



Priorities for the EU-UK future trade relationship

Spring 2020

 **Civil society groups are calling for EU-UK trade relations to serve the public interest, protecting our jobs, rights, values, environment and commitments to address the climate emergency.**

 **Three key issues are likely to dominate the early stages of negotiations:**

- **Social and environmental standards and the Level Playing Field:**
It is vital that the UK and EU lock in a strong floor for social and environmental standards as a precondition of trade.
- **Scrutiny and democracy:** The public and Parliament must have a guaranteed role in scrutinising and approving the future EU-UK relationship.
- **Sequencing:** Negotiations with the EU, by far our largest trade partner, must take priority over negotiations with other parties.

 **Further trade justice concerns that are likely to arise in the negotiations:**

- Healthcare and other public services are not ‘tradable’ and must not be covered by trade rules.
- Investment protection and Investor-State Dispute Settlement (ISDS) must not be introduced.
- Digital regulation must not be restricted by new and problematic digital trade provisions.
- Developing countries must not be disadvantaged by provisions in this deal.

Trade policy for a purpose

Civil society groups representing over 6 million people in the UK are united in demanding that the UK's trade policy must serve the public interest. This means:

- Protecting decent jobs and our rights at work, and preventing economic hardship and global inequality
- Protecting our environment, and being consistent with our responsibility to fight the climate emergency
- Protecting standards that we value, including human rights, quality food and animal welfare

These goals are best served by locking in place high standards where they exist, while preserving our government's policy space to go above and beyond them. It also means not extending trade rules to inappropriate sectors such as public services. The EU-UK trade deal must be truly innovative, and not replicate provisions from other trade deals that do not serve these goals. This deal is an opportunity to reinvent trade policy to ensure it truly serves the public interest, rather than treats trade as an end in itself.

Social and environmental standards and the level playing field

The UK and EU have together evolved world-leading standards to provide:

- Workers' rights, human rights and social protection
- Environmental protection and action against climate change
- Food, farming, animal welfare and chemicals standards that reflect our values

The most reliable way to keep these standards high will be through strong Level Playing Field rules, as an underpinning for the EU-UK trade relationship. This will lock in place a 'floor', ensuring that standards cannot slip below a vital basic level. However the UK will be free to diverge and develop its own rules by improving standards above this floor. A strong Level Playing Field therefore gives us the perfect foundation for flexibility while securing standards that are widely valued.

Scrutiny and democracy

The UK has woefully inadequate procedures for negotiating and finalising trade deals. Recent progress to improve this has stalled. New efforts are needed to secure trade scrutiny and democracy through legislation.

Through such new legislation, the government must:

- Act transparently: information must be available at all stages of negotiations to inform public debate.
- Conduct an independent and comprehensive Sustainability Impact Assessment, which considers environmental and social goals, and allows for civil society input.
- Give Parliament and the devolved legislatures a say over negotiation texts and the ability to propose amendments, including safeguarding Stormont's democratic role in implementing the Irish Protocol.
- Ensure MPs get a guaranteed and binding vote on the final deal.

Sequencing

The UK must secure the new EU-UK relationship before pursuing trade deals with other parties. The EU is by far our largest trading partner, and the right kind of agreement needs to go beyond trade to safeguard the social and environmental protections we share with the EU. This process should not be complicated by concurrent trade negotiations with others.

Further issues

Healthcare and public services

As EU members, countries are not required to liberalise healthcare, and other public services including water, waste and transport are partially exempted from EU liberalisation rules. We must not allow this trade deal to newly lock in the privatisation of the NHS or other public services, either directly or via the use of a 'negative list'.

Investment protections and Investor-State Dispute Settlement (ISDS)

Investment protection chapters are unnecessary and allow investors to transfer business risk to the public purse. ISDS has been used to challenge important social and environmental policies including a rise in Egypt's minimum wage, Canada's affordable medicines policy and the Netherlands' phase out of coal. We must not introduce ISDS - or its reinvention by the EU as the Investment Court System (ICS) - between the EU and UK via the upcoming deal.

Digital trade (e-commerce)

Worrying new rules on digital trade are being pushed by the EU and the UK in international forums. This includes rules to mandate the 'free' export of data, and a stripping away of public powers to check computer code that could be biased or unsafe. These provisions must not be introduced between the UK and EU.

Risks for developing countries

Developing countries have resisted the trade agenda pushed by richer countries that aims to liberalise areas like services, foreign investment and e-commerce. The EU-UK deal may establish problematic new norms in these areas that are later pushed on developing countries via bilateral and multilateral deals. This could have major knock-on effects on economies, social rights and environmental protections in the global South.



For more information

The Trade Justice Movement (TJM) is leading a coalition of civil society to scrutinise the EU-UK negotiations and propose progressive alternatives. For more information please contact Laura Bannister laura@tjm.org.uk

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