

Key issues in business and trade: we want to hear from you

Share your views

Our role as the House of Commons Business and Trade Committee is to shine a light on issues in business and trade policy. This is an opportunity to inform our work and tell us where to look. We want to know your views on the Government's goals to:

- Become the economy with the fastest sustained economic growth in the G7.
- Deliver a 'pro-business, pro-worker' agenda with rising living standards in every part of the United Kingdom.
- Develop closer trading relationships with others, including with the European Union.
- Maintain the UK's status as a global leader in protecting consumers.

Each response box has a 3000 character limit, which is approximately 500 words. This survey will close on Friday 20 December.

1. What are the most exciting opportunities for your business, industry, or sector?

Smallholder farmers are key to global food security, producing around one third of the world's food. In order to support the ongoing resilience of global food systems, the UK needs to seize opportunities to build a fairer and more sustainable system that supports smallholder farmers through measures such as:

- using the Government's trade strategy to ensure the UK's approach to trade also supports UK objectives on climate change and development. For example, when farmers receive fair prices, they can invest in sustainable practices, benefiting both local communities and supporting progress towards global climate goals

- enhancing supply chain resilience through strengthened, more predictable and longer-term partnerships between UK retailers and smallholder farmers. Fairtrade Foundation's [Shared Impact initiative](#) provides a practical example of how pre-competitive collaboration between retailers can support sustainable sourcing and support better prices for producers.

2. What are the key barriers or challenges for your business, sector, or organisation?

Firstly, the UK's approach to trade has for too long prioritised a focus on economic liberalisation, rather than embracing fairer, more equitable and more resilient trading relationships. It has not done enough to address the connections between trade, development and environmental sustainability, and has paid insufficient attention to the needs of the overseas farmers and producers at the first mile of the supply chain.

Secondly, though many progressive businesses are already taking positive action to address human rights and environmental risks in their supply chain, there is a need for HREDD legislation in the UK to level the playing field for these businesses, and create the conditions for genuinely responsible business to flourish.

Thirdly, there has not been sufficient exploration into the ways in which competition law can evolve to support businesses to collaborate on sustainability initiatives. The CMA informal guidance on Fairtrade's Shared Impact Initiative was a very positive step in this respect, and

more can now be done by the Government to reflect on the role of competition law in building markets that promote sustainable development.

3. What is the role for government (central or local) in breaking down those barriers?

Government can play several crucial roles in addressing these challenges:

- Developing a trade strategy that includes an import strategy addressing the needs of farmers and workers in the first mile of supply chains.
 - Developing and implementing Human Rights and Environmental Due Diligence (HREDD) legislation, designed in such a way that the costs and burdens don't fall onto smallholder farmers.
 - Conducting impact assessments to ensure trade agreements support rather than undermine development and climate objectives.
 - Reflecting further on the role of competition law in building markets that promote sustainable development.
- Which key opportunities or barriers to improving trade should we investigate?

The Committee should investigate:

- the scope and focus of the UK's trade strategy in supporting truly fair and sustainable trade.
 - opportunities to develop effective HREDD legislation that addresses the needs of smallholders.
 - the potential of pre-competitive collaboration to support sustainability in trade and closer relationships between retailers and producers.
 - the broader role that competition law can play in supporting markets that promote sustainable development.
4. What could be done to ensure economic prosperity is fairly shared between shareholders, savers, investors, workers, and consumers?

Measures that could promote fairer distribution of economic benefits include:

- Strengthening trade policies that support fairer prices for workers in the first mile of supply chains.
 - Supporting producer organisations and cooperatives through trade for development initiatives designed in close consultation with producers themselves.
- Supporting Fairtrade practices that have proven successful, including minimum price guarantees for producers, additional premium sums for producers to invest in their businesses and communities
- Supporting a fairer distribution of power in supply chains, giving greater strength to producers to negotiate on terms of trade.

Which issues should we investigate urgently and which long-term issues should we address?

Urgent priorities:

- The Government's new trade strategy and the extent to which it meets the needs of producers and aligns with the UK's development and environment objectives.
- The need for human rights and environmental due diligence (HREDD) legislation, designed in a way that addresses the needs of smallholders.
- Supporting pre-competitive collaboration on sustainability.

Long-term issues:

- Building resilient and equitable supply chains
- Creating mechanisms for producer voice in trade policy
- Establishing systems for fair value distribution across supply chains