

BVA submission to the House of Lords EU International Agreements Sub-Committee: UK-New Zealand Trade Negotiations

Introduction

- 1) The British Veterinary Association (BVA) is the national representative body for the veterinary profession in the United Kingdom. With over 18,000 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 in relation to ongoing UK-New Zealand trade negotiations, recognising that agreeing a comprehensive free trade agreement (FTA) is a priority for the UK as we approach the end of the transition period.
- 3) Veterinary surgeons deploy their expertise across domestic food production, from farm to fork, ensuring UK production meets the highest standards of animal health, animal welfare and food safety, and providing assurance to trading partners. The inclusion of veterinary surgeons as part of trade negotiation teams, trade missions, and within embassies is the norm for many of our trading partners, and as such the UK should bolster its trade personnel with veterinary expertise.

Sanitary and Phytosanitary (SPS) measures

- 4) The great majority of FTAs now contain provisions on sanitary and phytosanitary (SPS) measures i.e. measures to protect humans, animals, and plants from diseases, pests, or contaminants. In the most recent and wide-ranging trade agreements, such as the EU-Canada Comprehensive Economic and Trade Agreement (CETA), the 11-party Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) or the abortive EU-US Transatlantic Trade and Investment Partnership (TTIP), SPS issues have often taken centre stage.
- 5) The UK's existing relationship with New Zealand is managed through the Council Decision 97/132/EC of 17 December 1996 on the conclusion of the Agreement between the European Community and New Zealand on sanitary measures applicable to trade in live animals and animal products. This is one of the most comprehensive veterinary agreements in place today, which facilitates trade between the EU and New Zealand through the recognition of equivalent measures and improved communication and cooperation. This agreement allows for the reduction in SPS barriers, including minimising veterinary checks and controls at the border. This regime provides certainty to consumers in both markets through the application of veterinary oversight of food systems.
- 6) The veterinary profession is concerned that UK veterinary workforce will not have the capability and capacity necessary to facilitate international trade with the EU and other trade partners including New Zealand. Therefore, a simplification of the SPS regime between the UK and New Zealand could also prove beneficial to the UK veterinary workforce. Vets work to both certify and supervise the import and export of animals and animal products. The vital role of veterinary surgeons in trade, protecting public health, food safety, animal health and animal welfare is recognised around the world. To continue to trade, the UK will need enough vets to meet the additional demands for export and import certification.
- 7) From January 2021, exporters will require an export health certificate (EHC) signed by an Official Veterinarian (OV) to transport animals, products of animal origin or germplasm from Great Britain to the EU Single Market and Northern Ireland. The OV signature attests that relevant public health and animal health requirements have been met. The requirement for EHCs will be similar whether

the UK and EU reach a free trade agreement, or if no trade deal is agreed. However, there are material uncertainties and limitations on knowing what the exact increase in export health certification is likely to be. When preparing for a no-deal exit in 2019, Defra's "mid estimate" assumption was a fivefold increase in the number of EHCs.

- 8) Securing a new FTA with New Zealand which replicates or expands upon this existing SPS regime offers an opportunity for the export of UK products of animal origin (POAO). Developing a strong dialogue between the UK and New Zealand will support the reduction in SPS barriers over time.
- 9) The UK government should develop a process whereby vets, farmers and processors are engaged to identify unnecessary SPS barriers with trading partners. This could form a key component of the UK's trade strategy, akin to the United States Trade Representative's National Trade Estimate Report on Foreign Trade Barriers.¹ Similarly, the EU has the Market Access Database which lists SPS issues for trading nations.²

Animal health and welfare standards

- 10) 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 New Zealand. High animal health and welfare standards in the UK have been recognised within the Agriculture Bill as public goods, and as such will be able to receive financial support. We strongly support this approach, having called on the Government to use public money to incentivise and support animal health and welfare outcomes as public goods in our Veterinary Vision for Post Brexit Agriculture Policy³.
- 11) Future trade deals have the potential to undermine this investment by allowing goods produced to lower standards of animal health and welfare, which would inevitably hold a competitive advantage over UK farmers, undercutting UK producers on price. We have welcomed the formation of the Trade and Agriculture Commission, which will consider the policies that the UK Government should adopt in free trade agreements. We support the appointment of BVA past President Simon Doherty to the Commission's 'Standards Working Group'.
- 12) Animal welfare is a global concern and ensuring the health and welfare of sentient 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. 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 demonstrating region of origin (e.g. Scottish salmon).
- 13) As the UK takes control of its trade policy, it should be assertive in spreading animal welfare norms via trade agreements. The UK and New Zealand are largely aligned on many aspects of animal health and welfare policy. Animals used in farming in New Zealand are protected by the Animal Welfare Act 1999, including the general anti-cruelty and duty of care provisions. Codes created under the Act provide detailed standards for transport, painful husbandry procedures, commercial slaughter and specific requirements for farm animals. The Code of Welfare for the Commercial Slaughter of Animals requires that all large mammals must be stunned, so that they are immediately rendered insensible and must be maintained in this state until death. Within those standards there is an allowance for poultry to be slaughtered without prior stunning in accordance with Jewish religious requirements.⁴

¹ https://ustr.gov/sites/default/files/2020_National_Trade_Estimate_Report.pdf

² https://madb.europa.eu/madb/sps_crossTables.htm?isSps=true&table=countryproduct

³ <https://www.bva.co.uk/media/1179/bva-veterinary-vision-for-post-brex-it-agricultural-support.pdf>

⁴ <https://api.worldanimalprotection.org/country/new-zealand>

- 14) In 2015, New Zealand officially recognised the sentience of animals in law.⁵ This is an international marker of the significance of animal welfare and should be repeated in the UK as a priority. Therefore, a free trade agreement between the UK and New Zealand presents an opportunity to draft an ambitious and comprehensive animal welfare chapter, including detailed provisions on animal welfare cooperation.

Sheep sector

- 15) Through the Agriculture Bill the sheep sector will receive public money to support public goods including investment in animal health and welfare. This investment at home should not be undermined as a result of UK trade policy. There may be concerns that an FTA with New Zealand may prove detrimental to the UK sheep sector.
- 16) The UK currently imports around a third of the sheep meat it consumes, or around 100,000 tonnes annually. The dominant supplier has always been New Zealand, with a market share of over 70 per cent of UK imports. In 2012, for example, the UK imported 86,100 tonnes product weight of sheep meat, 73 per cent of which came from New Zealand. During the same period the UK exported 94,700 tonnes.⁶ While the UK market is technically self-sufficient in sheep meat, it is not functionally self-sufficient, demanding a larger volume of higher-end cuts such as legs and chops, and exporting low-value cuts.
- 17) Furthermore, the UK sheep sector continues to be subject to a very seasonal pattern, with the bulk of production taking place in the second part of the year which does not necessarily coincide with domestic demand. At Easter New Zealand production peaks to coincide with UK demand. The complementary seasons means lamb is all year round, with imports allowing lamb to maintain shelf space throughout the year. Ultimately, the balance of imports and exports helps reduce demand and supply peaks in the UK sheep industry and is therefore beneficial to the sector. A drop in UK imports from New Zealand would likely result in a drop in UK sheep meat consumption and delivering an FTA that maintains a balance of imports from New Zealand is essential.
- 18) Concerns about oversupply from New Zealand should be addressed to provide confidence to domestic producers. In our recent response to the Public Bill Committee on the Trade Bill 2019-2021 we indicated support for proposals to establish a UK body – the Trade Remedies Authority (TRA) – to ensure the UK can continue to protect domestic industries against injury caused by unfair trading practices, such as dumping and unforeseen surges in imports. This non-departmental public body, responsible for conducting trade remedies investigations under a statutory framework provided by the Taxation (Cross-border Trade) Act 2018 and for making impartial recommendations to the Secretary of State, should provide a critical safety net for the livestock industry. However, this does not negate the need for Government to secure the inclusion of high welfare standards for farm animals in all trade agreements it negotiates.
- 19) More critical for UK producers will be achieving an FTA with existing export markets to ensure domestic carcass balance is maintained and those lower-value cuts that UK consumers avoid can be sold without prohibitive tariffs and non-tariff barriers. The value of UK sheep meat exports in 2015 was £302 million and the EU was the key market, accounting for over 95 per cent of UK sheep meat exports.⁷

Antimicrobial resistance

- 20) The UK Government has demonstrated strong leadership at home and globally in tackling the issue of antimicrobial resistance. Thanks to these efforts, action has been taken at all levels, including at the United Nations, within the EU and domestically. Encouraged by the publication of the O'Neill

⁵ <http://www.legislation.govt.nz/act/public/1999/0142/56.0/whole.html#DLM49664>

⁶ <http://beefandlambmatters.blogspot.com/2013/07/why-uk-imports-lamb-from-new-zealand.html>

⁷ [https://media.ahdb.org.uk/media/Default/Market%20Insight/BeefandLamb_bitesize%20\(1\).pdf](https://media.ahdb.org.uk/media/Default/Market%20Insight/BeefandLamb_bitesize%20(1).pdf)

Review on Antimicrobial Resistance⁸, the UK agricultural and food industry has taken steps to advance and promote the responsible use of antimicrobials. Alongside our specialist divisions, we are a member of the Responsible Use of Medicines in Agriculture (RUMA) alliance, which launched sector-specific reduction targets for antimicrobial use in late 2017, resulting in a reduction in overall sales, and sales of the most critically important antimicrobials.

- 21) In 2018 the RUMA Targets Taskforce reported that UK sales of antibiotics for food-producing animals had fallen 40% since 2013, with overall use in 2017 at 37mg/kg, one of the lowest in the EU. The report also estimated that only 30% of the UK's antibiotics were being used to treat disease in farm animals, with further reduction targets due to be achieved by 2020. In the UK Highest Priority Critically Important Antibiotic (HP-CIA) sales for use in animals fell 52% between 2013 and 2017 from an already low level, and 29% between 2016 and 2017.⁹
- 22) The New Zealand Antimicrobial Resistance Action Plan¹⁰ was jointly developed by the Ministry of Health, Ministry for Primary Industries and representatives from across the human health, animal health and agriculture sectors. Based on a 'One Health' approach, the plan enables coordinated national action to minimise the impacts of antimicrobial resistance on New Zealand and beyond. Antimicrobial consumption in the livestock sector in New Zealand is already low compared to many other high-income countries with profitable agricultural sectors¹¹ and alignment between the UK and New Zealand in approaches to tackling this issue represents a further opportunity for the UK to market high-quality produce where reduced use of antimicrobials can be demonstrated.

Conclusion

23) A trade deal with New Zealand presents a number of opportunities:

- Securing the benefits of the Agreement between the European Community and New Zealand on sanitary measures applicable to trade in live animals and animal products.
- A reduction in tariffs to enable exports of UK food produced with high standards of animal health and welfare.
- Sending a strong message on the UK's expectations for animal welfare standards to other potential trade partners by agreeing an ambitious and comprehensive animal welfare chapter.
- Cooperating on SPS processes to simplify procedures between the two markets and remove access barriers for UK producers.

24) In all respects, the UK must safeguard its reputation for animal health, animal welfare, and food safety, and in order to do that, it is essential that those standards are upheld in trade negotiations. In all trade agreements it negotiates, the Government must secure the inclusion of equally high standards of animal health, animal welfare, public health, food safety and responsible antibiotic use.

⁸ <https://amr-review.org/>

⁹ <https://www.ruma.org.uk/wp-content/uploads/2018/11/RUMA-TTF-1-year-on-Full-Report-FINAL.pdf>

¹⁰ <https://www.health.govt.nz/publication/new-zealand-antimicrobial-resistance-action-plan>

¹¹ The Review on Antimicrobial Resistance, Antimicrobials in agriculture and the environment - Reducing unnecessary use and waste, 2015