

**TRADE & ANIMAL WELFARE COALITION
INTERNATIONAL TRADE COMMITTEE ON THE UK-INDIA FTA
IMPLICATIONS FOR ANIMAL WELFARE**

Overview

1. The Trade and Animal Welfare Coalition welcomes the opportunity to respond to this inquiry by the International Trade Committee into the UK-India negotiations on a Free Trade Agreement. This FTA is very important as it is the first negotiations the UK has entered into with a developing country outside the roll-over agreements and we believe the need for ongoing consultation and communication with stakeholders is hugely important and needs to be improved on from past negotiations like Australia/UK.
2. The UK has set the objective of not undermining its animal welfare standards and lowering tariffs under the Goods Chapter. India's animal welfare standards are lower in many areas than the UK and over the past decades, India has become one of the global leaders in the production of hen eggs, buffalo, goat and cow milks and buffalo, goat, sheep and chicken meats. As an example, India is the third global producer of hen eggs, after China and the US and exports egg products with about 80% of eggs being produced industrially in battery cages which are banned in the UK. Should MFN tariffs get lowered without conditionality, this will increase the import of dried egg products from lower welfare systems and undermine the UK's egg industry, which has the highest percentage of free-range farmers globally at present. The UK held out reducing tariff lines for egg products in the Australia FTA showing that it will maintain its safeguard measures on sensitive issues when the sector is not of strategic interest to the partner. India is likely to push for the removal of safeguards on their key industries like egg production and TAWC would recommend the granting of better trade preferences only to animal-based products that respect animal welfare standards equivalent to those applied in the UK (during transport, at slaughter and on farm). There is also a need to include ambitious provisions on animal welfare cooperation in the agreement with India in order for the UK to meet its objectives not to undermine animal welfare standards.

How adequately has the Government undertaken public consultation in formulating its strategic approach / negotiating objectives?

3. At this point the Government has had one public consultation and subsequently reported back with the Impact Assessment and Scoping Assessment. The consultation only received 283 responses which is a very low level and indicates poor engagement. Other Government consultations receive in the thousands of responses, and this may be because either the consultation is not publicised well, or the questions are not encouraging responses. In regard to the questions, they are very generic and do not provide an opportunity for respondents to provide specific information on key issues around sensitive products for example or to outline the red lines they feel should be in place during negotiations. This means that when the UK reports back on the consultation responses it can only relay the generic concerns respondents had and it misses opportunities to consider wider issues.
4. The DiT set its strategic objectives four days before starting the first round of negotiations with India in January but from now forth there is no further consultation with interested parties and stakeholders until the FTA is concluded. The FTA with India contains many sensitive issues and has many elements of public interest relating to the environment and animal welfare and yet there is no ability to input expertise or views. In summary the public consultation process has not been adequate.

How adequate and appropriate is / are the Government's strategic approach / negotiating objectives?

5. The Government's broad objectives in the India FTAs are set out as to "*secure broad liberalisation on tariffs on a mutually beneficial basis, considering UK product sensitivities*" and "*uphold the UK's high*

levels of food safety, animal and plant health, and animal welfare and the UK's right to regulate in these areas in the public interest."¹ This approach is very broad and the specific negotiating objectives are unlikely to be shared. There is no detail to this statement of not compromising on animal welfare standards and so we do not know if the UK has red lines on sensitive issues such as egg products or chicken production where UK's MFN tariffs prevent importation from India and where standards are lower than in the UK. There needs to be clarity on whether the UK are using conditionality on animal welfare standards before entering into discussions on lowering tariffs under TRQs or that MFN tariffs would not be altered on certain sensitive product lines.

6. These were the same objectives in the UK-Australia negotiations which resulted in liberalisation on tariffs without conditionality and agreement to lower standards on food safety by basing language in the SPS Chapter on the CPTPP Agreement which is that standards should be based on science rather than the precautionary approach. Taking this approach means that the UK will have less ammunition if attacked on this issue at the WTO, or when countries complain through diplomatic channels and so the use of the same objectives does not give much reassurance that the language will be stronger in the resulting FTA with India.

How are the terms of a new trade agreement between the UK and India likely to affect you, your business or organisation, or those that you represent?

7. There could be a negative impact on the members represented by TAWC and their supporters if animal welfare standards were undermined. The members of the TAWC all have their own memberships in the thousands, and they gain these members by their work in improving animal welfare standards in the UK. Broadly there is strong support amongst the public, 75% in one opinion poll², for the Government to honour its commitment not to lower animal welfare standards in FTAs.
8. Animal welfare standards are broadly lower in India than the UK so it is a real risk that if MFN tariffs get lowered without conditionality, this will lead to an increase in low welfare products coming into the UK market and undercutting products produced to high standards. Over the past decades, India has become one of the global leaders in the production of hen eggs, buffalo, goat and cow milks and buffalo, goat, sheep and chicken meats. India produces 4 million tonnes of beef compared to 915 tonnes in the UK and exports around 1.05 million tonnes³ Animal Equality India published a report identifying several concerns related to animal welfare such as the practice of debeaking, the lack of veterinary care, forced moulting (despite this practice being prohibited in India) and the use of battery cages. India is the world's third largest producer of hen eggs, after China and the US. Indian production of eggs and egg products has increased significantly and constantly by 43% between 2010 (61.4 billion eggs) and 2017 (88.1 billion eggs). India mostly exports egg products and about 80% of eggs are produced industrially in battery cages. The UK banned the use of battery cages in 2012 and are now seeking to extend that ban to enriched cages. All of the work TAWC members have done and the steps the UK Government has taken to lift animal welfare standards in areas like laying hens would be undermined by hugely preferential tariff reductions on such products.

What are the potential impacts of an agreement on:

- the UK's economy as a whole?
9. According to the Government's own figures the FTA could increase exports from £23.3 billion in 2019, to £40 billion by 2035. The Government has not published any data on the impact of lowering tariffs on

¹ P.11 UK's Strategic Approach DiT. January 2022

² Savanta ComRes. Poll of 1,000 people August 2020

³ <https://ahdb.org.uk/news/uk-india-trade-deal-prospects-for-agriculture>

sensitive issues such as eggs or chicken on the UK farming sector which could lead to imports of these products at a lower price.

-particular sectors of the UK economy?

10. In the agri food sector, the export impact could be substantial as India has high tariffs on many agri-food lines such as whisky. The Indian Government would be looking for mutually dropping tariffs on issues of importance to them such as egg products and chicken where the impact of greater imports of these could be higher.

- the UK's devolved nations and English regions?

11. As trade is a reserved matter, the devolved countries have no say in what the UK agrees in FTAs, however imports can be sold across the devolved nations. Animal welfare standards are a devolved matter and so allowing products produced under lower standards could undermine the standards they have set in, and impact could be felt in those regions with significant production levels of those products being imported. For example, Wales has the highest percentage of free-range egg farmers (89%) in the UK and import of eggs produced from battery hens at a lower cost could impact negatively on Welsh producers.

- -social, labour, environmental and animal welfare issues?

12. In regards to animal welfare, India ranks C on the Animal welfare global index and E on farm animals compared to the UK ranking of B and D⁴. According to animal welfare organisations based in India, dairy cows and buffaloes suffer from severe animal welfare problems.⁵ In 2020 there were reports of dairy cows being given large doses of hormones such as oxytocin and somatotropin that causes them to produce unnaturally large quantities of milk, even though their use is illegal.⁶ The Indian poultry industry is very industrialised and whilst the Law Commission of India proposed new rules on broiler chicken welfare, including requirements for space allowance and stocking density of 30 kg/m², the majority of birds (66%) are still raised, owing to derogations that are difficult to check, at stocking densities of up to 42 kg/m. India has over recent years not exported egg products into the UK, however that could change with tariff reductions. The cost of production on dried egg products and delivery to the UK market found in 2017 by van Horne was 465 eurocents/kg from Indian cage production compared to 533 eurocents/kg for enriched caged egg production and 715 eurocents/kg for free range eggs⁷. Only the UK's 29% MFN tariff ensures such products remain uncompetitive within the UK market.

13. In India, standards in abattoirs are much poorer as despite a 2001 licensing law, over 30,000 slaughterhouses are unlicensed. There is no CCTV in India compared to it being mandatory in England and being introduced in Wales and there are no slaughterhouses in India which have been approved to export meat to the UK. While the UK imposes standards on imports of products on their welfare at the time of slaughter, it will be crucial to ensure proper enforcement of these standards through audits. Transport times are also much longer in India than in the UK. There is no maximum journey time for animal transportation compared to 29 hours for beef and sheep in the UK and 24 hours for chickens.

- UK consumers?

14. Any impact to consumers would be limited to changes in prices or choice and an expectation that any products on sale in the UK are reared to UK standards. Reductions in tariffs without conditionality may lead to large amounts of products being sold in the UK market not produced to UK standards and potential decreases in prices. Whilst price decreases may seem positive, consumers have repeatedly

⁴ <https://api.worldanimalprotection.org/>

⁵ Animal Equality, Report on poultry welfare in India, 2016

⁶ <https://www.tribuneindia.com/news/nation/for-higher-milk-yield-dairy-owners-in-haryana-using-prohibited-drug-27809>

⁷ <https://edepot.wur.nl/469616>

stated that they do not want to see products produced to lower than UK standards. It would also undermine wider environmental objectives which the public has demonstrated is important to them.

How should the Government communicate its progress in negotiations; and seek the views of stakeholders during those negotiations?

15. The UK Government should hold regular virtual meetings with lead trade negotiators involved and seek to improve communications broadly as members complained that most of the information gained on UK-Australia came from what the Australian Government placed on its website or revealed to civil society rather than the DiT website. There also needs to be a mechanism by which stakeholders can respond to the DiT during negotiations and provide information on market conditions.