

# Free trade agreement impacts



## OUR ASK

**Publish an annual Free Trade Agreement (FTA) assessment to quantify the cumulative impact of FTAs on trade balance, sourcing, standards and domestic food production, adapting domestic agricultural policy as a result.**

## Why it's needed

Since 2019, we have faced a number of unprecedented challenges – Covid-19, Brexit, the global economic slowdown and the war in Ukraine – which have all taken their toll on trade flows around the world.

During that time, the government has agreed FTAs with over 70 countries, including brand new agreements with Australia and New Zealand, as well as accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

The government has the most ambitious trade agreement programme in the world. It is actively negotiating enhanced agreements with India, the Gulf Cooperation Council, Canada, Mexico, Switzerland, and Israel, as well as seeking to renegotiate deeper relationships with South Korea and Turkey.

Given the breadth of negotiations taking place, and in light of the FTAs already agreed with Australia and New Zealand, the NFU is concerned that the government will allow increased market access for sensitive agricultural products in order to reach agreement in the final stages of negotiations.

The NFU is also concerned that the pace at which the government is embarking on trade liberalisation with significant global agricultural producers is not sustainable for our market.

Each of those partners will be seeking a share of the UK's sought-after market. An annual assessment of the cumulative impact of trade deals on the UK market would provide a clear picture of whether further liberalisation would be sustainable and ultimately beneficial for UK consumers, if British farmers were no longer able to compete on price.



# What it would deliver

A new government should be extremely conscious of the potential cumulative impact of offering additional market access to more countries, particularly to sensitive sectors such as sugar, meat and horticulture. Failing to consider the potential compound impact would jeopardise the viability of UK producers.

An annual assessment of the impact of the UK's FTAs on domestic food prices, production, and consumption would allow for the adaptation

of domestic agricultural policy. It would ensure the British agricultural sector is able to understand how best to combat the challenges it is facing and how to compete fairly with international producers.

An impact assessment of our FTAs would also give a concise summary of which sectors are facing the most problems and inform decisions about the use of the safeguard clauses envisaged within the text of each FTA. It would also help inform an annual food security report.

Regular impact assessments would also highlight the positives of new export markets. This would give producers the confidence and motivation to grow their own businesses and enable the UK's largest manufacturing sector, food and drink, to maintain and enhance its significant contribution to the UK economy.

National Farmers' Union, Agriculture House,  
Stoneleigh Park, Warwickshire CV8 2TZ



Tel: 024 7685 8500



[www.nfuonline.com](http://www.nfuonline.com)

Produced by:  
NFU, AGRICULTURE HOUSE  
STONELEIGH PARK, STONELEIGH, WARWICKSHIRE CV8 2TZ  
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