

RSPCA RESPONSE TO THE PUBLIC BILL COMMITTEE ON THE TRADE BILL

Introduction

1. The RSPCA welcomes the opportunity to set out what it believes to be the implications for animal welfare as the Government carries over the 65 Free Trade Agreements (FTAs) already undertaken by the EU with other countries as the UK leaves the EU and sets out what future FTAs it may undertake. The RSPCA has been working on trade issues for 25 years, attending seven WTO Ministerial meetings and advising the European Commission on six FTAs that the EU has or is negotiating that include animal welfare elements (Chile, South Korea, Canada, Japan, Mercosur and Mexico). The RSPCA also sets the standards for the UK's only higher welfare farm assurance scheme, RSPCA Assured, which has over 3,000 members and produces over half the UK's eggs and a quarter of its pork meat. As any trade negotiation will impact on the UK's animal welfare standards, the RSPCA has a public policy and commercial role on this issue.

Challenges in grandfathering existing EU FTAs and negotiating future FTAs

2. The EU has some 65 FTAs with other countries, some of which have existing animal welfare provisions (e.g. Chile, South Korea) and others no provisions (e.g. CETA, Japan). Although the Trade Bill is primarily about writing over these existing FTAs there are enormous challenges with this, primarily that the country could wish to renegotiate the existing EU FTA, that the EU will also have to approve any renegotiation and that any Rules of Origin agreed will have implications on any future FTAs the UK may wish to negotiate¹.
3. One of the major challenges when the UK negotiates existing EU FTAs and separate future FTAs will be ensuring the production of products delivered under higher welfare standards are internationally competitive and not running the risk of being undermined by imported products from animals that have been reared to lower welfare standards. This would lead to the industry becoming uncompetitive in the UK as well as in the export market.
4. Economic studies have shown the economic consequences of raising welfare standards for laying hens², broiler chickens³ and the pig sector⁴ and any negative changes in tariffs or non-tariff barriers in future FTAs could further decrease the competitiveness of industry.
5. The EU has 19 agreed farm animal welfare laws which the UK has implemented, giving a high degree of consistency on standards and a level playing field for trade in farm products. This will not be the case when the UK starts to negotiate FTAs with other countries. The UK has some of the highest farm animal welfare standards in the world^{5,6}. Canadian and American

¹ Gasiorek, M and Holmes, P (2017) *Grandfathering: What Appears Bilateral is Trilateral*
http://blogs.sussex.ac.uk/uktpo/files/2017/12/PBriefing_13.pdf (accessed 17/01/18)

² RSPCA (2005) *The Case Against Cages*; RSPCA (2001) *Hard Boiled Reality*

³ Centre for Rural Research, Exeter University (2005) *The Economic Consequences for the Broiler Industry of Legislatively Enforced Reductions in Maximum Stocking Density*

⁴ Bondt et al (Agricultural Economics Research Institute, The Hague) (2004) *Effect of Higher Welfare Standards on the Costs of Producing Beef and Pork in the EU*

⁵ World Animal Protection *Animal Protection Index*

<https://www.worldanimalprotection.org/our-work/help-protect-animals-globally/review-animal-welfare-standards-around-world> (accessed 17/01/18)

⁶ European Parliament Directorate-General for Internal Policies (2012) *Comparative Analysis of EU Standards in Food Safety, Environment, Animal Welfare and Other Non-trade Concerns with Some Selected Countries*

farm welfare standards tend to be based on corporate standards rather than Federal law, with the exception of the slaughter of farm animal laws, and so are lower than the UK's.

6. The Government has made it clear that the future of farming in England and the rest of the UK lies in quality and high animal welfare standards and there will be no race to the bottom^{7 8}. There is a unified Cabinet position that *"there should be no diminution in our environmental or animal welfare standards in pursuit of trade deals"*⁹.
7. The UK will have to negotiate if it inherits the EU's WTO commitments, for example its cessation on using export subsidies for farm animals; whether to carry over the EU's non-tariff barriers such as its ban on imported beef injected with hormones, its ban on BST in dairy cattle and indeed its ban on chicken washed in chlorine when it carries over the EU's present 65 FTAs that already exist.
8. When the UK negotiates FTAs with other countries, it has a greater challenge as it has to ensure that imports to the UK meet these higher animal welfare standards to ensure the integrity of food being purchased by UK consumers, and that UK farmers are not placed at a competitive disadvantage.
9. Other areas where standards could be under threat are in wildlife and animal testing. An FTA may include sectoral chapters on cosmetics, pharmaceuticals, chemicals and pesticides. The UK needs to be careful that it doesn't compromise any existing UK laws, such as the Cosmetics Regulation¹⁰, or risk that these laws are as sensitive to change as the farm animal ones above.
10. There are no global regulatory equivalence agreements for animal welfare as there are for food safety. Although the World Organisation for Animal Health (OIE) has agreed 15 global animal welfare guidelines these are not recognised by the WTO, unlike the OIE's animal health standards or the Codex Alimentarius standards. The OIE standards are more aspirational, do not contain specific standards and, though they have been adopted by both the UK and US, fall below the UK's welfare standards in all areas with the possible exception of beef production. The UK will need to be careful if using the OIE standards as a basis for equivalence as they will not afford much if any protection for its industries.
11. The UK and USA are both members of the Global Procurement Agreement under the WTO which is designed to allow transparent opening in public procurement and ensure that companies in the US and UK are treated no differently in any procurement tender. The RSPCA would support opening up public procurement markets but any opening should ensure that animal welfare remains as a goal in any tendering to prevent a race to the

[http://www.europarl.europa.eu/RegData/etudes/etudes/JOIN/2012/474542/IPOL-AGRI_ET\(2012\)474542_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/etudes/JOIN/2012/474542/IPOL-AGRI_ET(2012)474542_EN.pdf) (accessed 17/01/18)

⁷ House of Lords EU Environment and Energy Sub-committee *Brexit: Farm Animal Welfare* inquiry oral evidence (8th March 2017), George Eustice MP

⁸ Rt Hon Michael Gove MP, Oral Answers to Questions 20th July 2017 (Volume 627, Column 960)

⁹ House of Commons Environmental Audit Committee *The Government's Environmental Policy* inquiry oral evidence (1st November 2017), Rt Hon Michael Gove MP

¹⁰ The Cosmetic Products (Safety) Regulations 2003 (<http://www.legislation.gov.uk/ukxi/2003/835/made>) (accessed 17/01/18)

bottom. The UK has agreed Government Buying Standards¹¹ but these do not provide much protection for animal welfare as they only set best practice standards for sustainable seafood products and higher environmental standards (20% of value). There are no best practice targets set for animal welfare.

12. The RSPCA believes that a dispute resolution mechanism needs to be independent, transparent, be open to all submissions and have an appeal process, similar to the WTO's Dispute Settlement Understanding (DSU).

Solutions

13. The UK should include language in any FTA on animal welfare to ensure its own standards are protected. The EU has agreed two FTAs, with Chile in 2002 and South Korea in 2011, which had specific language inserted on animal welfare. The EU-Chile FTA successfully improved the slaughterhouses in Chile, leading to an improvement in animal welfare and improved trade in higher welfare products into the EU. The EU has inserted animal welfare chapters into two FTAs, Mercosur and Mexico, that it is presently negotiating. These set out clearly what each party will undertake to solve the equivalency issue regarding the gap in animal welfare standards between the two countries. This could include training, knowledge transfer and a mutual recognition of animal sentience.
14. The UK should ensure that there is transparency in the negotiating and approval stages of any FTA. This would include a clear mandate given to the UK Government when negotiating any FTA (the Commission is given such a mandate now by the European Parliament and Member States to negotiate on behalf of EU Member States), regular updates on the status of negotiations to a specific Parliamentary Committee and final approval by Parliament on the FTA. The latter already seems to be Government position as outlined by Defra's Secretary of State at the Oxford Real Farm Conference¹².
15. The Government is now proposing a new process in the Animal Welfare (Sentencing and Recognition of Sentience) Bill¹³ to ensure that any future legislation or policy is assessed against animal welfare science and standards. This will need to be recognised in the Trade Bill or one of the most important areas that could undermine animal welfare standards, trade negotiations, would be outside its ambit.
16. None of the above points are in the Trade Bill so the RSPCA believe the following amendments are needed for the Bill.

Amendments to the Trade Bill

17. To ensure there is an animal welfare chapter in each FTA, there needs to be an amendment to Clause 2(3) (c) and Clause 2(4)(e):

It is agreed that any international trade agreements have an animal welfare chapter that recognise that animals are sentient beings, recognise that members of the FTA

¹¹ Department for the Environment, Food and Rural Affairs, *Sustainable procurement: the Government Buying Standards (GBS)* (<https://www.gov.uk/government/collections/sustainable-procurement-the-government-buying-standards-gbs>)

¹² Rt Hon Michael Gove MP, speaking at the Oxford Real Farming Conference (04/01/18)

¹³ Animal Welfare (Sentencing and Recognition of Sentience) Draft Bill 2017 (https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/666576/draft-animal-welfare-bill-171212.pdf accessed 17/01/18)

undertake to exchange information, expertise and experiences in the field of animal welfare with the aim to align regulatory standards and members of the FTA strengthen their research cooperation in the area of animal welfare in particular through international fora to develop adequate and science-based animal welfare standards.

18. To ensure there is recognition of the Animal Welfare (Sentencing and Recognition of Sentience) Bill there needs to be an amendment to Clause 2(3)(c) and Clause 2(4) as follows:
The implications of any new provisions have been assessed by the Government power and take regard to the sentience of animals and the process as laid out under the Animal Welfare Bill (Sentencing and Recognition of Sentience) 2017.

19. To ensure there is sufficient transparency in the trade negotiation and approval process there needs to be an amendment to Clause 2(3)(c) and Clause 2(4):
A mandate for the trade negotiation is set and agreed by Parliament and approval is given by Parliament to any trade negotiation before it comes into force

20. To ensure there is sufficient expertise on agriculture and animal welfare in the Trade Remedies Authority Clause 5(4) needs to be amended to add:
(g) agriculture and animal welfare