




Safeguarding the UK’s food and farming standards in trade: Lessons from the Australia-UK Free Trade Agreement

Following the publication of the full and final text of the trade agreement with Australia, this joint analysis assesses whether the agreement delivers on the UK Government’s negotiating objectives and commitment to safeguard food and farming standards. It then draws out key lessons for improving the UK’s approach to delivering on this commitment.

The negotiating objectives¹ for the Australia trade deal state that the UK will

“ensure high standards and protections for UK consumers and workers and build on our existing international obligations. This will include not compromising on our high environmental protection, animal welfare and food safety standards”.

This assessment focuses on the second part of the objective, which is a UK Government manifesto commitment regularly reiterated by the Department for International Trade (DIT). Overall, we found this negotiating objective had not been met in the agreement with Australia; that it would have been hard for it ever to have been met by the deal alone; and that the UK now needs to look at other mechanisms - outside trade deals themselves - to deliver it.

Negotiating objectives	Does the Australia deal safeguard UK standards?	Rating
No compromise on high environmental protection standards	No, it provides no safeguards: No environmental conditions are set for imports and, while the Environment chapter’s general climate commitment is enforceable, it is insufficiently specific to address the difference in the regulatory baselines between the parties’ food and farming sectors. The range of environmental issues regulated in UK farming are not covered.	
No compromise on animal welfare standards	No, it provides no safeguards: No animal welfare or antimicrobial resistance (AMR) conditions are set for imports. The Animal Welfare and AMR chapter’s commitment to non-regression is not enforceable and, in only covering future reductions in standards, does not address the current gap in animal welfare standards between UK and Australian farming.	
No compromise on food safety standards	No, it weakens existing safeguards: While neither the agreement nor any side letters to the agreement require the UK to reduce its food safety standards, the agreement does commit UK and Australian regulatory authorities to identify areas where their respective regulation could be deemed ‘equivalent’. It also refers to regional conditions being taken into account and agrees a narrower basis for regulation, all of which increase the likelihood of UK food safety and wider food standards being eroded over time.	

¹ The UK’s negotiating objectives are set out in [UK-Australia free trade agreement: the UK’s strategic approach](#) p 9-13, 2019

Without further action, the Australia deal and subsequent deals will undermine the higher standards that UK farmers are expected to follow, increase the UK's overseas environmental footprint, increase the supply of meat produced to lower animal welfare standards and, through provisions on regulation, increase the prospect of food standards and food safety being eroded over time.

The Australia-UK agreement is a blueprint for deals that are bad for the environment, animal welfare and human health

The Australia-UK agreement allows zero-tariff, zero-quota access to the UK market in key agricultural products for Australia – beef and lamb – without imposing any environmental or animal welfare conditions on their production. This gives Australian beef and lamb the UK's biggest prize, full and free access to its market, despite much of the meat being produced to lower environmental and animal welfare standards.

Although the UK is not required to change any of its food safety standards as a condition the Australia-UK agreement, the agreement commits UK and Australian regulatory authorities to work together to identify areas where their respective regulation could be deemed 'equivalent' and agrees a narrower basis for that regulation. What happens to UK food safety standards will depend on the UK, as the importing country is ultimately responsible for deciding what is equivalent, but both of these points increase the likelihood of UK food safety and wider food standards being eroded over time. The UK's oversight of its regulatory processes now needs to be enhanced in response to the Australia deal and ahead of future trade agreements.

The Australia-UK deal was negotiated at speed and seems to have relied heavily on the two being 'like-minded nations' with an important shared history and geo-political interests. However, this should not prevent a clear-eyed assessment of our respective interests in trade and the significant differences in the way the UK regulates and sets policy for food and farming. Australia applies significantly lower environmental, animal welfare, food safety and public health standards to its food and farming sector and is one of the worst performers on climate, nature conservation and antibiotic use in livestock globally.

- *Environment* - DIT's impact assessment recognises Australia's low rating on agricultural standards in the Environmental Performance Index² but understates the extent of climate change impacts by failing to capture the full impact of the Australia's livestock industry on land use change and deforestation, despite Australia having the highest rate of deforestation in the OECD, rising by 34% between 2016 and 2018³. Similarly, impacts of the deal on water stress are referenced but not calculated, despite the overgrazing of sheep and cattle in Australia increasing the severity of droughts, making vegetation and trees more vulnerable to wildfires which devastate wildlife populations and further contribute to climate change⁴
- *Animal welfare* - DIT have previously defended zero-tariff, zero-quota access for Australia on the basis of OIE (World Organisation for Animal Health) ranking Australia highly on veterinary services⁵, which is not an assessment of animal welfare. It is possible to have good veterinary services but poor on-farm welfare. The World Animal Protection Index

² DIT, [Impact assessment of the FTA between the UK and Australia](#), p48, Dec 2021

³ WWF and RSPB, [Riskier Business: The UK's Overseas Land Footprint](#), Jul 2020

⁴ Geographical, [Drought may pose a bigger threat to Australia's forests than bushfires](#), May 2020

⁵ International Trade, [Oral Questions, Minister of State, Greg Hands](#), column 1109, 10 June 2021.

shows that Australian farming operates at lower standard to those of the UK, giving Australia a ranking of 'E' on specific legislation for farm animals (and 'D' overall),⁶ whereas the UK scores a 'D' on specific legislation for farm animals (and a 'B' overall).⁷

- *Food safety* – It has always been unclear whether the commitment not to compromise on food safety covers the full set of food safety and food standards regulations the UK has in respect of composition, contamination, labelling, and supply chain transparency, which could all be impacted by Australia's lower food standards and food safety standards. Alongside hormone beef and chlorinated chicken, Australian food standards also allow higher levels of pesticide residues, including carcinogens, on fruit, vegetables and cereals than are allowed in the UK. Australia also has a weaker approach to nutrition labelling for food which could jeopardise labelling proposals to support healthier diets in the UK.

Safeguards

Safeguards should play a key role to ensure that trade deals do not compromise the UK's higher standards by increasing the exposure of UK farmers to unfair competition with outdated, cruel and unsustainable farming practices that the UK has already moved away from.

The UK Government established the first Trade and Agriculture Commission (TAC) in part to provide advice on how to safeguard standards, but its recommendations have not been taken forward. The National Food Strategy and the Committee on Climate Change has also made recommendations for the UK to establish core food standards for agri-imports. Yet mechanisms to safeguard UK standards are not included in this deal and have not yet been provided for elsewhere in UK legislation.

The second TAC, established as a statutory body to provide technical assessments of trade deals on standards, has a narrower remit to report on any changes to UK legislation around standards that are required by trade agreements. This body will provide information to Parliament if standards are compromised directly and immediately by a trade deal, but will not necessarily cover the indirect ways environmental and animal welfare standards could be compromised by unfair competition over time, or the way regulatory authorities agreeing 'equivalence' could compromise UK food safety and food standards. Furthermore, the body will not consider the impact on UK farmers and the food industry in voluntarily raising their standards beyond what is formally required by UK law, which has been vital to the delivery of reductions in antibiotic usage and will be a key part of continuing efforts to encourage the shift to more sustainable farming.

While the UK Government claims that the UK's animal welfare, environmental and food safety standards will not be compromised, it is still unclear how this commitment will be delivered. The only safeguards in the deal, with respect to beef and lamb, are the phased move to zero quotas over ten years, followed by 5 years of tariffs above a certain volume, and a further general provision to reinstate tariffs for up to 4 years, as part of a bilateral safeguard mechanism to protect domestic industry.⁸

The steep increases in quotas from year one leave questions as to whether they will provide much protection for domestic industry. As safeguards for environment and animal welfare

⁶ Animal Protection Index – [Australia, World Animal Protection](#), accessed 12 January 2022

⁷ Animal Protection Index – [UK, World Animal Protection](#), accessed 12 January 2022

⁸ House of Commons Library, [UK-Australia free trade agreement](#), Feb 2022

standards the quotas are completely inadequate. Quotas only safeguard against a certain quantity of imports, and do nothing to differentiate on quality (i.e. between the Australian products produced to higher environmental and animal welfare standards and those that are not).

Interestingly, the deal's retention of tariffs on Australian pork, chicken and eggs could be interpreted, on the UK side at least, as being based on some quality-based assessment of Australia's lower animal welfare standards in those products. However, the relative lack of interest in Australia in accessing the UK market for these products may mean any UK safeguarding of standards via retaining tariffs was not fully tested in the negotiations. There has also been no quality or standards-based assessment of food and farming production conducted by the UK that would give reason to the different tariff treatment of Australian pork, chicken and eggs from that of beef and lamb, which could justify classifying this difference in tariffs as genuine safeguarding measure.

Where the UK has quality mechanisms already in place, as it does for food standards and food safety, there is no requirement in the Australia-UK agreement for UK standards to change. All food imported into the UK will have to meet these standards, for example no hormone beef or chlorinated chicken will be permitted as a result of the terms of the deal. However, the deal does allow Australia to challenge UK food standards and food safety standards by applying for import certification "with reference to the guidance of the WTO's Sanitary and Phytosanitary Standards (SPS) Committee and relevant international standards"⁹. International standards (i.e. the Codex Alimentarius) are the minimum requirements for traded goods and, although used as reference texts under the WTO's SPS Agreement, are lower than the standards set by many countries, including the UK. They would, for example, allow the import of hormone beef, chlorinated chicken, and fruits and vegetables with higher pesticide residue levels than the UK currently allows.

Lessons and solutions

The UK's first major new trade deal is an important moment to take stock and learn lessons. As environment, animal welfare, food safety and food standards have not been safeguarded in the Australia-UK agreement, the UK now needs to look at a package of mechanisms, including those outside of trade deals, to safeguard UK standards.

The approach taken on food and farming in the Australia deal must not become a blueprint for future trade agreements and set certain expectations for trade partners who also have a range of practices of concern for UK standards. In particular, the UK Government has indicated the Australia deal is a stepping-stone to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), where UK food and farming standards will again be tested. To date, DIT have not specified whether they would negotiate any side letters to the CPTPP agreement. Without the relevant side letters the UK would be subject to the Investor-State Dispute Settlement mechanism, which has been used by investors to sue countries for pursuing environmental policies, and to accept increases in market access to food linked to deforestation, for example unsustainably produced palm oil from Malaysia.

The remainder of this report sets out:

⁹ DIT, [FTA between UK and Australia](#), Article 6.10: Certification, Dec 2021

- where and how the Australia-UK deal provides evidence of the continued need for mechanisms to safeguard environmental, animal welfare, food safety and food standards
- ways the UK can correct its trade policy and approach to negotiations to address these problems.

On solutions, two common themes emerge:

- i. the need for core standards to be established in UK law on environment and animal welfare to ensure UK farming is not undercut and that UK demand does not support poor farming practices overseas; and
- ii. the need for transparent democratic oversight of relevant regulatory authorities to ensure regulatory co-operation and designations of equivalence don't erode UK standards over time.

These solutions require the UK to act outside of trade agreements to strengthen domestic laws that govern food and farming standards and shape trade. Weaknesses in the regulation of imports and oversight of standards pre-date Brexit but have been further exposed and compounded by the UK Government's willingness to significantly reduce tariffs and quotas on agri-foods in trade deals with major agricultural exporters with very different food and farming standards, policy ambitions on public health and the environment, and values around animal welfare.

Although it is possible for the UK to set conditional tariffs and quotas based on environmental or animal welfare standards in trade deals, this would have been difficult to achieve in the timescale for the Australia deal negotiations, because the UK had not undertaken prior work to define the standards it wished to set conditions around or codified them in law in a way they could be appropriately applied to imports. That work must inevitably fall on the UK to undertake unilaterally.

Similarly, even if stronger SPS, environmental and animal welfare and Antimicrobial Resistance (AMR) chapters had been agreed with Australia, it would still be necessary to strengthen the governance of UK food and farming regulation in domestic law to meet the UK Government's commitment on standards. The UK cannot hope to maintain a consistent approach to food and farming standards if it is restricted to acting bilaterally. Different agreements with different countries will inevitably lead to a patchwork approach to food and farming standards. It would be far better for the UK to establish a set of core standards in domestic law and provide for democratic oversight of any proposed changes.

Setting core standards in UK law would be consistent with the recommendations of the Trade and Agriculture Commission, the National Food Strategy, and the Committee on Climate Change¹⁰. New standards would have to be developed on environmental and animal welfare standards around agri-food products sold in the UK, to sit alongside a clear set of existing food safety and food standards, so they could act in an integrated way to ensure all agri-food imports

¹⁰ Specifically, consistent with the Trade and Agriculture Commission's core standards under Pillar 1, a general trade approach which proposes expanding import standards from food and biosecurity to also cover climate, environment, ethical and animal welfare, the National Food Strategy recommendation that Government draw up a list of core minimum standards and set out the mechanisms it intends to use to protect them, and the Committee on Climate Change's recommendation that DIT develop options for apply minimum standards to agricultural products.

met minimum standards. Those standards would reflect the UK's values and commitment to reducing the risk of catastrophic climate change, biodiversity loss and harm to public health from food and farming.

In addition they would be developed in consultation with stakeholders from across the food system, including civil society groups, but also UK suppliers, with an appropriate implementation period and support for developing country producers. Establishing standards in domestic law would ensure that these core standards apply to all products, produced domestically or imported, and whether under a trade deal or not; guarantee a level playing field for producers; and support the transition to a safer and more sustainable food and farming system at home and abroad¹¹.

¹¹ For more on developing the environmental element of core standards, see this [think piece](#) from Tulip Consulting and IEEP, commissioned by WWF UK, on how environmental standards could be designed.

Assessment of the agreement: environmental protections

The tariff and quota schedules of the Australia-UK agreement give full access to Australian beef and lamb after fifteen years, with a substantial increase in the quota from year one. General safeguards in the agreement allow for suspension of the agreed tariff reduction for four years in the event of high quantities of imports, but they contain no provisions relating to the quality of production and provide no way to differentiate between products on the basis of environmental harm.

This means the deal does not provide a level playing field in relation to environmental regulations on UK produce. It does not provide a way to stop UK demand from supporting unsustainable practices or increasing our environmental footprint overseas. In the absence of any safeguards on environmental standards, the deal provides new incentives for products produced to lower environmental standards and associated with the most damaging environmental practices to enter the UK market. It therefore makes it more difficult for UK customers to make sustainable choices.

Areas of concern in relation to Australia include:

- Lax federal and state laws on land clearing make it legal for products linked to deforestation to be imported into the UK.
- A weak approach to regulating pesticides sees Australia use 71 highly hazardous substances and thousands of pesticides that are banned in the UK, including neonicotinoids, which harm pollinators such as bees.
- Australian cattle and sheep industries are a significant source of emissions and a contributor to deforestation and drought, which in turn makes vegetation and trees more vulnerable to wildfires and further contributes to climate change. Yet Australia's plan for net zero allows for continued expansion of the meat industry.

The Environment chapter of the Australia-UK agreement is a step in the right direction but, however weak or strong its provisions, it is not designed to address the different regulatory baselines set for each party's food and farming sectors. New high-level commitments on climate must be weighed against the weakness of Australia's delivery plans for decarbonisation for farming and land use, and the fact climate is just one of a range of environmental issues that UK regulation of farming addresses.

The Environment chapter does not guarantee that the parties won't change their laws in the future and lower environmental standards for farming. In fact the provisions explicitly confirm the right of each party to establish their own levels of environmental protection. Furthermore, they only apply to national legislation and do not cover environmental regulations for farming, which are set at state level in Australia¹².

Lessons for future trade deals:	The Australia-UK agreement fails to use tariff or quota schedules, design any safeguards or set any provisions that reflect the UK-stated policy commitment to sustainable agriculture and supply chains for agri-food. An agri-food trade policy that applied to all UK trade negotiations would have highlighted the need to address this issue in the Australia deal and allowed negotiators to apply a coherent approach to granting access based on a
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¹² DIT, [FTA between UK and Australia](#), Article 22.1: Definitions, Dec 2021

	robust and meaningful environmental assessment of the parties' respective food and farming sectors.
Lessons for UK approach to trade:	Trying to agree conditional access for agri-foods with multiple countries would be complicated and likely to lead to different standards being agreed in different deals. More attention therefore needs to be given to the role of core standards in domestic law, acting as flanking policy to trade deals and setting common criteria that apply to all agri-imports.
Recommended solutions:	The UK should develop an agri-food trade policy and set core standards for agri-food products sold in the UK, which would require imported goods to meet minimum environmental thresholds, comparable to those required of UK farmers, as recommended by the Trade and Agriculture Commission. ¹³

¹³ Trade and Agriculture Commission, [Final Report](#), March 2021

Assessment of the agreement: animal welfare and Antimicrobial Resistance (AMR)

There are no federal Australian laws on farm animal welfare, and most states have adopted animal welfare standards lower than in the UK in several important areas.

For example, hot branding is legal in all Australian states and not in the UK. Long distance transport times without food and water are capped at 48 hours in Australia, compared to 29 hours in the UK (with Defra proposing a reduction to a maximum of 21 hours). In lamb production, mulesing, the practice of cutting layers of skin around the lamb's buttocks to prevent infestation by blowflies, is legal and routinely administered without anaesthetic in Australia, while it is illegal in the UK.

Confining hens in barren cages is common in Australia but banned in the UK. Sow stalls are permitted in Australia for the first 5 days of pregnancy, whereas this cruel confinement system has been banned in the UK since 1999. The misuse of antibiotics in Australian farms, which props up intensive farming systems, means the country's antibiotic use per animal is up to 16 times higher than in the UK.¹⁴

These issues are not addressed in the agreement's dedicated chapter on animal welfare and AMR. A separate animal welfare chapter is a first for Australia and includes a non-derogation clause, stating that neither party shall regress from their animal welfare standards as a manner of encouraging trade or investment. However, this provision does not address the existing gap in standards between Australia and the UK. Plus, these types of provisions are unlikely to be an effective legal tool to limit regression given the difficulty in demonstrating that a change in standards has resulted in specific trade impact.

Furthermore, the deal gives the impression that the UK Government considers animal welfare less important than the climate, biodiversity and forest management. While the Environment chapter has provisions for cooperation, public participation, a working group and consultations, the Animal Welfare chapter only includes cooperation and a working group from which non-government participants are excluded. Unlike the Environment chapter, the Animal Welfare Chapter is not enforceable under the dispute settlement mechanism of the agreement.

DIT's Impact Assessment does not include the impact of increased trade with Australia on animal welfare. There is no analysis of the impact of importing meat produced to lower animal welfare standards on production in Australia or in the UK, or the different UK geographic areas where being undercut by lower animal welfare production may be most acutely felt.

Lessons for future trade deals:	The UK-Australia agreement fails to use conditionality in its tariff or quota schedules or set any provisions that reflect the UK stated-policy commitment to not lower UK animal welfare standards. The Impact Assessment does not mention the impact on animal welfare even though, under this deal, the UK will now contribute to increased demand for meat produced to lower welfare standards. The assessment also fails to address the impact of future trade deals, particularly with agri-food exporters who will assume non-conditionality on any tariff reductions is the starting point.
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¹⁴ Alliance to Save our Antibiotics, [Differences in Australian and British Farm Antibiotic Standards](#), May 2021.

Lessons for UK approach to trade:	The UK is adopting a process to agree conditionality on animal welfare standards internationally via WTO agreement. Whilst welcome, this is a long-term goal requiring the agreement of over 160 countries and does not assist in safeguarding UK standards now. Therefore, core standards in domestic law, acting as flanking policy to trade deals, and minimum requirements for animal welfare for meat, egg and dairy imports are needed in the meantime.
Recommended solutions:	The UK should develop an agri-food trade policy and set core standards for agri-food products sold in the UK, which would require imported goods to meet minimum animal welfare thresholds, comparable to those required of UK farmers.

Assessment of the agreement: food safety standards

While the Australia-UK agreement does not create new permissions regarding food imports, neither does it ensure that food standards will be maintained in the future.

The agri-food explainer to the trade deal restates the UK Government's position that the deal will not undermine standards, and that the ban on hormone-grown beef will be maintained¹⁵. However, the text of the SPS chapter refers to "scientific principles" and "risk assessment techniques developed by the relevant international organisations"¹⁶. Since international standards are often lower than in the UK's standards (similar language was used in attempts to challenge the EU's hormone-grown beef ban and to undermine the precautionary principle towards pesticide licencing), the deal is a worrying move towards US-style, risk-based approaches to food safety.

The SPS Chapter also allows recognition of equivalence of standards if a country can show it has achieved an appropriate level of protection and import certification "with reference to the guidance of the WTO's SPS Committee and relevant international standards"¹⁷, and allows for adaptation to regional conditions¹⁸ raising similar concerns. Similarly, the Technical Barriers to Trade (TBT) Chapter provides for "increasing the harmonisation of their respective technical regulations"¹⁹.

The overall effect of the deal's approach to regulatory cooperation and equivalence remains unclear. How the regulatory cooperation process will operate, which standards will be deemed equivalent, and what imports are certified will be areas to observe closely. However, public and civil society vigilance is no guarantee, as the UK's food standards and food safety standards are all set in secondary legislation and can easily be amended without the oversight or approval of Parliament.

The extent to which the Food Standards Agency and Food Standards Scotland, worryingly absent from any formalised scrutiny role on trade deals, will be involved and able to fulfil their public food watchdog roles has not been specified. Plus, it is not clear what approval any determination on equivalence made by UK regulatory authorities would require (i.e. whether UK law could be undermined without necessitating a change in that law), and how all this would be overseen and scrutinised.

Since Australia's food standards and food safety standards are lower than the UK's in a number of areas, this deal is worrying. For example, the Maximum Residue Level (MRL) for buprofezin - classified by the WHO as a possible carcinogen - on Australian apples is 300 times the level allowed in the UK. Australia's MRL for carbaryl - a known carcinogen, and developmental or reproductive toxin - on wheat is 10 times the level it is in the UK. On food labelling, Australia uses the voluntary Health Star front-of-pack rating, which has been criticised as flawed, and harmonisation with that approach would jeopardise UK regulation currently under consideration to introduce traffic light labelling.

¹⁵ DIT, UK-Australia FTA: [agri-food explainer](#), Dec 2021

¹⁶ DIT, [FTA between UK and Australia](#), Article 6.5: Science and Risk Assessment, Dec 2021

¹⁷ DIT, [FTA between UK and Australia](#), Article 6.10: Certification, Dec 2021

¹⁸ DIT, [FTA between UK and Australia](#), Article 6.6: Adaptation to Regional Conditions, Dec 2021

¹⁹ DIT, [FTA between UK and Australia](#), Article 7.10: Technical Barriers to Trade, Dec 2021

Lessons for future trade deals:	The language in the SPS chapter, based on the CPTPP language, could create problems with the UK's existing approach to standards and in negotiating other trade deals, especially with non-CPTPP members.
Lessons for UK approach to trade:	The UK needs to define its food safety and food standards and designate them as core standards, showing that SPS standards are not up for negotiation and decisions that impact the UK's precautionary principle approach to legislation will only be made by UK parliament.
Recommended solutions:	The UK should safeguard against existing food safety standards being lowered through equivalence, import certification and harmonisation by establishing transparent democratic oversight of relevant regulatory authorities' recommendations.

Conclusion

The UK's failure to safeguard standards or extract any meaningful provisions on quality of imports from Australia does not bode well for upcoming and ongoing negotiations with CPTPP, India, Canada, the USA or Brazil as part of the Mercosur agreement.

To avoid zero-tariff, zero-quota unconditional access becoming a precedent that undermines UK policy commitments on safe, higher animal welfare and sustainable food and farming, a markedly different approach is needed in subsequent deals. This must be based on policy ambition and rigorous assessments of regulatory baselines, alongside strengthened impact assessments to inform negotiations.

It is also clear that action needs to be taken outside of trade deals – in domestic law – to counter the incentive to undercut environmental and animal welfare standards created by the Australia agreement and to prevent this problem being exacerbated in subsequent deals. Assessing the extent to which the Australia-UK deal has failed to safeguard standards reinforces the recommendation that the UK should establish core standards in domestic law, and ensure these apply to all products, produced domestically and imported, whether under a trade deal or not. This would guarantee a level playing field for producers and support the transition to a safer and more sustainable food and farming system at home and abroad.

On top of this, the UK needs stronger domestic governance and oversight of the regulatory authorities for food standards and food safety that will assess where Australia's regulatory regimes may be deemed equivalent to the UK's. This would avoid standards being eroded over time via untransparent and undemocratic processes.