

## **HCC response to the International Trade Committee UK trade negotiations: Agreement with India**

13 February 2022

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- I. Thank you for the opportunity to input into your discussions relating to the FTA between the UK and India.
- II. Hybu Cig Cymru - Meat Promotion Wales (HCC) is the industry-led organisation responsible for the development, promotion and marketing of Welsh red meat. HCC's stakeholder representatives implement, on behalf of all Welsh farmers and other key industry participants, a strategic plan to develop profitable and sustainable markets for Welsh red meat to derive benefit for all in the supply chain.

### **Free Trade Agreements**

1. FTAs in principle offer global market opportunities for Welsh red meat exports and achieving market access with minimal barriers (both tariffs and non-tariff measures) is therefore important.
2. There is a however a need to ensure that trade negotiations do not disadvantage UK (and Welsh) red meat businesses in the home market and to ensure that any imported meat into the UK adheres to the same standards (or above) as UK production, specifically in terms of animal welfare, environmental standards, food safety and food hygiene.
3. Welsh red meat is currently produced to world-leading standards of welfare and environmental management, underpinned by the PGI scheme for lamb and beef which is administered by HCC. The industry would be opposed to any reduction in standards for UK consumers through a new trade agreement with India.
4. Protecting UK products from imitation in the overseas markets is also essential, products such as PGI Welsh Lamb and PGI Welsh Beef which have Protected Food Name status. Protection of these products within India, as a part of the trade deal is crucial so that only lamb and beef born and reared in Wales can be branded as Welsh.

### **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?**

5. The Indian market presents market opportunities for Welsh red meat (primarily Welsh Lamb) and therefore achievable market access with minimal barriers is essential. There are opportunities for niche products such as PGI Welsh Lamb in the food service sector where lamb is increasingly becoming popular with more Indians dining out, and to meet the growing demand for lamb during religious festival periods. Trade between the UK and India is

therefore important, as access to this market extends the options for Welsh red meat exporters.

6. Market access, with minimal barriers in terms of tariffs and minimal bureaucratic measures, is essential. Currently, whilst there is market access into India for UK lamb, there is no trade. The requirement for guarantees around disease status of notifiable and non-notifiable diseases mean that the export certificate is prohibitive; and as such no lamb exports are going to India from the UK. This issue needs to be taken into account in the FTA discussions, as tariffs are only one part of the market access challenge.

**What are the potential impacts of an agreement on:**

- a. **the UK's economy as a whole?**
  - b. **particular sectors of the UK economy?**
  - c. **the UK's devolved nations and English regions?**
  - d. **social, labour, environmental and animal welfare issues?**
  - e. **UK consumers?**
7. It is not anticipated that the new trade deal between the UK and India is likely to result in any significant change to imports of beef or lamb from India to the UK in the short-term, as Indian carabeef and sheepmeat exports primarily target specific carabeef and sheepmeat markets in Asia and the middle East.
  8. However, it is essential that the UK-India trade deal future-proofs the UK red meat industry, ensuring that arrangements are in place to protect domestic red meat production should India chose to export beef or lamb to the UK at a future point. Imported meat into the UK should adhere to the same standards (or above) as UK production, ensuing those imports do not disadvantage UK red meat businesses who are producing to world-leading standards of welfare and environmental management.
  9. An FTA that distorts the market through its failure to ensure a level playing field may limit domestic production if farming becomes less viable. This in turn is likely to impact on choice, availability and affordability of agricultural products within the UK market.
  10. Increasing the UK's dependence on foreign produce also risks importing food with a higher carbon footprint, which cannot be positive for our commitments on climate change or our food security. Welsh red meat is some of the most sustainable and ethical in the world.

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

11. Ongoing dialogue with industry stakeholders is essential, to ensure that concerns regarding market access and the long-term impact of the trade deal upon the UK agricultural industry are adequately taken into account.