



HOUSE OF COMMONS

LONDON SW1A 0AA

28th June 2020

Dear Constance,

RE: UK-US FREE TRADE AGREEMENT

Thank you for your recent correspondence in respect of a future free-trade agreement (FTA) between the United Kingdom (UK) and the United States (US); your comments upon which I have read with great interest.

First, however, you raise the issue of the 'transition' period associated with the UK's departure from the European Union (EU) and your wish to see it extended.

As you know, the UK left the EU on the 31st January 2020. A transition period has followed during which market access remains the same, and the UK and the EU are negotiating an agreement on our future relationship. The manifesto I stood on was clear that the transition period would not be extended beyond December 2020 and this has been put into law.

The outbreak of COVID-19 is clearly serious and my ministerial colleagues are doing everything they can to tackle the virus based on the latest scientific and medical advice. The latest rounds of UK-EU negotiations took place via videoconference in the week beginning the 11th May and a further round took place three weeks ago.

I appreciate that you have concerns about the deadline, but Ministers have already shown that they are able to negotiate international agreements with speed and efficiency. The *Withdrawal Agreement* was re-opened and re-negotiated in under three months, despite many believing that this would not be possible. I understand a high-level summit will also take place soon, where both sides intend to take stock of progress.

The UK and the EU share closely aligned interests and I am confident that the determination and willingness of both parties to reach agreement on a free-trade deal will ensure that the matter is brought to a conclusion by the end of 2020, as legally committed to in good faith by both parties as part of the transition period. 'No deal' is now an irrelevant concept. The UK left the EU with a deal. The question now is whether we can agree with the EU a deeper trading relationship along the lines of the FTA the EU has with Canada, or whether we have a trading relationship based on the 2019 deal, without a FTA on the lines of Australia's. The negotiations are currently ongoing and both sides are seeking a FTA with no tariffs, quotas, fees, or charges across all goods sectors, as well as further provisions on services and security cooperation.

I am hopeful that this can be achieved. The UK is not asking for a special, bespoke, or unique deal. We are looking for a deal like those the EU has previously struck with other friendly countries like Canada. Personally, I happen to think that the current situation makes it all the more likely that a good agreement will be reached - as this is clearly of huge mutual benefit - and I am enormously conscious that this has now gone on long enough and the uncertainty



needs to end. As such, I am afraid I must politely disagree with your interpretation of the situation and cannot support your request.

Beyond this, the benefits of an ambitious and comprehensive UK-US FTA are substantial. Aside from being the world's largest economy, the US is the UK's single largest trading partner. Total UK-US trade in the last year was valued at £220.9 billion, and our countries have over £700 billion invested in each other's economies. Every day, over a million Britons, and more than a million Americans, work for companies from the other nation.

A UK-US FTA could benefit all four nations of the UK and almost every sector. The agricultural sector would be a winner with lower input costs and a bigger export market. Moreover, the 30,000 small and medium sized enterprises who export to the US from all parts of the UK would benefit from the cutting of tariffs, trade barriers and red tape. For example, exports of Scottish salmon and whisky, Welsh steel and lamb, machinery and furniture built in Northern Ireland, vehicles made in the Midlands, manufactured products from the North of England and financial services from London, could all be boosted by a comprehensive FTA with the US.

I could not be clearer in my awareness that British consumers want high welfare produce and if our trading partners want to break into the UK market, they should expect to meet those standards. The manifesto I stood on was clear that in all trade negotiations, our high environmental protection, animal welfare and food standards will not be compromised. The Government will stand firm in trade negotiations to ensure any deals live up to the values of our farmers and consumers, and I trust my ministerial colleagues to keep our promises.

To that end, I welcome the fact that the Government has consulted widely on its negotiating plans. Indeed, there were 158,720 responses submitted to the consultation recently held on trade negotiations with the US. Respondents noted, for example, that further reducing US tariffs across the automotive, ceramics, chemicals, processed food and drink, and textiles sectors could be beneficial.

Clearly, generating more trade will be essential in helping the UK overcome the unprecedented economic challenge posed by COVID-19. I welcome that a FTA with the US could bring about new opportunities for businesses and entrepreneurs in the UK and help provide more high quality jobs. I understand that the negotiations will be carried out remotely until it is safe to travel.

As I have already indicated, UK Government modelling suggests that our agricultural sector would be a net-beneficiary of a FTA with the US. I understand the Government wants to see tariffs come down for UK food exports on a balanced and mutually-beneficial basis, and that Ministers would like restrictions on exports such as UK lamb removed. Securing a FTA could also build on agreements such as the one recently reached between the UK and the US to reopen the US market to British beef exports. I know Ministers will also push hard to secure commitments on transparent and efficient customs procedures, including for UK agriculture.

Furthermore - and it bears repeating - I am reassured by my ministerial colleagues' commitment not to compromise the UK's high animal welfare, environmental, food safety and food import standards in any future FTA, including one with the US. Ministers do not want to compromise the UK's domestic welfare production standards either. It is worth noting that none of the transitioned EU FTAs have exported domestic welfare production standards, and extraterritorial regulation will not form part of any trade deal the UK is party to.



I also want to reassure you that the *European Union (Withdrawal) Act* transfers all existing EU food safety provisions on to the UK statute book. This includes current import requirements which, for example, ban the use of artificial growth hormones in domestic and imported products, and stipulate that no products besides potable water are approved to decontaminate poultry carcasses.

In order to get our approach to this right, I am pleased that the Government is already engaging with the agricultural sector as part of its trade discussions, including the National Farmers Union. It is encouraging that Ministers share my determination to ensure our future trade agreements will deliver benefits for our brilliant farmers and food producers, of which there are many across Corby & East Northamptonshire, and I will continue to inform that debate based on local feedback and experience.

Indeed, with that in mind, I have enclosed a copy of a 'Dear Colleague' letter I have received jointly from the Secretary of State for Environment, Food & Rural Affairs and the Secretary of State for International Trade, which further clarifies the Government's position on these matters, and which I trust will be of interest to you.

Finally, the NHS will be protected in any future FTA, including one with the US. The price the NHS pays for drugs will not be on the table, and nor will the services the NHS provides. The Government could not be clearer on this point, and nor could I as your local Member of Parliament. Suggestions to the contrary are brazen and irresponsible scaremongering and bear no relation to the reality.

Once again, thank you for having taken the time to contact me, and I hope that the above has offered some reassurance to you. If I can ever be of any further assistance to you then please do not hesitate to contact me again.

With best wishes,
Tom

**TOM PURSGLOVE MP
MEMBER OF PARLIAMENT
CORBY & EAST NORTHAMPTONSHIRE**



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5 June 2020

Dear Colleague,

Food standards and future trade deals

I know that many of you will have been contacted by constituents concerned about recent media reports that UK food standards will be lowered as part of future trade deals.

This UK Government will not compromise on our standards. Our manifesto is clear that in all of our trade negotiations, we will not compromise on our high environmental protection, animal welfare and food standards. We remain firmly committed to upholding our high environmental, food safety and animal welfare standards outside the EU and the EU Withdrawal Act will transfer all existing EU food safety provisions, including existing import requirements, onto the UK statute book.

These import standards include a ban on using artificial growth hormones in domestic and imported products and set out that no products, other than potable water, are approved to decontaminate poultry carcasses. Any changes to existing food safety legislation would require new legislation to be brought before this Parliament.

The UK's food standards, for both domestic production and imports, are overseen by the Food Standards Agency and Food Standards Scotland. These are independent agencies and provide advice to the UK and Scottish governments. They will continue to do so in order to ensure that all food imports comply with the UK's high safety standards. Decisions on these standards are a matter for the UK and will be made separately from any trade agreement.

All parts of the UK should be proud of our world-leading food, health and animal welfare standards and we will not lower our standards as we negotiate new trade deals.

Best wishes,

THE RT HON ELIZABETH TRUSS MP
Secretary of State for International Trade
& President of the Board of Trade

THE RT HON GEORGE EUSTICE MP
Secretary of State for the Environment,
Food and Rural Affairs