recent call for evidence, by Defra, on the issue of “Labelling for Animal Welfare”<sup>6</sup> is an important step in not only increasing information provided to consumers but also a significant way in which higher-welfare UK farmers can distinguish their products, at the point of purchase, from lower-standard imports. It is encouraging that Defra recognise this as one of the benefits such a policy would bring.<sup>7</sup>
25. Consumer demand is being impeded by lack of clear information at point of sale as to how meat and dairy products have been produced. Since 2004 EU law has required eggs and egg packs to be labelled as to farming method.<sup>8</sup> This has been an important factor in the move away from cage eggs. With meat and milk, however, consumers are largely in the dark. The problem is particularly acute as regards milk. Most milk is pooled together making it impossible to distinguish intensive and pasture-based milk.
26. The Commons EFRA Committee has twice in 2018 recommended “that the Government [should] introduce mandatory method of production labelling”.<sup>9 10</sup>

### **Public procurement**

27. The *Government Buying Standards for Food and Catering* include animal welfare considerations. However, these only require meat, milk and eggs to have been produced to legislative minimum standards. This is unsatisfactory. It is anomalous for Government to state that its ambition is to achieve good animal welfare, while the public sector undermines this aim by procuring food only to legislative minimum standards which are often low and which in the case of dairy cows lack any detail.
28. Public sector bodies should use their buying power to augment the market for food produced to high nutritional, environmental and animal welfare standards.
29. The UK Government should introduce a provision akin to section 15(5)(c)(ii) of the Procurement Reform (Scotland) Act 2014 which requires the procurement strategy of public bodies “to promote the highest standards of animal welfare”.
30. Such a move, particularly when combined with labelling for animal welfare, would benefit the UK’s higher welfare farmers. Whilst the labelling scheme should help consumers ensure they are purchasing higher-welfare products in shops and restaurants, a change in procurement policy would deliver similar support to farmers whose products are sold in public canteens.

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<sup>6</sup> <https://consult.defra.gov.uk/animal-welfare-market-interventions-and-labelling/labelling-for-animal-welfare/>

<sup>7</sup> Q249 and Q254, Victoria Prentis MP, Minister of State, Defra -

Oral Evidence to International Trade Select Committee, 27 Oct 2021 <https://committees.parliament.uk/oralevidence/2922/htm>

<sup>8</sup> Commission Regulation (EC) No 589/2008 of 23 June 2008 laying down detailed rules for implementing Council Regulation (EC) No 1234/2007 as regards marketing standards for eggs: Article 12 and Annex I & II

<sup>9</sup> House of Commons Environment, Food and Rural Affairs Committee, February 2018. Brexit: trade in food, paragraph 133

<sup>10</sup> House of Commons Environment, Food and Rural Affairs Committee, February 2018. The future of food, farming and the environment, paragraph 106 and recommendation 16

31. This would allow higher-welfare UK farmers to easily distinguish their produce from lower welfare imports (via labelling) and have a vast market into which they could be confident they could sell their goods (i.e. schools, hospitals and other public canteens).

**How well is the Government communicating its progress in negotiations – and how much is it listening to stakeholders during those negotiations?**

32. In 2018, the UK Government ran a consultation on possible free trade agreements it hoped to secure, including with New Zealand. Since then there has been little engagement by DIT with wider civil society in terms of inputting into these discussions.
33. DIT has established 'Thematic Working Group', but membership required the signing of legally-binding confidentiality agreements. Compassion is not a member of these groups but understand members were not given any prior sight of the UK-New Zealand Agreement in Principle, or any opportunity to comment on the general direction of the deal, let alone specific provisions.

In terms of the next stages of negotiations, there has been no indication as to whether civil society will be able to comment on or influence negotiations as they progress, or what role civil society is expected to play in these processes, with the last formal opportunity being the 2018 consultation. It is unclear what influence any further consultations will have at this stage in the negotiations.

34. With the exception of Ministerial Statements made to Parliament, there has been similarly little in the way of ensuring MPs and Peers are being kept up to date on the progress of negotiations. MPs will have no guaranteed debate or vote on the deal before ratification, although we expect that a debate will be provided for. ***It would be helpful if the Committee were to push the Government to offer a guaranteed debate and vote in Parliament before ratification (and for similar to take place with all future trade agreements before ratification by the UK Government).***
35. The UK Government must ensure that sufficient time is given for the deal to be fully scrutinised. Not only should debates, inquiries and votes in Parliament be able to take place, but they should also establish a core set of standards on animal welfare, food, farming and the environment that must be met in order for a deal to be ratified. The overall objective of the Government should be to encourage British farmers to meet the highest standards in accordance with the latest science, and to negotiate trade agreements that do not undermine progress.
36. In order for Parliament to have a proper role in the formation of new trade agreements, the Government must ensure that:
  - a. *Before beginning to negotiate a trade agreement* - Parliament must set the mandate for the negotiations. To achieve this, negotiations should not begin until Parliament has authorised their commencement. Parliament should make recommendations to the Government regarding the policy areas that should be included in the negotiations and the principles that should underpin, and any limits on, the negotiations.

- b. *During negotiations* - Parliament should receive the information necessary to properly scrutinise trade agreements. Accordingly, at least once each year the Government must lay before Parliament a report containing an account of progress made during the negotiations to date and an assessment of the issues likely to arise during the future stages of the negotiations that may affect UK producers, consumers or legislative standards (for example regarding food safety, the environment and animal welfare). Parliament should have the right to make recommendations to the Government on, and propose amendments to, any draft texts that have been proposed or agreed and on the UK's position during future stages of the negotiations.
- c. *At the end of negotiations* - Parliament should have the right to consent to, amend or reject a trade agreement. If it wishes to amend the agreement, the Government must place its proposals before the other party/parties to the agreement. If they do not accept Parliament's proposals, Parliament will have to decide whether to accept or reject the trade agreement.

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