



Parliamentary Briefing on the Agriculture Bill 2019-2020

Background:

This briefing has been written to support MPs in their preparation for the next stages of the Agriculture Bill, which passed its Second Reading on 3rd February 2020 and will now move to Committee Stage on 11th February.

The Bill is enabling legislation which allows the Government to make changes following the UK's departure from the European Union (EU), and from the EU's Common Agricultural Policy (CAP). This is the second time that an Agriculture Bill has been laid before Parliament, with the previous Bill having fallen at the dissolution of the last Parliament in October 2019. We are encouraged to see that several issues raised by civil society organizations, including the National Farmers Union (NFU), have been taken in to consideration in this current Bill, including provisions for a report on food security every 5 years, and a greater emphasis on increasing transparency and fairness in the supply chain.

As the Bill now begins its progress through Parliament, the Fairtrade Foundation is calling for the Government to ensure that **the Bill takes in to account the needs of developing country producers**. We ask that the Government considers **sustainable development objectives** as part of the Agriculture Bill, such that it is consistent with the UK's commitment to achievement of the UN Sustainable Development Goals (SDGs) and in line with the UN Guiding Principles on Business and Human Rights, with living incomes and supply chain transparency at the heart of future policy development.

Why developing country farmers are vital to the UK's food security and sustainability agenda:

The UK currently imports 50% of its food from overseas, **10-15% of which comes from developing countries**¹. If the UK is to ensure food security within a changing global context and the increasing threat of the climate crisis, the sustainability and resilience of the overseas supply chain must take centre stage.

Every day, millions of us enjoy bananas imported from Colombia, tea from India or cocoa from Ghana. Given the global nature of our food system, the UK has a very important role to play in ensuring that the people who grow our food overseas get a fair deal.

¹ Based on DEFRA statistics of the origins of food consumed in the UK. Data for 2016 showed that 13% of UK's food imports originated from Africa, Asia and South America. (<https://www.gov.uk/government/publications/food-statistics-pocketbook-2017/food-statistics-in-your-pocket-2017-global-and-uk-supply>)

The Fairtrade Foundation has consistently highlighted that **living incomes should be central to policies**² in the agriculture supply chain if the UK Government is to **uphold its commitments to reduce poverty and tackle the climate crisis**. Smallholder farmers live on the front line of the climate crisis, and are already hit by increasing droughts, floods and unpredictable, changing weather. Without living incomes, producers and farmers cannot invest in adapting to the impact of climate change.

Consumer research consistently shows that **Fairtrade and sustainability matters to consumers**. 80% of consumers say that they care about Fairtrade, while 69% also say that they want to see more products in store³. Where their food comes from, and how it is produced, matters to the UK consumer.

Key messages:

As the Agriculture Bill moves through Parliament, the Fairtrade Foundation are urging MPs to call for the following:

- **An *international* approach to the UK's food security, with fairness and sustainable development at heart:**
 - The Fairtrade Foundation welcomes the duty set out in the Bill for the Secretary of State to report on food security at least once every 5 years. **We believe that this report should not only consider domestic production but also the UK's international food supply chains.**
 - The UK's overseas supply chains are very vulnerable to disruption, with poor investment in environmental sustainability, living conditions and human rights, and in farm productivity. It is our view that food security is only made possible by production which respects human rights and the right to a living income, to enable investment in climate change adaptations and work towards poverty reduction. By meeting our moral duty to ensure fairness for farmers and farm workers, we also support the UK consumer interest in long-term food security, value and choice.
 - Under S. 17 (2) we want the Bill to make direct mention to sustainable development and the Sustainable Development Goals, including environmental sustainability, as part of matters to be included in the report.
- **A continued focus on supply chain transparency and accountability:**
 - We are encouraged by the introduction of measures in the Bill to increase supply chain transparency and measures for greater enforcement of reporting requirements (Pt 3, Ch,1, S. 21). We would like to see sustainable development considerations (poverty reduction, human rights, environmental sustainability) form part of such requirements.

² Please see our report on living incomes for Cocoa farmers:
<https://www.fairtrade.org.uk/~media/FairtradeUK/Resources%20Library/Fairtrade%20Fortnight%202019/Craving%20a%20Change%20in%20Chocolate%20-%20February%202019.pdf>

³ Market research commissioned for the Fairtrade Foundation, 2019

- We would like to see the Government take the opportunity to strengthen human rights commitments as part of the Agriculture Bill, and for human rights impact assessments to be included as part of the reporting requirements, in line with good human rights due diligence (HRDD) practice.
- The Fairtrade Foundation supports calls for enforcement of supply chain transparency requirements to be overseen by an independent body (S. 26). The Groceries Code Adjudicator (GCA) has shown that a relatively small independent body with enforcement powers can be highly effective in securing positive behavior change from business. We have previously called for the extension of the remit of the Groceries Code Adjudicator (GCA) to cover farmers and producers further up the supply chain (moving beyond first tier suppliers to encompass primary producers).
- **An approach that incentivizes fair dealing and investment at farm level:**
 - We welcome provisions within the Bill to introduce fair dealing obligations on businesses purchasing agricultural products (S. 27). The Fairtrade Foundation would urge the Government to be mindful of the power imbalance between small-scale farmers, farm workers and large scale retailers, especially within international supply chains. Again, there is a need for any obligations to be *international* in scope. As mentioned earlier in this briefing, the Fairtrade Foundation has previously called for similar protections for overseas producers in the UK food supply chain to be overseen by an extended GCA remit.
 - The Agriculture Bill is an opportunity for the Government to ban unfair trading practices (such as late order changes, late payments, arbitrary delisting, unfair charges) that currently have huge cost implications for small-scale farmers, and lead to high levels of unnecessary wastage of produce, at all levels of the food supply chain. This will help farmers plan and invest for the future, increasing food security, fairness and sustainability.

Finally, the UK's food supply chains will be strongly influenced by forthcoming decisions on the UK's future trade policy. We urge the UK Government to make sure that our **trade with developing countries puts poverty reduction, human rights and environmental sustainability first and delivers living incomes for all in the agriculture supply chain.**

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