

Rt. Hon. Kemi Badenoch MP
Secretary of State for the Department for Business and Trade
Department for Business and Trade
3 Whitehall Place
London
SW1A 2HP

31st March 2023

Dear Secretary of State

Re: UK Accession to CPTPP

The undersigned organisations call for the UK to halt the accession process to the Comprehensive and Progressive Transpacific Partnership agreement (CPTPP). The agreement brings minimal benefits and significant risks for priorities such as tackling the climate and biodiversity crises, and eliminating poverty. Crucially, we have no faith that the agreement will be subject to anything approaching the necessary levels of scrutiny. We believe that the UK should rethink its approach to trade so that UK policy is fully aligned with commitments on human rights, gender equality, climate, the environment and the Sustainable Development Goals (SDGs) and overhaul its processes for public engagement and parliamentary scrutiny.

The CPTPP is unlikely to help tackle the UK's cost of living crisis or contribute to the Government's 'levelling up' agenda. The economic gains from joining the agreement are tiny. Accession is estimated to add 0.08% to UK GDP "in the long run", the equivalent of £27.73, or around ten cups of coffee, per person per year.¹ The UK already has bilateral agreements with nine of the eleven member states², further reducing the benefit of joining the CPTPP. Because the UK is joining an existing agreement, it has no ability to amend the agreement to reflect UK priorities. It could attempt to negotiate bilateral side letters to better tailor provisions, however these would be limited in scope.³

Despite minimal projected benefits, the agreement stands to have significant negative environmental and climate impacts. The UK's own assessment predicts that greenhouse gas emissions will increase as a result of the agreement. Whilst the increase is very small, at 0.025%⁴, it is far from the significant reductions that are required to achieve our climate commitments. Reports suggest that the UK has acceded to Malaysia's demand to lower tariffs on palm oil to zero⁵, which could increase deforestation, further undermine indigenous and local community land rights and threaten natural habitats for species like orangutans.

UK farming standards could come under pressure from accession to this agreement. For example, UK pesticide standards could be undermined: 119 pesticides that are banned in the UK are allowed for use in one or more CPTPP members.⁶ Multiple CPTPP countries, particularly Mexico and Canada, have interest in exporting a number of agri-food products to the UK, and

¹ £1.8 billion divided by a population of 67.33 million, does not take account of price changes over time, scoping study indicates that "in the long run" means 15 years after accession.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1027860/dit-cptpp-uk-accession-strategic-approach.pdf Cups of coffee based on £2.86 average price cited here:

<https://www.theguardian.com/business/2023/jan/19/wake-up-and-buy-the-coffee-inflation-raises-cost-of-a-takeaway-cup#:~:text=A%20cup%20of%20coffee%20cost,data%20for%20a%20takeaway%20latte.>

² Australia, Canada, Chile, Japan, Mexico, New Zealand, Peru, Singapore, Vietnam

³ <https://www.dfat.gov.au/trade/agreements/in-force/cptpp/official-documents>

⁴ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1027860/dit-cptpp-uk-accession-strategic-approach.pdf

⁵ <https://www.ft.com/content/eb8b75aa-2608-4d20-a556-08b6b19af8aa>

⁶ <https://www.sustainweb.org/reports/toxic-trade-cptpp/>

this agreement could see sub-standard products from both countries end up on UK plates. The majority of Mexican pigs are raised in intensive conditions and the use of sow stalls, which have been illegal in the UK since 1999, is permitted. Furthermore, ractopamine, a growth-promoter used in pigs that is banned in the UK is also allowed in Mexico. Canada, which permits the use of growth hormones in farming, has previously expressed its objection to the UK's ban on hormone-treated beef and is seeking increased access to the UK market. Canadian farming uses around five times as many antibiotics as are used in UK livestock production.⁷

Canada and Mexico are seeking zero tariffs on agricultural goods, in line with provisions in the UK's recently agreed bilateral agreement with Australia. As their standards in several sectors are well below those permitted in the UK, this would increase the detrimental impact for UK farming and its ability to shift to a sustainable, higher animal welfare, agroecological model.⁸ The UK should consider introducing core environmental and animal welfare standards as part of a package of measures to ensure the UK and other countries, particularly less wealthy countries, can make the swift transition to sustainable agriculture.⁹

UK commitments to the SDGs and to gender equality could be undermined through CPTPP. Priorities for less wealthy countries have been sidelined in the agreement, meaning that it contains provisions which these countries have long resisted, such as a requirement to sign up to extensive seed patenting rules under UPOV91, investment liberalisation and protection measures and commitments to liberalise government procurement. The impacts of these and other measures in the deal are deeply gendered, potentially pushing women, who are the majority of small-scale, subsistence farmers, to compete against large scale agribusiness, and posing a threat to the provision of freely accessible public services.¹⁰ Less wealthy CPTPP members initially agreed to these because they thought they would get increased access to the US market but the US subsequently withdrew from the negotiations.¹¹ The CPTPP group itself includes countries that have poor records on human rights, including Brunei, Mexico and Vietnam, and the agreement has only weak provisions on labour rights.¹²

The UK Government has still not made public its position in respect of investment protection in the agreement. It recognises that mechanisms like the one in CPTPP pose threats to the climate and UK taxpayer.¹³ The system has also seen governments around the world pay significant sums to defend policies such as increasing the minimum wage, introducing plain packaging on cigarettes and introducing a sugar tax. Yet if it signs up to the provisions in the agreement, the UK will be exposed to potential cases from an additional five countries, including major sources of investment like Canada and Japan.¹⁴ New Zealand negotiated side letters with five member countries, however this excluded major sources of outward investment. If the UK insists on continuing with accession, it must go further and seek similar letters with all member states.

Despite all of the above concerns, it is unlikely that the agreement will be subject to proper parliamentary scrutiny. We were deeply troubled by the Government's approach during the passage of the UK's first independent trade agreement, with Australia. Despite assurances that

⁷ <https://www.saveourantibiotics.org/media/1864/farm-antibiotics-and-trade-could-uk-standards-be-undermined-asa-nov-2020.pdf>

⁸ <https://commonslibrary.parliament.uk/research-briefings/cbp-9484/>

⁹ <https://www.wwf.org.uk/sites/default/files/2023-01/Core%20Environmental%20Standards%20for%20UK%20Imported%20Agri%20Food%20Products%20Report.pdf>

¹⁰ Over 50 feminist organisations and their allies from 10 countries signed a joint letter opposing the deal when it was first signed, where they set out their concerns. See: <https://apwld.org/statement-feminist-organisations-and-allies-offended-by-cptpp-takeover-of-iwd/>

¹¹ <https://www.southcentre.int/wp-content/uploads/2021/11/SV165-180308.pdf>

¹² <https://www.tuc.org.uk/sites/default/files/2021-04/TUC%20CPTPP%20briefing%20April%202021.pdf>

¹³ <https://www.gov.uk/government/news/uk-strengthens-protections-for-taxpayers-in-energy-treaty-negotiations>

¹⁴ In 2021, the UK received £42 billion in investment from Canada and £92 billion from Japan: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1144097/canada-trade-and-investment-factsheet-2023-03-28.pdf; https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1144168/japan-trade-and-investment-factsheet-2023-03-28.pdf

agreements were unlikely to pass without a debate in parliament¹⁵ no debate was given during the time allotted under the Constitutional Reform and Governance (CRaG) Act. In addition the Secretary of State for International Trade at the time failed to appear before the ITC on eight separate occasions. Whilst we welcome the establishment of the Trade and Agriculture Commission, its remit is too narrow to allow for proper consideration of the issues we outline above. The imminent disbanding of the Commons International Trade Committee, whose members have spent seven years building their expertise, at this crucial point in the accession process only adds to our concern. Unless and until UK scrutiny processes are thoroughly overhauled, accession to the CPTPP must halt.

Signed by:

Ruth Bergan, Director, Trade Justice Movement
Hannah Bond, Co-Director of Policy, Advocacy and Programmes, ActionAid UK
David Bowles, Head Public Affairs, RSPCA
Aileen Burmeister, Head of Fair Trade Wales, Fair Trade Wales
Josie Cohen, Head of Policy & Campaigns, PAN UK
Kath Dalmeny, Chief Executive, Sustain: The alliance for better food and farming
Nick Dearden, Director, Global Justice Now
Diarmaid McDonald, Director, Just Treatment
Dr Nick Palmer, Head of Compassion in World Farming UK

¹⁵ <https://hansard.parliament.uk/lords/2021-02-23/debates/8F92FB28-D51A-4996-8471-7CCAB472F224/TradeBill>