

# PETER GIBSON MP



## HOUSE OF COMMONS

LONDON SW1A 0AA

June 2021

*Dear Constituent*

Thank you for your email about the proposed free trade agreement with Australia and investor-state dispute settlements (ISDS).

Australia is one of the UK's closest allies. We share a head of state, the same language, and the same values. Our people also enjoy deep and historic links of kinship and friendship, arguably unlike any other two nations.

The trade-deal with Australia is an enormous opportunity for the UK, and I was delighted to learn that the broad terms of a deal have been agreed. We are Australia's second largest trading partner outside the Asia-Pacific and trade between our two countries was worth £18.8 billion in 2019.

I appreciate that you have concerns about the impact of a trade deal with Australia and its effect on food standards in particular. I can assure you that our food standards will never be lowered in pursuit of a trade deal and our farmers will not be undercut by this deal. Our world-leading animal welfare standards will be upheld throughout our trade negotiations and the Trade and Agriculture Commission will provide independent scrutiny of animal welfare in trade deals.

In regard to protection for farmers, any changes for sensitive goods such as beef and lamb can be staged, with a transition of 10 to 15 years the norm for trade deals with Australia. This means 10 to 15 years before we have the same zero tariff and zero quota arrangement with Australia that we currently have with the EU – a market which is only 31 miles from the Great Britain while Australia is nearly 9,500 miles away.

Analysis suggests that UK exports to Australia could increase by up to £900 million if a trade deal is agreed. A deal would remove tariffs on all UK exports to Australia and create new provisions on digital, mobility, services, investment and procurement, bringing new opportunities for the whole country.

In regard to ISDS, the precise details of the UK-Australia free trade agreement are a matter for ongoing negotiations. In respect of ISDS, the UK Government consider the inclusion of ISDS provisions in FTAs on a case-by-case basis and in light of the unique UK-Australia investment relationship. We are huge investors in each other's markets and appropriate ISDS will benefit investors on both sides and it is worth remembering that the UK has never lost an ISDS case.

*Member of Parliament for Darlington*

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I am a staunch supporter of the benefits of free trade and our new free trade port in Teesside, two of the advantages of leaving the European Union. I regularly push for greater regional opportunities in Parliament, but I can also assure you that I will scrutinise any deal in the usual way.

Once again, thank you for contacting me, and if I can ever be of any assistance to you then please do not hesitate to contact me.

Yours sincerely  
Peter Gibson

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