

BVA submission to Department for International Trade call for input: Trade with South Korea

Introduction

- 1) The British Veterinary Association (BVA) is the national representative body for the veterinary profession in the United Kingdom. With nearly 20,000 members, our primary aim is to represent, support and champion the interests of the United Kingdom's veterinary profession. We therefore take a keen interest in all issues affecting the profession, including animal health and welfare, public health, regulatory issues and employment matters.
- 2) We welcome the opportunity to provide evidence relating to a potential free trade agreement (FTA) with South Korea.
- 3) The UK's current trade relationship with South Korea is based on the EU-South Korea trade agreement, which was negotiated by the European Commission in 2011 and, after a further negotiation, formed the basis of the UK-Korea trade agreement on 1 January 2021. The current arrangements have created opportunities for agri-food exports - "Between 2010 and 2017, EU agri-food exports to Korea have increased by 113%".¹
- 4) There is an opportunity for the UK to build upon this arrangement and utilise a new FTA to export more high health, high welfare produce to South Korea. In particular, increasing demand in South Korea for beef and pork means there is scope to export increased volumes of UK meat. As the United States Department for Agriculture notes "large import volumes for beef and pork that were witnessed in 2022 are expected to remain elevated in 2023."²
- 5) A new FTA should include a dedicated sanitary and phytosanitary (SPS) chapter. This should ensure that animal and public health are protected, with high standards maintained, whilst enabling improved trade.
- 6) A new FTA should also be used to raise bilateral standards of animal production, disease surveillance, disease control and food safety. The FTA should also progress cooperation in the areas of animal welfare and antimicrobial resistance.

Engagement with the veterinary profession

- 7) The UK has a strong reputation for animal health, animal welfare, and food safety³. UK production meets the highest standards of animal health, animal welfare and food safety thanks to veterinary surgeons who deploy their expertise across domestic food production, from farm to fork. They also play a unique role in international trade providing assurance to trading partners. Veterinary advice and involvement at all stages of negotiations is essential to facilitate acceptable trade.
- 8) The UK requires a veterinary workforce with the capability and capacity necessary to facilitate international trade. To continue to trade, the UK must have enough appropriately trained Official Veterinarians (OV) to meet the additional demands for export and import certification. If that

¹ European Commission. (2018). 'Individual reports and info sheets on Implementation of EU Free Trade Agreements'. European Commission, pp. 1-267.

² <https://www.fas.usda.gov/data/south-korea-livestock-and-products-annual-7>

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requirement is not fulfilled, it would present a significant barrier to trade and limit any opportunities for the farming and food sectors that may be found in a new FTA.

- 9) FTAs contain provisions relating to animal health, animal welfare and public health: areas which fall within the expertise of the veterinary profession. Therefore, it has been disappointing that consultation with the veterinary profession on FTAs has been so limited.
- 10) As the UK continues to strike new trade deals with partners around the world, which will have consequences for animal health, animal welfare and public health, as well as the ability to export easily to the EU Single Market, we would ask that the Department for International Trade, and Defra which leads on SPS aspects, reflect on how to engage more effectively with our uniquely relevant profession.
- 11) We note the existence of the Agri-food Trade Advisory Group. However, the membership of this group consists of business representative organisations, with no representation from a veterinary, animal health, infectious disease, food safety or animal welfare science background. Therefore, engagement with this group can in no way be seen as meeting a requirement to have consulted on the wide range of concerns held by the veterinary profession.

Sanitary and Phytosanitary (SPS) measures

- 12) SPS measures form a vital part of the UK's biosecurity framework and should not be seen solely as a barrier to trade that needs to be overcome. SPS measures serve a vital purpose: protecting national freedom from animal health diseases. The consequences of failing to do this can be catastrophic to multiple sectors of the UK's economy..
- 13) The great majority of new FTAs now contain provisions seeking to simplify SPS trade requirements. A new FTA with South Korea should include an SPS chapter. The framework created under this chapter should ensure biosecurity standards are maintained whilst offering both parties an opportunity to work together to simplify certification procedures or remove unnecessary barriers.
- 14) Maintaining high standards of biosecurity within a new FTA with South Korea will be essential. The up-to-date data on the World Organisation for Animal Health (WOAH) World Animal Health Information System (WAHIS) system show that there have been six epidemics of foot-and-mouth disease (FMD) in South Korea between 2014 and 2019.⁴ Maintaining UK freedom from FMD cannot be compromised. The 2001 outbreak of FMD in the UK was estimated to have cost £5 billion to the private sector and £3 billion to the public sector, damaged the lives of farmers and rural communities, harmed animal welfare, dented the reputation of UK agriculture, and caused a general election to be postponed.
- 15) The African swine fever (ASF) virus was first detected in South Korea on a pig farm in September 2019.⁵ Despite active preventive measures to control the spread of ASF, outbreaks on pig farms and in wild boar have been increasing.⁶ ASF is a fatal and highly infectious disease to pigs. ASF has spread to all provinces in China and is moving West and has been detected as close to the

⁴ OIE WAHIS Disease Dashboard wahis.oie.int/#/dashboards/country-or-disease-dashboard

⁵ <https://wahis.woah.org/#/dashboards/country-or-disease-dashboard>

⁶ <https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0277381>

UK as Belgium.⁷ An assessment⁸ of the economic losses caused by ASF outbreaks in China between August 2018 and July 2019 showed a total economic loss that accounts for 0.78% of China's gross domestic product in 2019, with impacts experienced in almost all economic sectors through links to the pork industry and a substantial decrease in consumer surplus. Scenario analysis demonstrates that the worst cases of pig production reduction and price increase would trigger 1.4% and 2.07% declines in gross domestic product, respectively.

An analysis of the impact of ASF in a number of EU countries has indicated that the consequences of ASF to the pig meat markets are complex.⁹ They suggest that an ASF outbreak can reduce the production of pig meat, export quantities and the national pig inventory in the short and medium term. On average, those new cases of ASF reduced the exports of pig meat by close to 15% and the production quantity by more than 4% in the year after the cases had occurred, and the national pig inventory by 3–4% both in the current and the next year. These findings demonstrate an urgent need for ASF containment and the importance of maintaining biosecurity standards within a new FTA.

- 16)** To support ongoing cooperation on SPS barriers under a new FTA, the UK Government should develop a process whereby vets, farmers and processors are engaged to identify unnecessary SPS barriers. This could form a key component of the UK's ongoing cooperation with South Korea on SPS issues.

Tariff reduction and standards

- 17)** Veterinary surgeons, as qualified professionals who play an essential role in the operation of international trade, want to see a high standard of animal health, welfare and food hygiene prioritised within any trade negotiations and deals, including with South Korea.
- 18)** The original Trade and Agriculture Commission (TAC) published its report in March 2020. Key amongst their recommendations was recommendation 8 which stated that:¹⁰

“The UK government should take an ambitious approach to the liberalisation of the UK's import tariff regime, for countries that can meet the high standards of food production expected from UK producers. It should work with trading partners within future FTA negotiations to lower tariffs and quotas to zero where equivalence is demonstrated for these standards.”

- 19)** The report submits that the UK should adopt a three-pillar approach to liberalising international trade. The most pertinent, for the purposes of an FTA, is pillar two, which establishes how “core standards” should be developed:

“Zero tariff, zero quota access to UK markets in FTAs would be matched to a core

⁷ Updated Outbreak Assessment #10 African swine fever in Europe (Eastern Europe & Belgium) 23 March 2020

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/874897/asf-east-europe-update10.pdf

⁸ Shibing et al (2021) You African swine fever outbreaks in China led to gross domestic product and economic losses Nature Food volume 2, pages802–808 (2021) <https://www.nature.com/articles/s43016-021-00362-1>

⁹ Niemi JK. Impacts of African Swine Fever on Pigmeat Markets in Europe. Front Vet Sci. 2020 Sep 11;7:634. doi: 10.3389/fvets.2020.00634. PMID: 33062656; PMCID: PMC7518409.

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/969045/Trade-and-Agriculture-Commission-final-report.pdf

set of standards and technical norms in a number of areas. If trading partners could not demonstrate equivalence with core standards, then they would not be considered for zero tariff, zero quota access for those products to which the core standards applied. These standards and technical norms would:

- *reflect the shared ambitions of the UK and its trading partners;*
- *be derived from international standards and norms; and*
- *already be applied in the UK.*

The UK government should negotiate on the basis of this core set of standards, including climate change, environmental, ethical and animal welfare measures. When determining these priority standards, the UK government should take account of domestic production standards and the extent to which they reflect international standards' agreements. Implementation of this pillar would require further analysis and consultation, particularly with the Devolved Administrations. Determining which standards and norms should be considered as part of this pillar would need to involve consultation with all stakeholders. Agreement of a broad and comprehensive core set of standards would maximise the trade liberalisation that this approach could deliver."¹¹

- 20)** As a matter of urgency, and before initiating further FTA negotiations, the UK Government should adopt this recommendation of the TAC. Core standards should be developed before the UK offers tariff-free access to its market. Consideration needs to be given to how the UK would determine a standard as being equivalent to these core standards. It will be vital to have engagement with the veterinary profession in developing these standards. This will require a system requiring checks and continuous monitoring to ensure standards are maintained over time.
- 21)** AMR is a global health and development threat and requires urgent multisectoral action. The WHO has declared that AMR is one of the top 10 global public health threats facing humanity¹² and therefore AMR must be a significant factor in UK core standards. This standard should consider both regulation (e.g., prescribing requirements) and actual outcomes in terms of antimicrobial use or sales data.

Animal welfare and AMR chapters

- 22)** Animal welfare is a global concern and ensuring the health and welfare of animals is important as a marker of social progress, as well as for the role it plays in achieving other sustainability objectives. UK citizens see value in the welfare of farmed animals. We have called on Government to include ambitious and comprehensive animal welfare chapters within all new FTAs, including detailed provisions on animal welfare cooperation. Similarly ambitious provisions for collaboration on antimicrobial resistance should also be a priority.
- 23)** The membership of forums established under FTAs to enable this collaboration will be important. We would ask the UK Government to consider the balance of expertise it proposes for any such

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/969045/Trade-and-Agriculture-Commission-final-report.pdf

¹² <https://www.who.int/news-room/spotlight/10-global-health-issues-to-track-in-2021>

groups. Defra, as the UK Government department with responsibility for animal welfare, should lead on this process. The involvement of veterinary surgeons will be essential.

Geographical Indications

- 24) High animal welfare standards and high environmental standards reinforce the marketability of our produce. So, within its trade policy, the UK Government should look to maximise opportunities to promote high-quality, high-welfare UK produce to export markets, including those products which might benefit from labelling that demonstrates region of origin (e.g. Scottish salmon, Welsh lamb and Yorkshire Wensleydale cheese). This can help secure opportunities for UK farmers and open up new export opportunities.
- 25) It is therefore welcome to see that FTAs include a provision allowing more British products to receive protected recognition in these markets.

Trade and Agriculture Commission

- 26) Greater clarity is needed on the role of the Trade and Agricultural Commission (TAC) which will scrutinise a UK/South Korea FTA once published. We would ask that procedures are put in place to support the role of the TAC.
- 27) The original TAC was established to advise the UK Government on how best to advance the interests of British farmers, food producers, and consumers in future trade agreements. Veterinary perspectives were included on the TAC. Former UK CVO Nigel Gibbens sat on the TAC, and former BVA President Simon Doherty joined the Commission's standards sub-group. The Commission reported in March 2020.
- 28) BVA has welcomed the announcement by Government that it would place the TAC on a statutory footing.¹³ Chaired by Lorand Bartels, Professor of International Law, the new TAC will provide expert scrutiny of new trade deals once they reach the signature stage.
- 29) The new TAC was announced on 21 October 2021. To date, the TAC has been called upon to report on two FTAs with New Zealand and Australia. Both took place shortly after the inception of the TAC. As a result, the TAC was asked to undertake its role whilst there was still uncertainty on its remit. It is vital that Government learns from the processes to date, and clearly establishes how the TAC will operate and provide its analysis to Parliament in future.
- 30) The Government should ensure that the TAC is given the time it needs to carefully scrutinise any free trade deal with South Korea, and to advise Parliament in a timely manner.

Conclusion

- 31) The UK must safeguard its high reputation for animal health, animal welfare, and food safety. In all trade agreements it negotiates, the Government must only grant tariff free access to agricultural goods where there is equivalence with core standards of animal health, animal welfare, public health and food safety and responsible antibiotic use.
- 32) Ongoing consultation with the veterinary profession on all relevant aspects of trade will be essential. BVA, as the representative body for the profession, looks forward to engaging with the Government further as this trade negotiation and others progress.

¹³ <https://www.bva.co.uk/news-and-blog/news-article/bva-welcomes-important-step-for-animal-health-and-welfare-as-government-puts-trade-and-agriculture-commission-on-legal-footing/>