



The Centre for Inclusive Trade Policy and the Research

L Alan Winters

January 2023

Who are the researchers?

L Alan Winters

Sussex



Dan Wincott

Cardiff



Viviane Gravey
Queen's, Belfast

2

Plus friends on specific issues

What we are aiming to discover

- Trade policy involves trade-offs
- We want to understand
 - What you feel about some of those trade-offs
 - How do you come to those decisions
 - What are the issues that concern you about trade policy
 - How you think trade policy decisions should be taken – where and by whom
 - Do views differ across regions and nations of the UK
 - What you want to know but we can't answer



‘What you want to know but we can’t answer’

- We have lots of plans for our research
- But are we asking the right questions?
- We’re consulting business and civil society and now we’re consulting you – the British public
- Money set aside to fund some of the ideas for research that result
- And we’ll let you know what those are



Why do it?

- It will be fun and interesting
- It's important:
- Almost no-one knows what the public thinks
 - The only debates about trade policy tend to be ideological and self-interested
 - Many groups – including government – are keenly awaiting our results
 - There's a chance we'll influence policy outcomes
- You can shape the research agenda

Keeping in touch

- We'll let you know what we do with the results of this research and any effects it has
- At the end you can sign up
 - To the CITP newsletter (you will always be able to access the CITP web-site)
 - To CITP events
 - To help in any follow-up research



Thank you

www.citp.ac.uk

info@citp.ac.uk

 [@centre4itp](https://twitter.com/centre4itp)

The Centre for Inclusive Trade Policy (CITP)

- Five main partner Universities
 - Sussex, Nottingham, Strathclyde, Belfast, Cardiff
 - plus European University Institute, Cambridge, Berkely, Georgetown, Tel Aviv
- Five disciplines:
 - Economics, law, international relations, politics, business
- Nine 'non-academic' partners
- Four dimensions of inclusivity
 - Geography, political domains, society, generations
- Funded by Economic and Social Research Council
 - Five years, renewable





Trade-offs in Trade Policy: A Few Facts

L Alan Winters

January 2023

The Sessions

- Four online sessions:
 1. The impact of UK trade policy on the world
 2. Balancing trade between territories and sectors of the economy
 3. Privacy and data
 4. Food and the environment
- One face-to-face session to pull it all together



Trade is Big

Imports:

24% of UK demand for goods and services

18% of all purchases in UK

Key inputs to production



Exports:

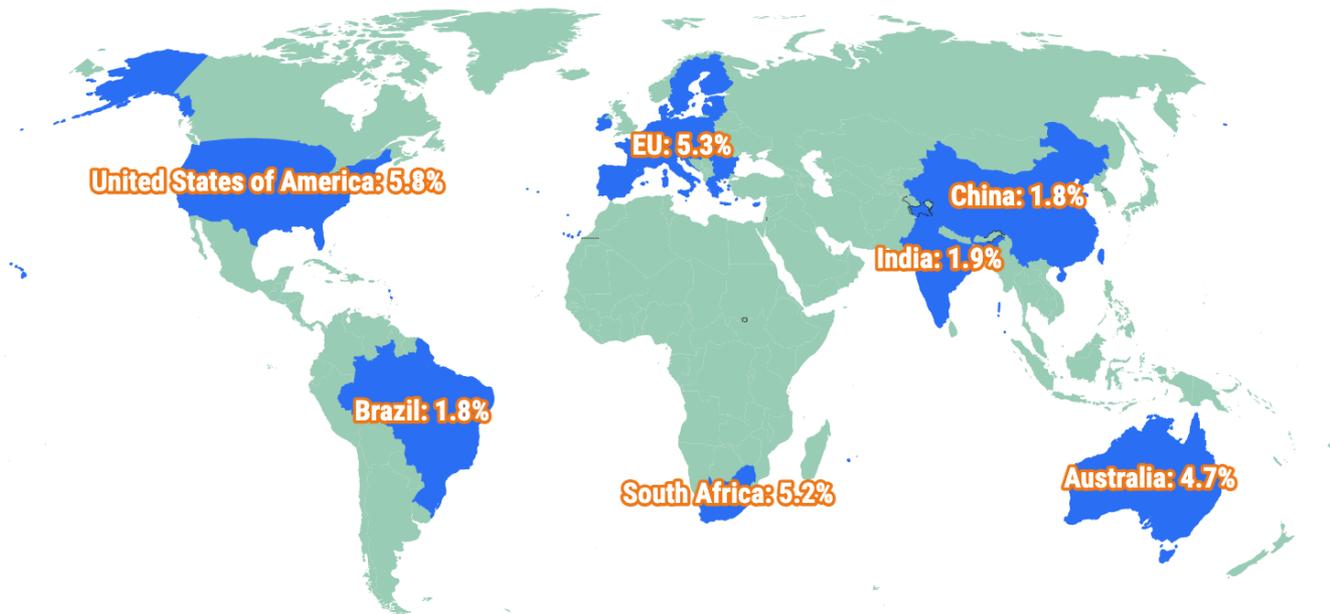
24% of demand for UK output

17% of sales by UK producers

6.5 million jobs

But the UK is rather small

The UK Share of Countries' Total Imports 2019

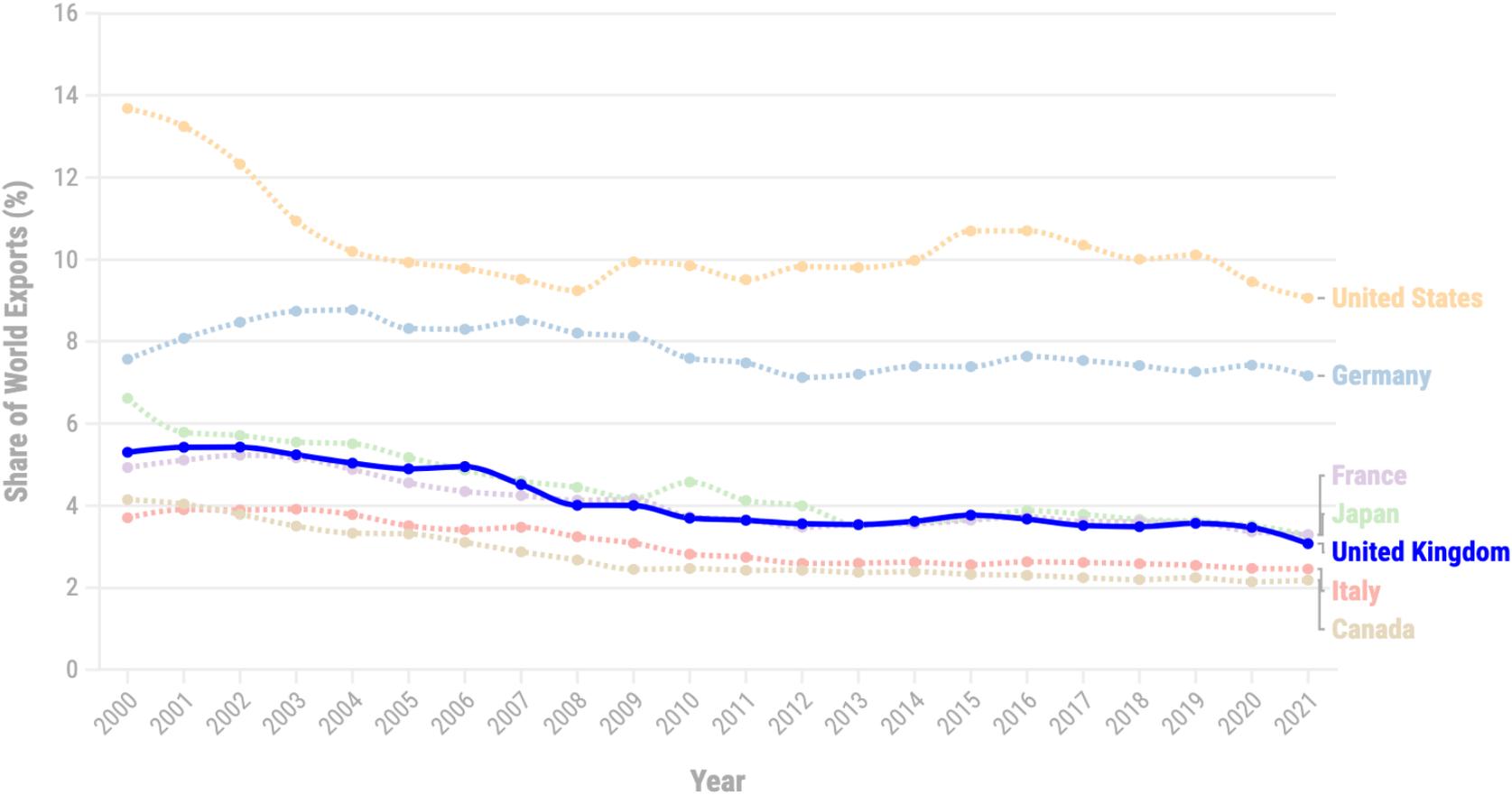


Source: World Bank Official Boundaries

Share of World Exports

2000-2021 for the G7 Economies

Sum of goods and services exports for a country, divided by the total sum of goods and services exports for the World

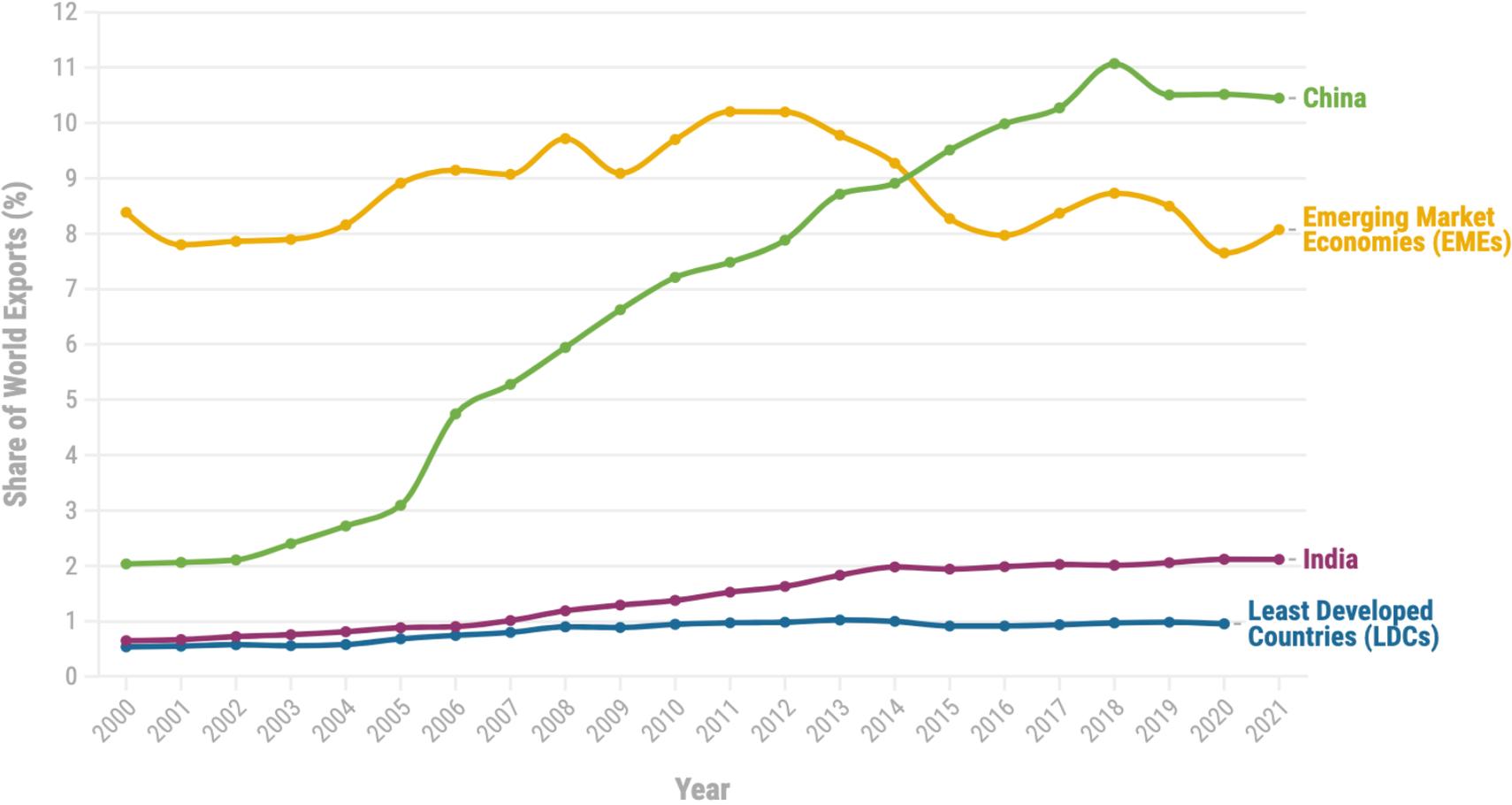


Source: International Monetary Fund, Balance of Payments Statistics Yearbook and data files via World Development Indicators DataBank
 Goods & Services Exports (BoP, current US\$)

Shares of World Exports

2000-2021 for developing and emerging economies

The sum of goods and services exports for a country or group, divided by the sum of goods and services exports for the World

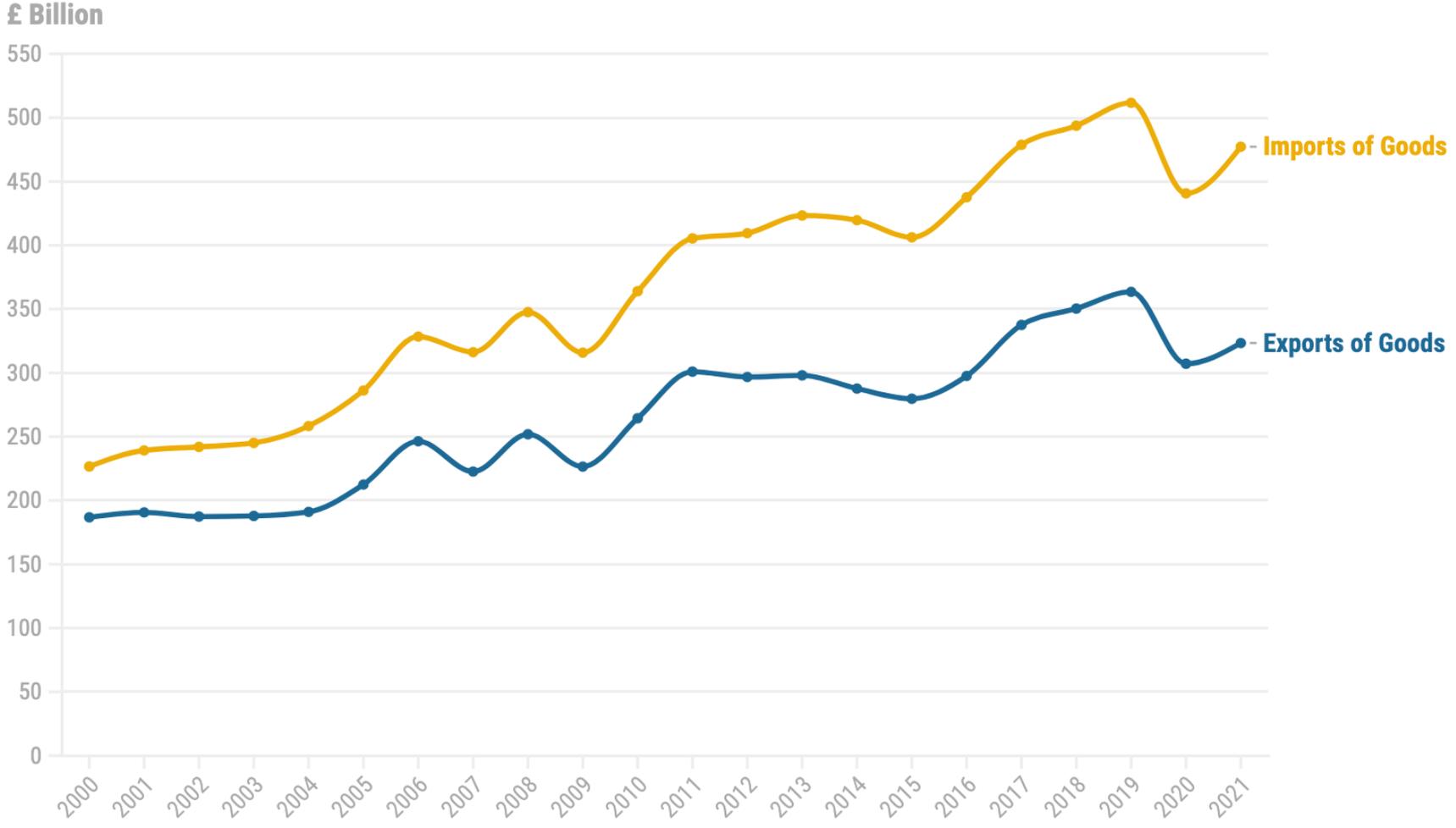


Source: International Monetary Fund, Balance of Payments Statistics Yearbook and data files via World Development Indicators DataBank
Goods and Services Exports (BoP, current US\$)

The UK's trade over time

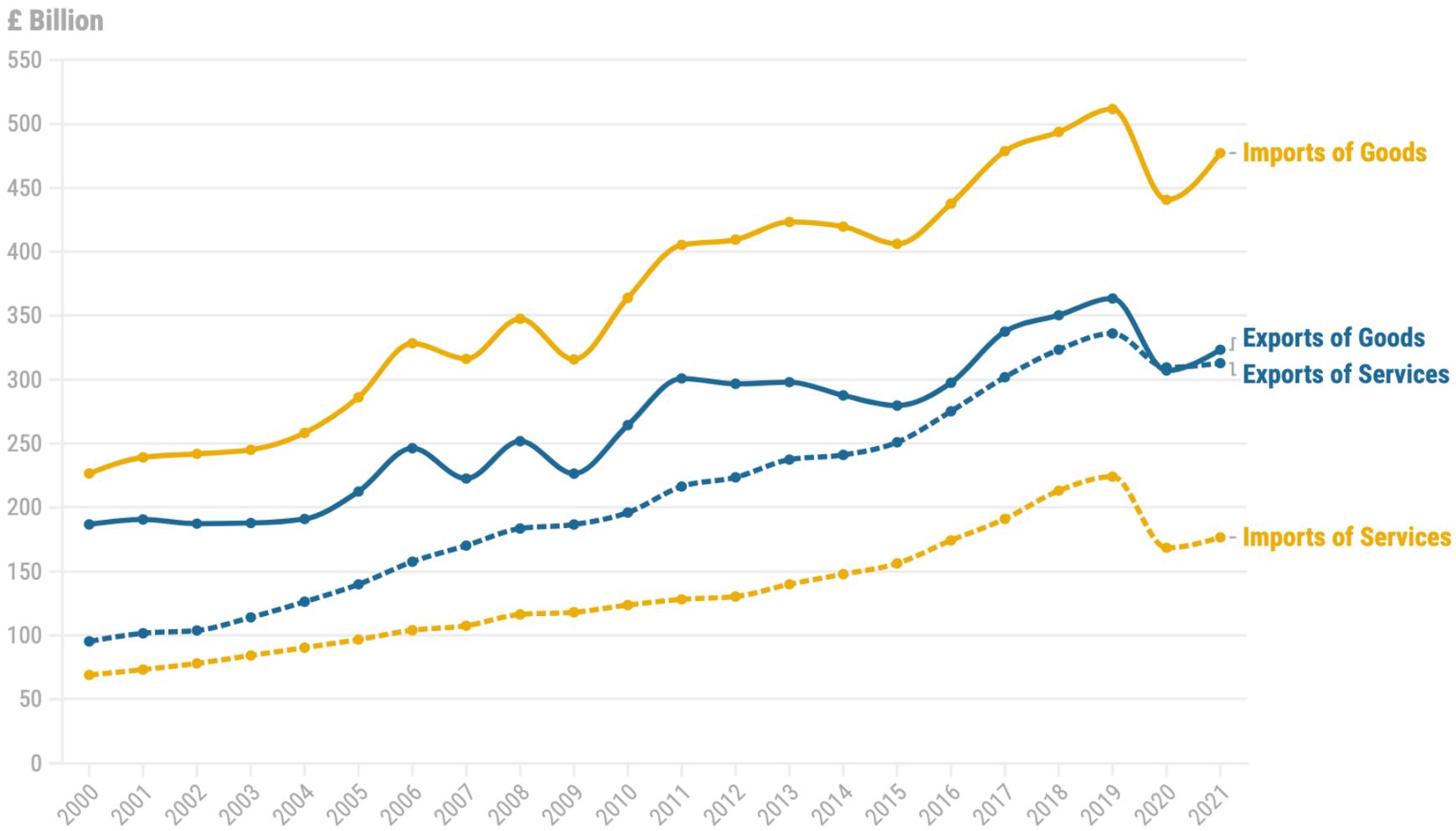
Aggregate UK Exports & Imports of Goods

2000-2021



Source: Source: ONS Balance of Payments, The Pink Book (2022 Edition)

Aggregate UK Exports & Imports of Goods and Services 2000-2021



Source: Source: ONS Balance of Payments, The Pink Book (2022 Edition)

What does the UK trade? And with whom?

We use 2019 data since it won't be distorted by Covid.

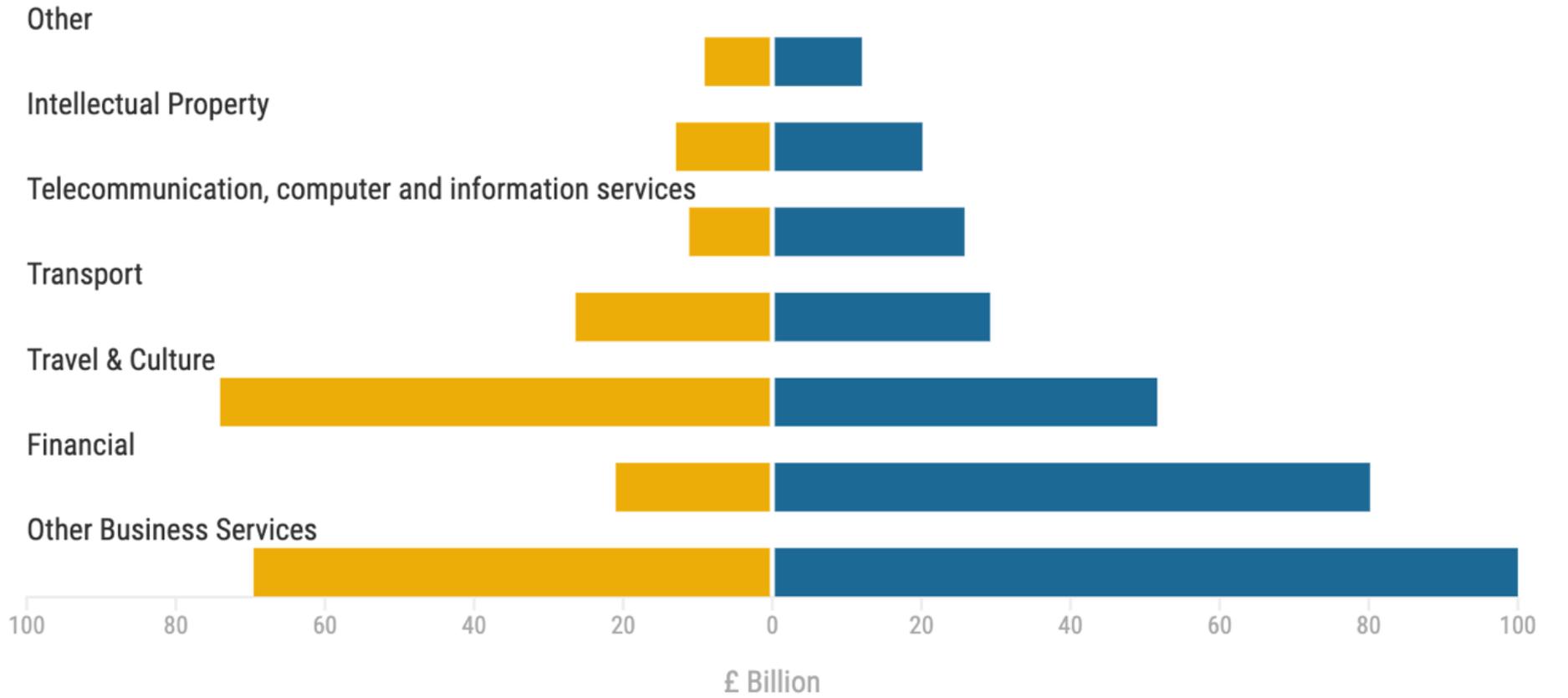
The UK Government publishes quite timely data at:

<https://www.gov.uk/government/statistics/uk-trade-in-numbers/uk-trade-in-numbers-web-version>

Services Trade by Category

2019 for the UK

Credits Debits

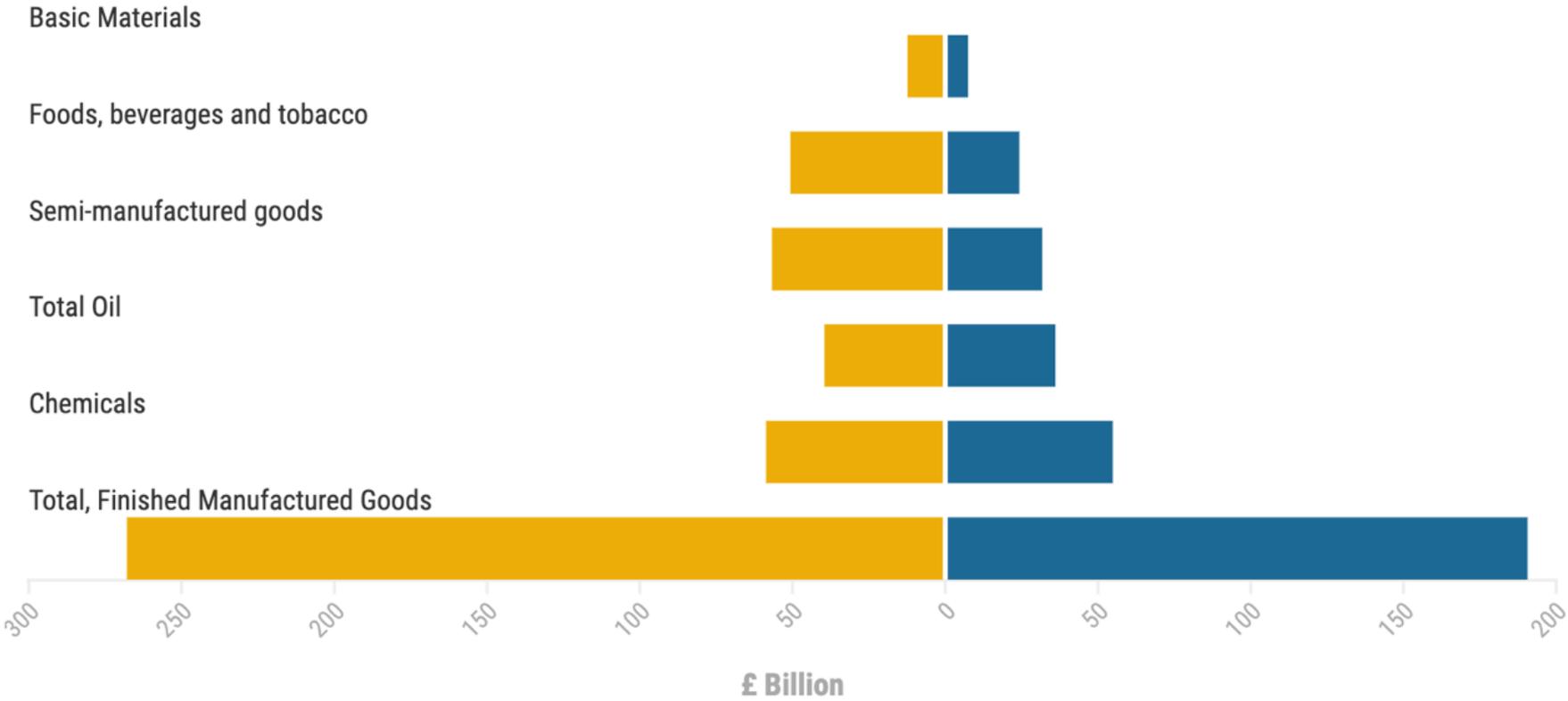


Source: ONS Chapter 3 - Trade in Services, The Pink Book (2022 Edition)

UK Trade by Product Group

2019

Credits Debits



Source: ONS Chapter 2 - Trade in Goods, The Pink Book (2022 Edition)

UK Trade in Finished Manufactures 2019

Credits Debits



Source: ONS Chapter 2 - Trade in Goods, The Pink Book (2022 Edition)

Where the UK trades – by continent

Shares in UK Imports and Exports (%)

1.2%, 1.8%



Australasia



Africa

2.4%, 2.6%



The Americas

15.5%, 24.4%



Asia

20.5%, 20.5%

Europe

60.4%, 50.7%



Source: World Bank (boundaries), Simple maps (points)

UK Trade of Food & Live Animals by Region 2019

Food and live animals categorised by SITC 0 product group

Credits Debits

Australasia & Oceania

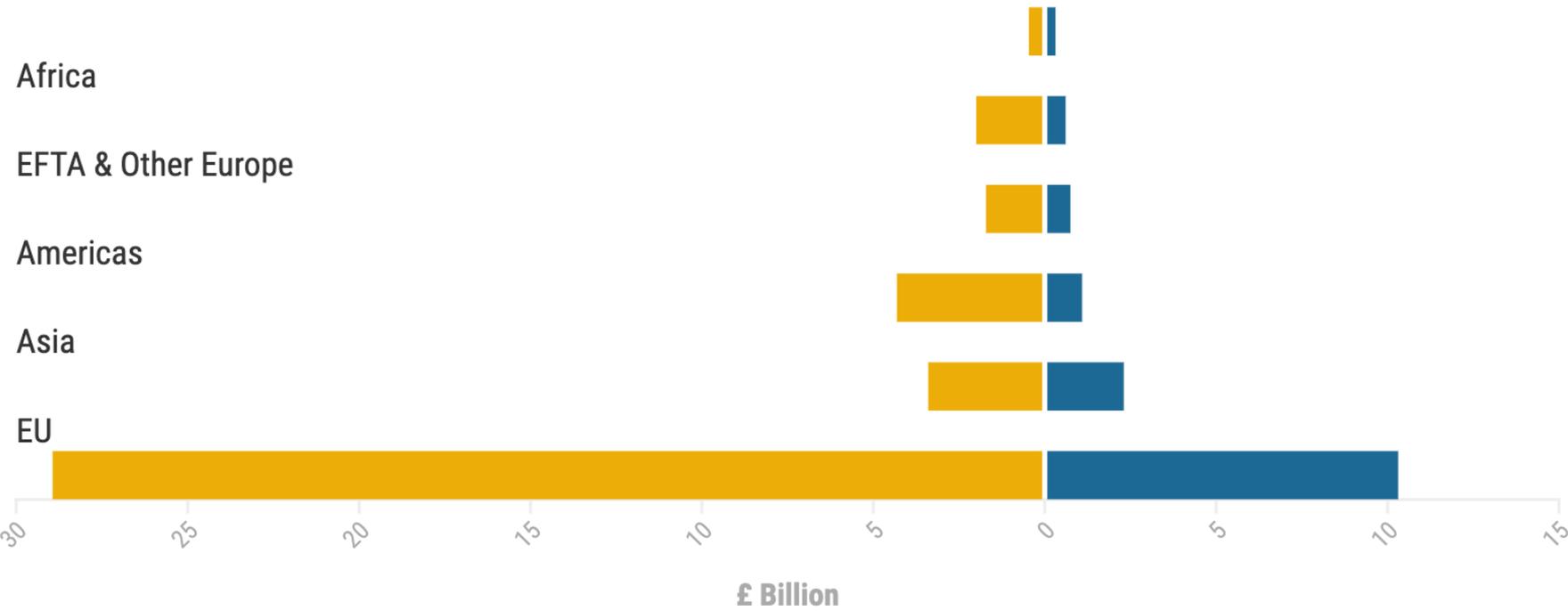
Africa

EFTA & Other Europe

Americas

Asia

EU



Source: ONS Chapter 9 Geographical breakdown of the current account - The Pink Book (2021 Edition)

A word about trade policy

International trade is costly – it's never free!

Imagine you're importing a good. You need to

1. Find someone to supply the good
2. Make sure it meets your needs technically
3. Make sure it meets UK regulations
4. Pay for it in foreign currency
5. Arrange for its transportation and insurance
6. Get it through customs in both places (which takes time)
7. Pay any tariff due at the border (a tax on imports)
8. Pay VAT

The ones in red also apply to domestic purchases, although often with less expense



Free trade agreements don't provide free trade

- Good trade policy tries to make easier or reduce the costs of all the steps in the previous slide
- Free trade agreements (FTAs) usually only abolish tariffs (but only subject to proof of origin)
- Many recent FTAs also include a few steps to ease regulations, e.g.
 - Allowing in goods meeting your partner's regulations
 - Making it easier to certify that goods meet your regulations
- The deepest abolish rules of origin and border formalities and unify the VAT regime, but that's very rare!



Thank you

www.citp.ac.uk

info@citp.ac.uk

 [@centre4itp](https://twitter.com/centre4itp)



Covid-19 Vaccines, Trade and Policy

Daniel Wincott

January 2023

Covid 19 vaccines: lessons for trade policy?

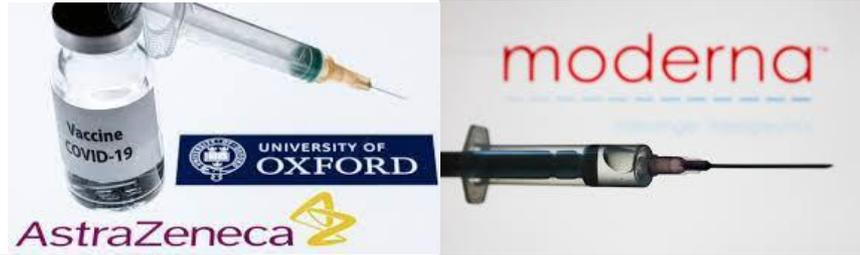
- No certainty any would be effective but vaccines were developed at astonishing speed, many were successful
- Vaccine production capacity was also scaled-up fast
- **Not trade policy as usual** but illustrates key points on:
 - vaccine nationalism
 - trade in machinery and inputs for vaccines
 - vaccine diplomacy, COVAX, and (not) vaccinating the world's poor



What happened in the UK?

- Oxford University started Covid vaccine development in February 2020; UK government wanted guaranteed access
- The UK government created a Vaccine Taskforce (VTF) in April 2020, appointing Kate Bingham as Chair in May
- VTF took control of the UK government's entire vaccine strategy: development and manufacture; procurement; and rollout plans

Pfizer
BIONTECH



The five main steps of getting COVID-19 vaccines from start to finish

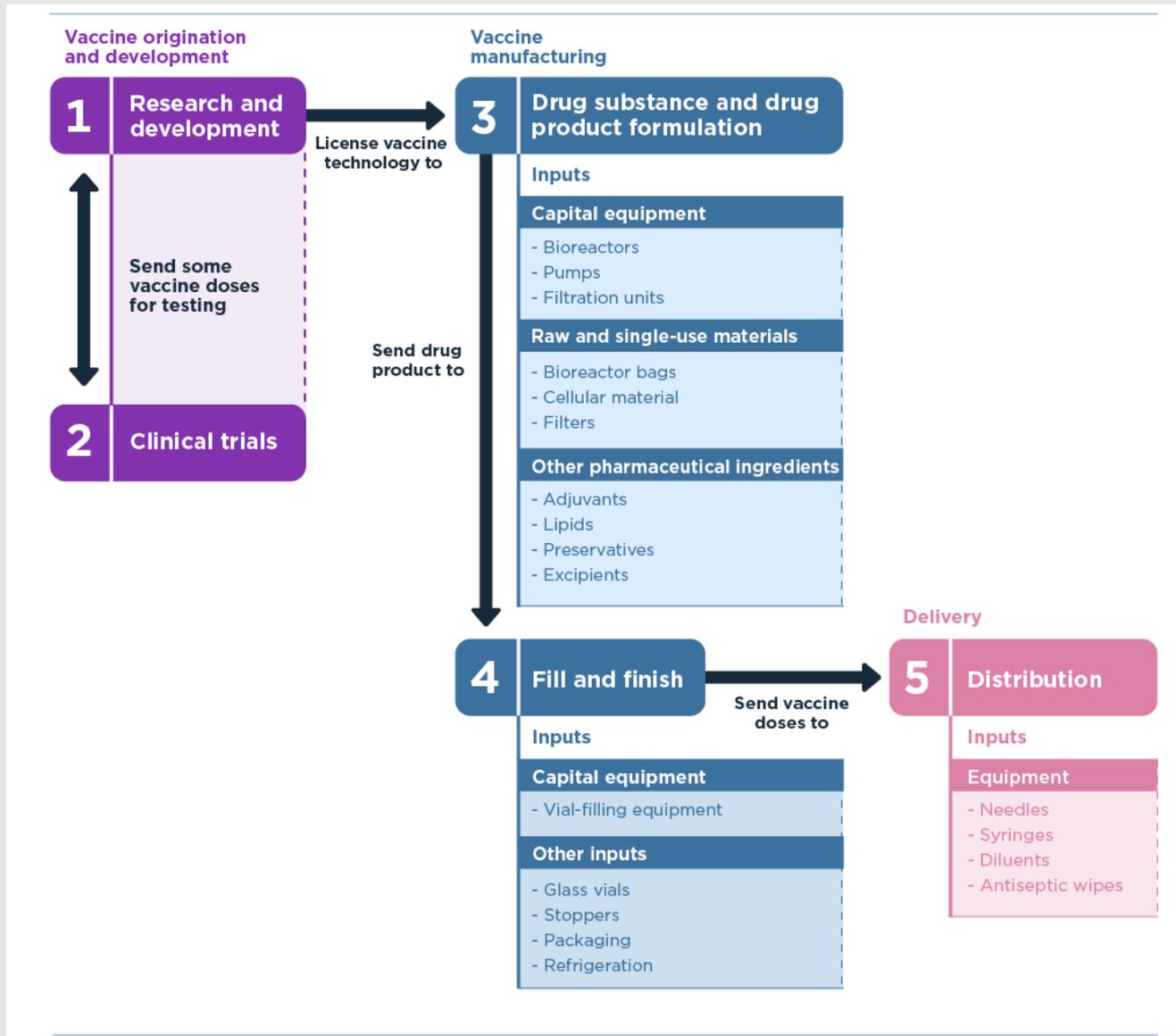
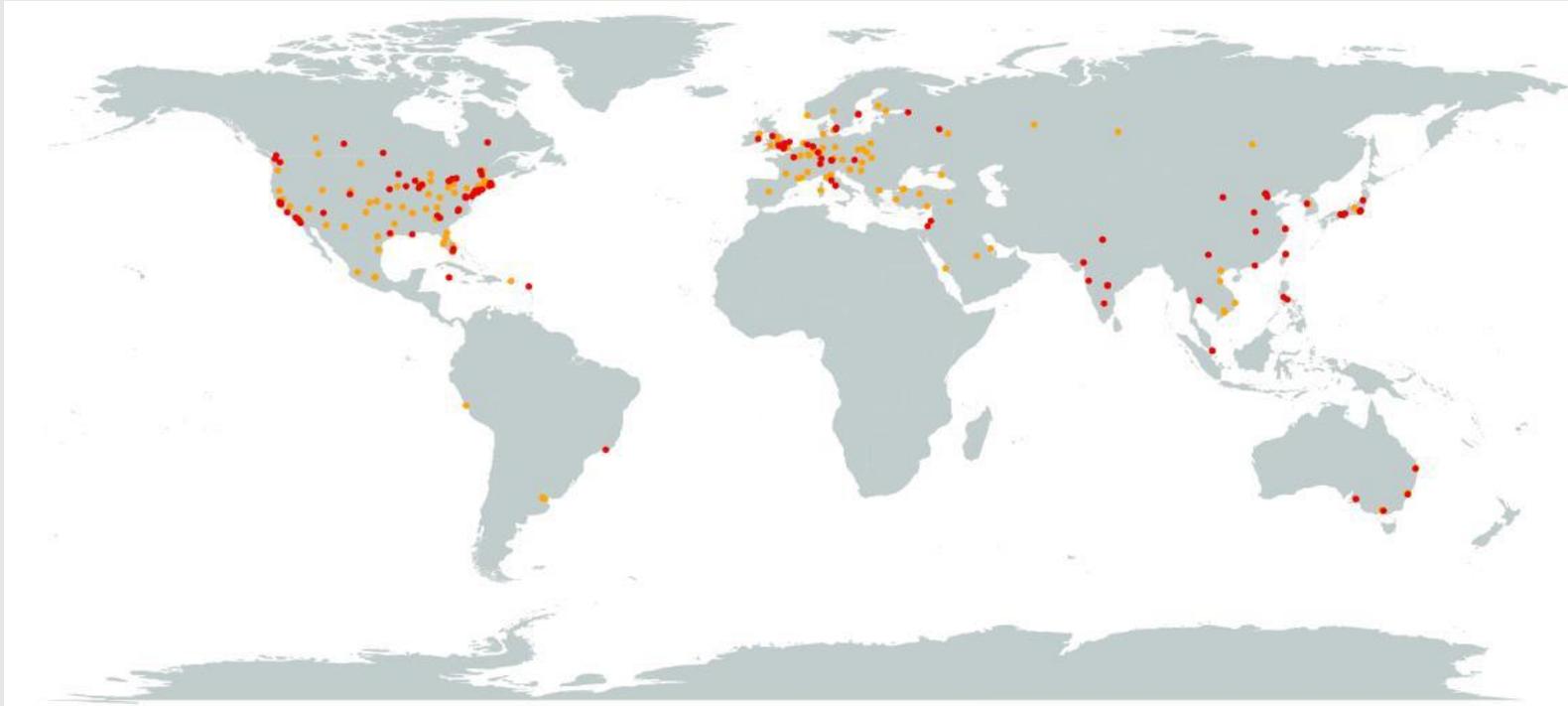


Figure 1 in Chad Brown COVID-19 vaccine supply chains and the Defense Production Action, PIIIE Working Paper 22-9

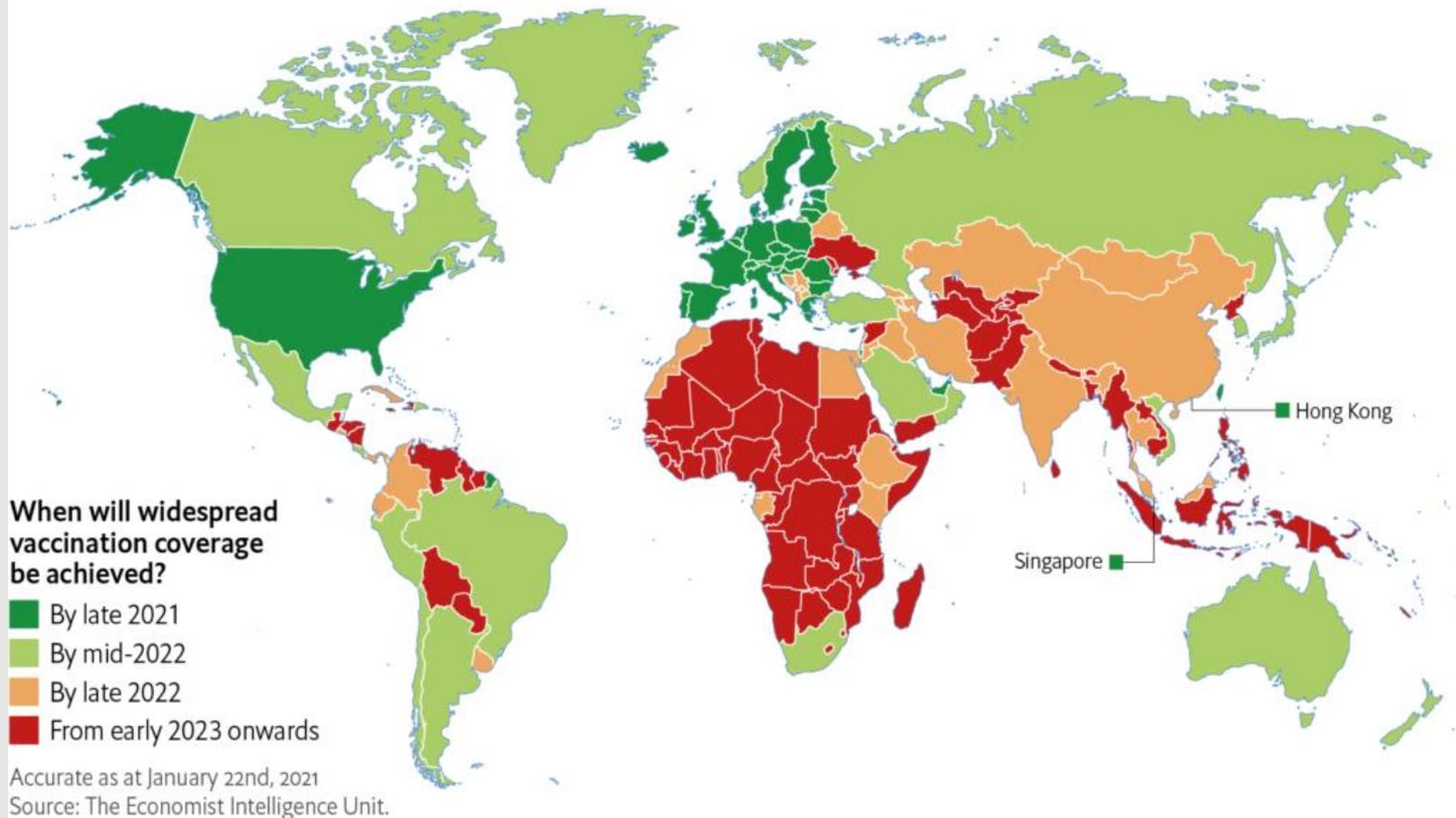
Covid-19 vaccine manufacturing and distributing firms concentrated in North America and Europe

Red dots = manufactures; orange dots = distributors



Poor countries left out?

Rich countries will get access to coronavirus vaccines earlier than others



Vaccines: trade, nationalism, and diplomacy

- COVAX: high-income countries, big companies and charities did not manage to meet global vaccine need
- Should wealthier countries have prioritized domestic populations over vaccinating the world?
- Vaccines use equipment and inputs that are traded around the world...but governments think about 'national' vaccines





Thank you

www.citp.ac.uk

info@citp.ac.uk

 [@centre4itp](https://twitter.com/centre4itp)



On overview of trade policy, rights and the environment

Daniel Wincott

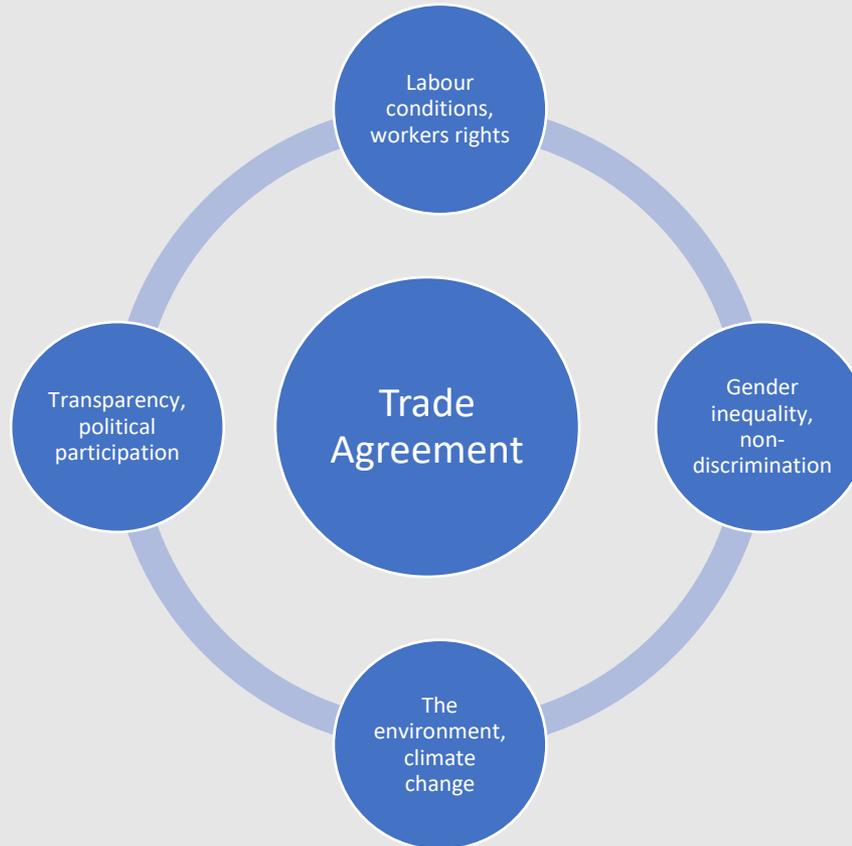
January 2023

Trade policy

- Unsurprisingly, the main aim of trade agreements is to increase trade, which generally leads to economic growth
- Increased trade typically creates winners and losers; economic growth makes compensating losers possible
- ‘Free Trade Agreements’ also try to influence who wins and loses from trade through:
 - shared minimum standards to stop firms reducing workers rights to gain a competitive advantage
 - including incentives for some aspects of trade and the economy
 - setting out broad policy goals or aspirations



Broader policy aims and Trade Agreements



Is trade policy a good tool for achieving these broader objectives at home or around the world?

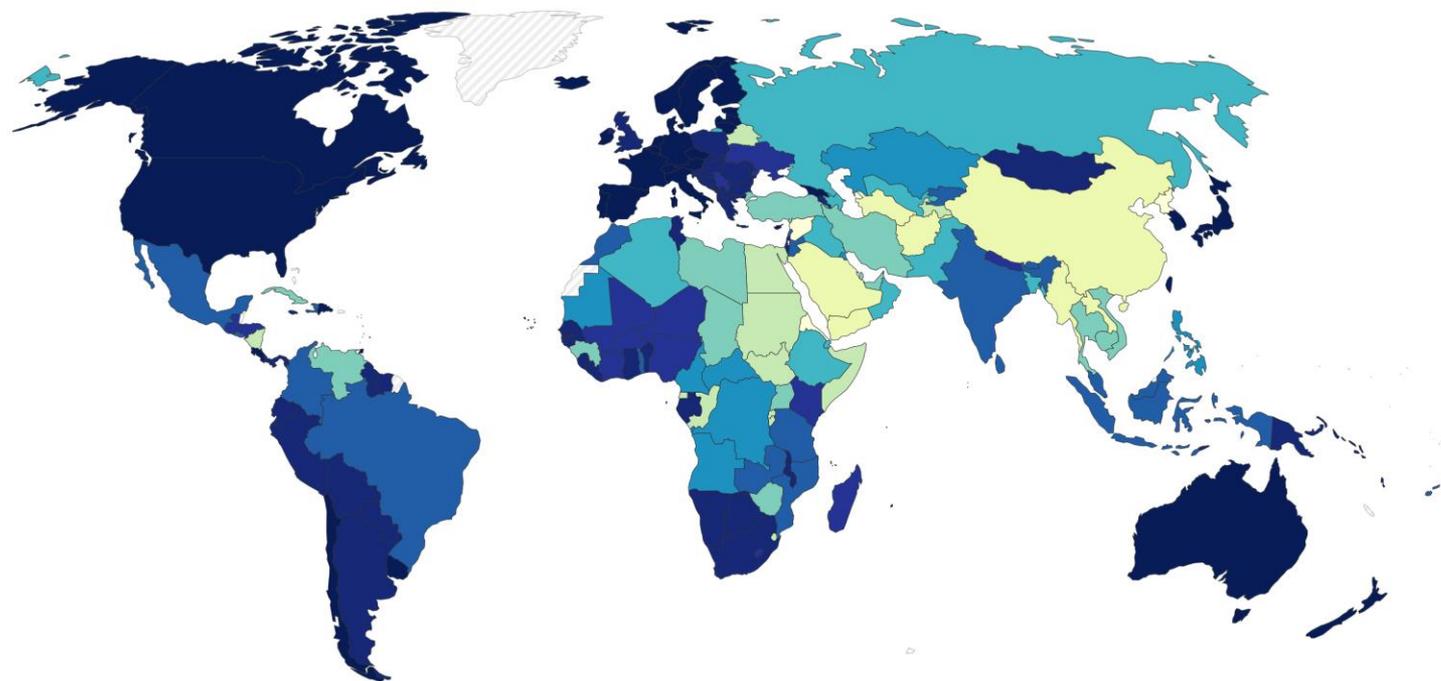
Trade patterns

- High-income countries trade extensively with each other; they also tend to have stronger human rights regimes
- They also rely heavily on trade with countries like China and Russia (at least until recently), despite worries over human rights violations



Human rights, 2021

Based on the expert assessments and index by V-Dem. It captures the extent to which people are free from government torture, political killings, and forced labor, they have property rights, and enjoy the freedoms of movement, religion, expression, and association. The variables ranges from 0 to 1 (most rights).



Trade patterns

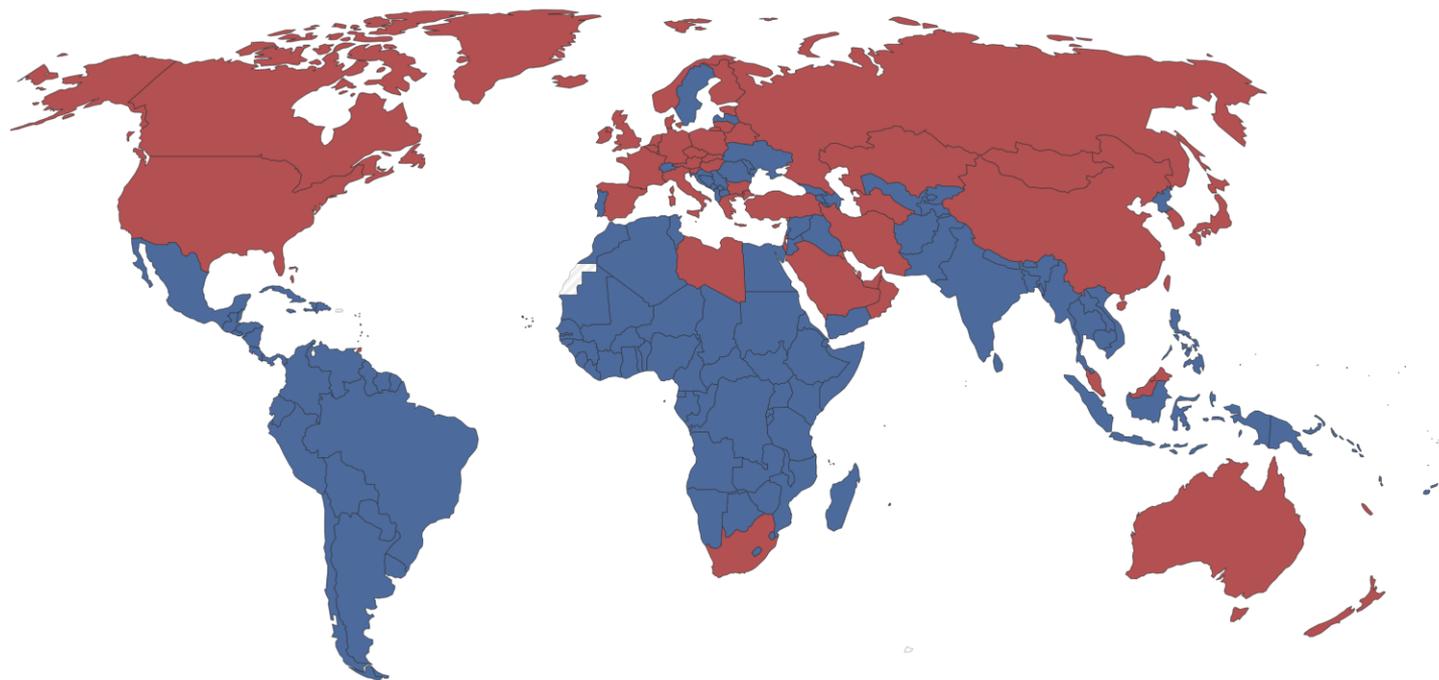
- Before Russia's invasion of Ukraine western Europe relied heavily on its gas and oil, but nonetheless acted to curtail this trade
- This response is an extreme example of other objectives trumping the economic benefits of trade for high-income countries

Rights, the environment, trade and the global economy

- Some argue that introducing rights requirements and environmental standards into trade policy could hamper economic development in poor countries
- Should high-income countries impose their standards and values elsewhere in the world?
- High-income countries can place human rights and labour preconditions on trade with middle- or low-income countries; some are also looking to minimise carbon emissions in the products they import

Are per capita CO₂ emissions above or below the global average?

This map denotes whether a country's average per capita emissions are above or below the value of global per capita equity. This is based on production-based emissions, which don't adjust for trade.



No data Below global equity Above global equity



Should trade policy help to promote other global aims?

- How far should rich countries impose human rights and environmental conditions on trade with middle- and low-income countries?
- Should high-income countries stop 'exporting' their emissions of CO2 to producers in lower-income countries?
- Should they concentrate on other policies that support trade strategy, eg: generous technology transfers alongside policies on climate change?
- Or on getting domestic policy right to avoid discriminatory trade policies that put greater costs on international than domestic suppliers?





Thank you

www.citp.ac.uk

info@citp.ac.uk

 [@centre4itp](https://twitter.com/centre4itp)

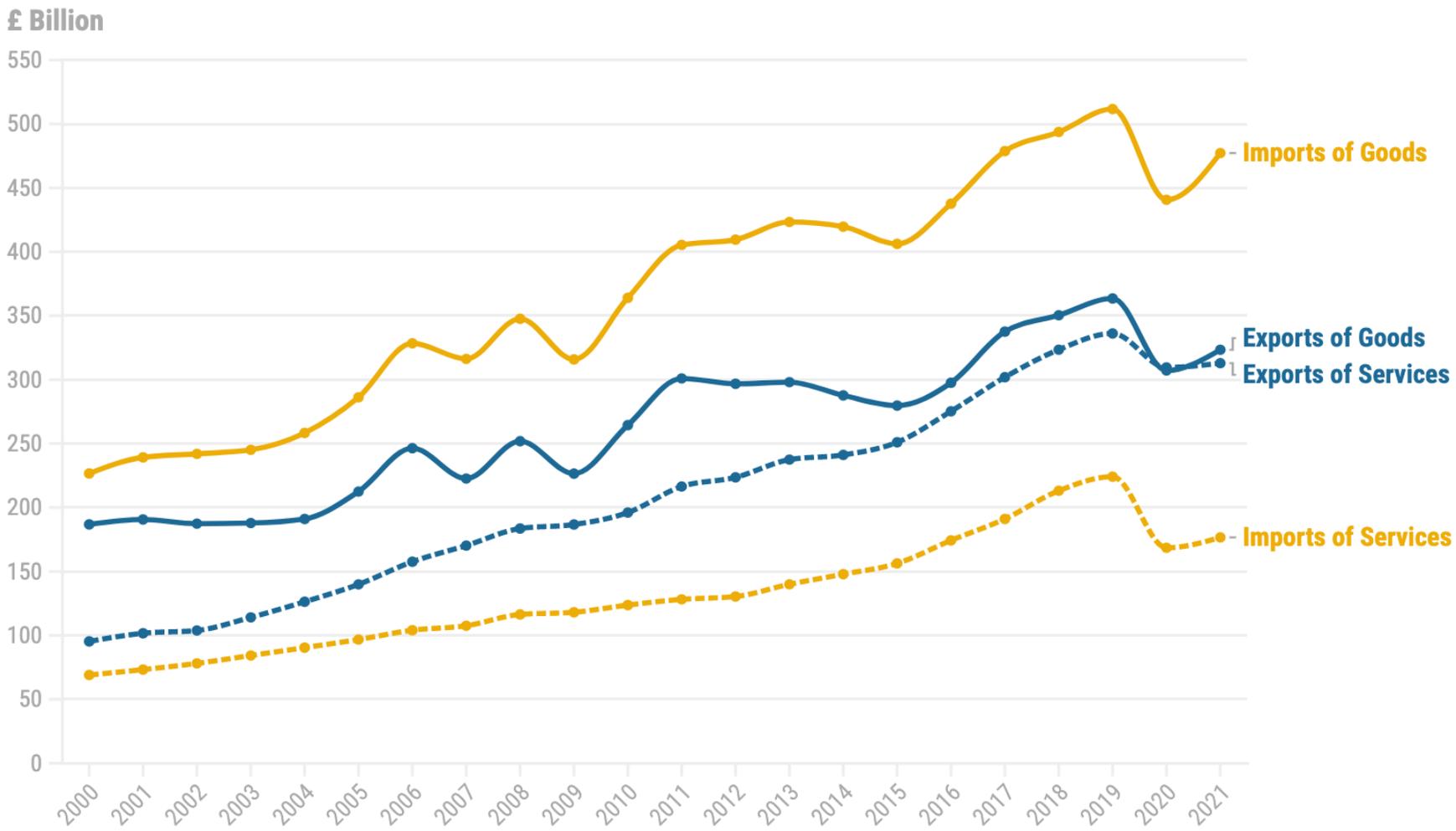


Balancing trade between territories and sectors in the UK

L Alan Winters

January 2023

Aggregate UK Exports & Imports of Goods and Services 2000-2021

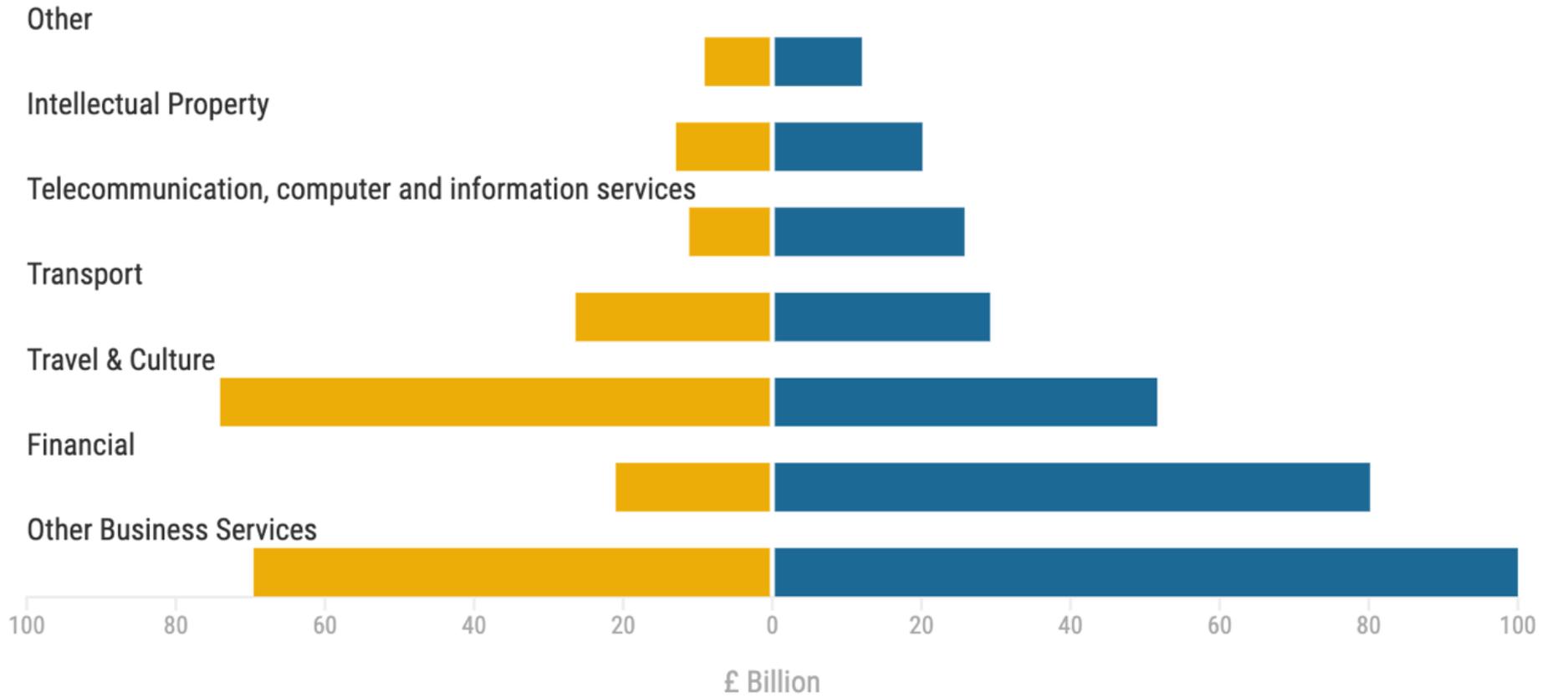


Source: Source: ONS Balance of Payments, The Pink Book (2022 Edition)

Services Trade by Category

2019 for the UK

Credits Debits



Source: ONS Chapter 3 - Trade in Services, The Pink Book (2022 Edition)

Differences in trade by sector

Sectors export to different extents: share of exports in total UK sales

Effectively no exports

Tradable, but low exports (3%-4%)

Most export intensive (>38%)

Sewerage services

water services

Care & Social Work

Gas distribution

Health services

Veterinary services

Sports and recreation

Wood products

Rail transport

Products of agriculture, hunting and related services

Machinery

Dyestuffs, agro-chemicals

Other chemicals

Business support services

Crude Petroleum

Petrochemicals

Basic metals

Air and spacecraft

*Source: UK Input-output supply and use tables
Share of exports in total sales*

And face different import competition: share of imports in total UK purchases

Effectively no imports

Sewerage services

Veterinary services

Care & Social Work

Gas distribution

Services to

Printing and recording

Very Low (1%-3%)

health services

Real estate services

Electricity, transmission

Mining support services

Other professional, scientific and technical services

Very high (>50%)

Motor vehicles

business support

Electrical equip

Pharmaceuticals

Machinery

Leather

Electronic equip

Petroleum products

Air and spacecraft

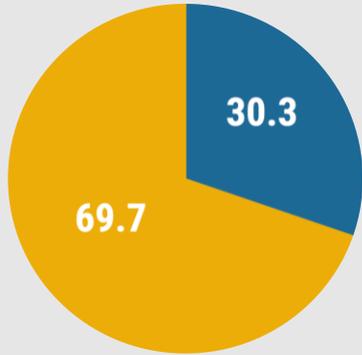
*Source: UK Input-output supply and use tables
Share of imports in total sales*

Different Industries different
locations - examples

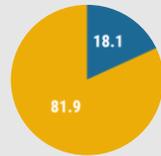
Divison Between Workers in the South East of England vs. Non - South East 2021 by Industry

(total employment in industry) ■ South East ■ Non - South East

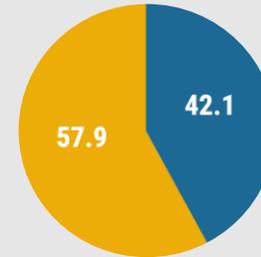
Crops & Animals
(206,500)



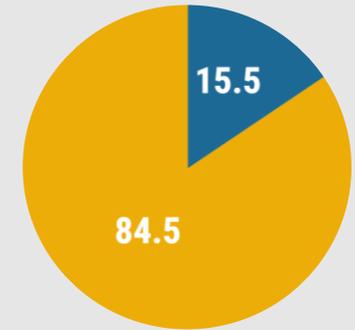
Fishing
(8,000)



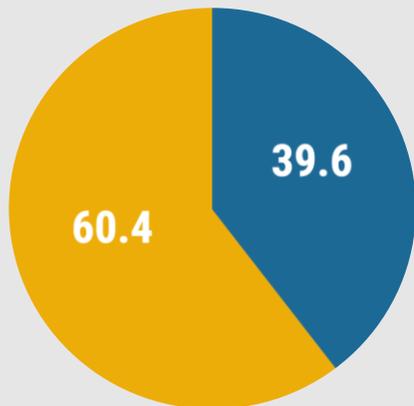
Electronic Equipment
(108,000)



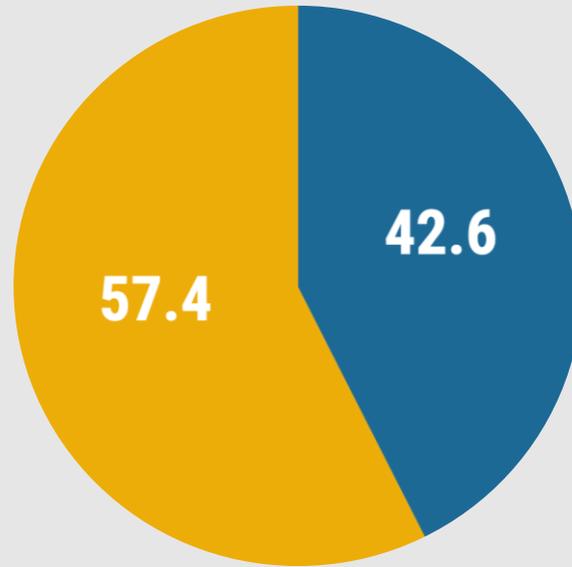
Motor Vehicles
(162,000)



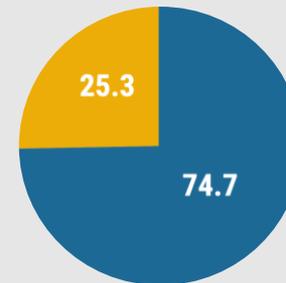
Retail Trade
(274,000)



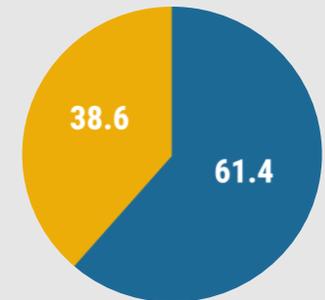
Food Services
(1,712,000)



Audio Visual Services
(127,000)



Scientific R&D
(142,000)



Different regions

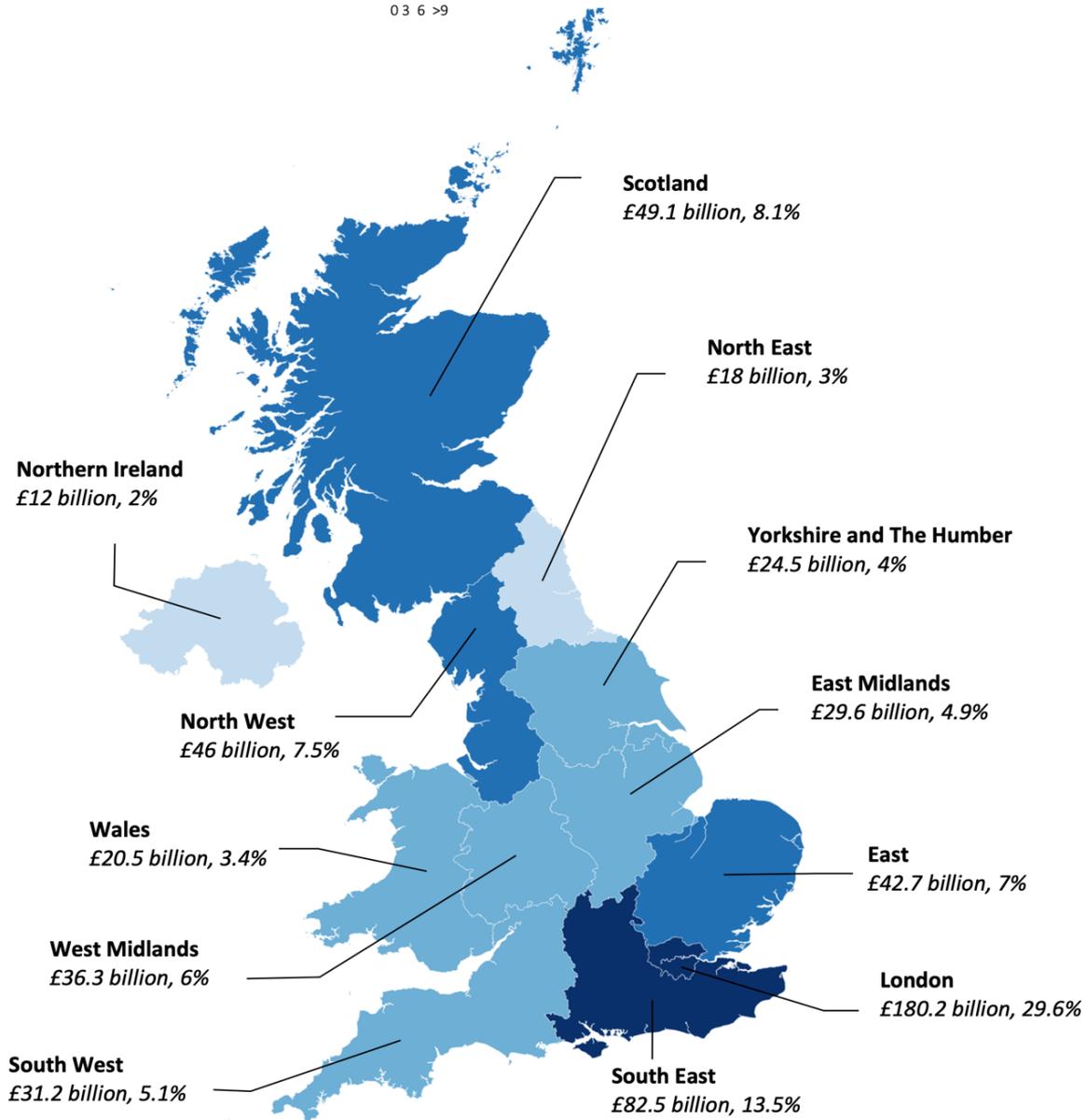
From HM Government, UK Trade in Numbers, November 2022

<https://www.gov.uk/government/statistics/uk-trade-in-numbers/uk-trade-in-numbers-web-version>

UK Exports by UK Nations and English Regions

2020

Proportion of total UK exports %



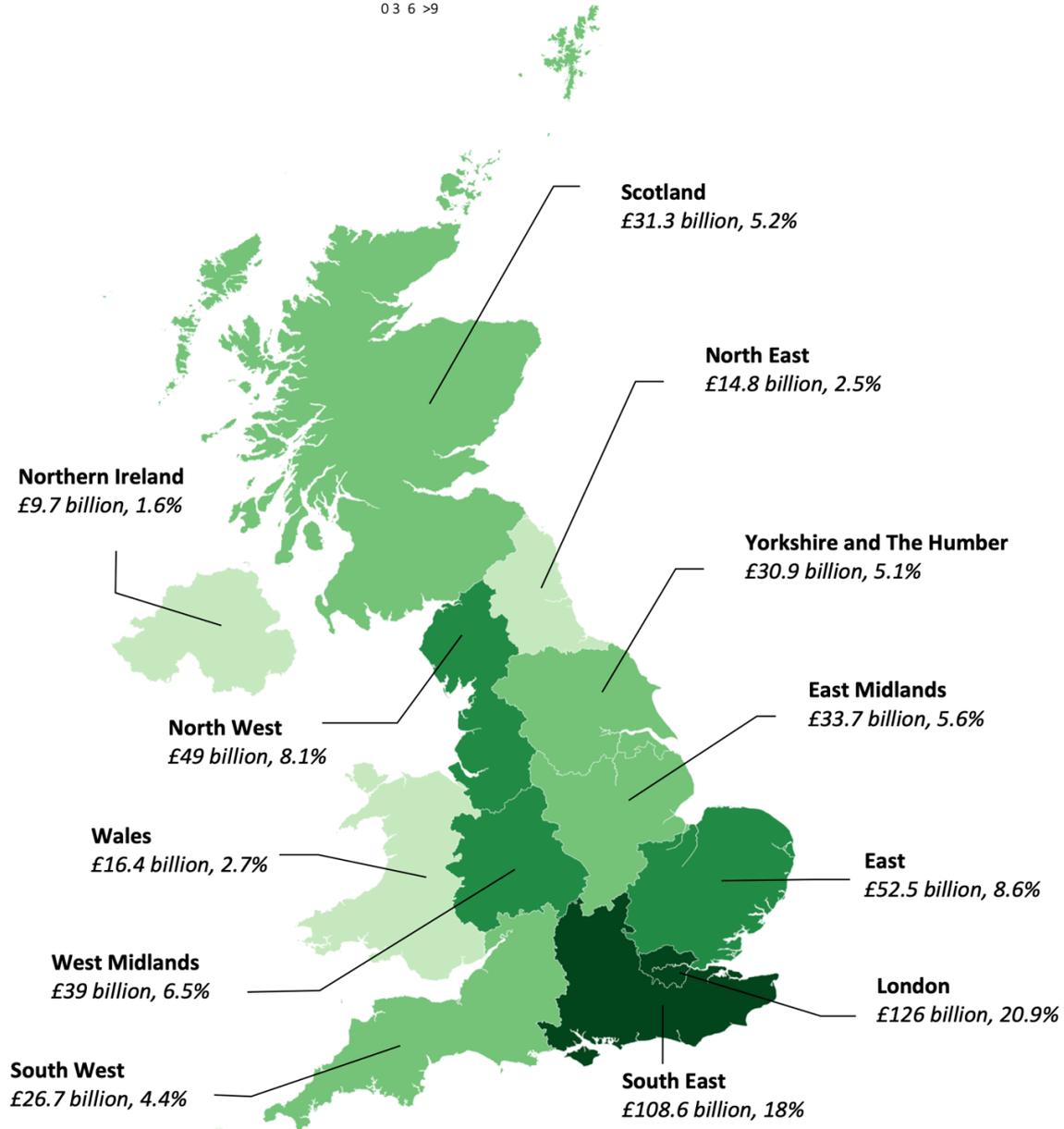
UK Imports by UK Nations and English Regions

2020

Proportion of total UK imports %



0 3 6 >9





Thank you

www.citp.ac.uk

info@citp.ac.uk

 [@centre4itp](https://twitter.com/centre4itp)



Agriculture and business services in the UK-Australia Free Trade Agreement

L Alan Winters

January 2023

FTAs require extensive negotiations



Good for services producers

- “This deal goes further than Australia has ever gone before in giving services companies access to the Australian market. This means that UK services from architecture and law to financial services and shipping will be able to compete in the Australian market on a guaranteed equal footing.”
- Source: UK Government document on key benefits of the FTA
 - **Government rough estimates gains of £212 million (0.07%) in incomes; slightly different sector definition**
 - Source: HM Government Impact Assessment

Bad for farmers

- “this FTA simply opens up UK agricultural markets for Australian produce, whether or not produced to the same standards that are legally required of UK farmers.”
- Source: Minette Batters, National Farmers Union, Press Release, *14 April 2022*
 - Australia can continue with lower production standards than UK
 - UK open if Australia chooses to send beef and lamb here
 - Precedent for future trade agreements (e.g. Canada)
- **Government rough estimates losses of £94 million (0.7%) in incomes; agriculture, forestry and fishing**
 - Source: HM Government Impact Assessment

Characteristics of two sectors

	Agri- culture	Other Business Services
Employment ('000s)	234	2,684
Import share of sales	26.1%	8.0%
Export share of sales	4.8%	15.5%
SME share	90.1%	67.7%
Wage	£22,891	£34,705
% of women in labour force*	27.4%	39.6%
Approx income gain (million)	-£94	£212

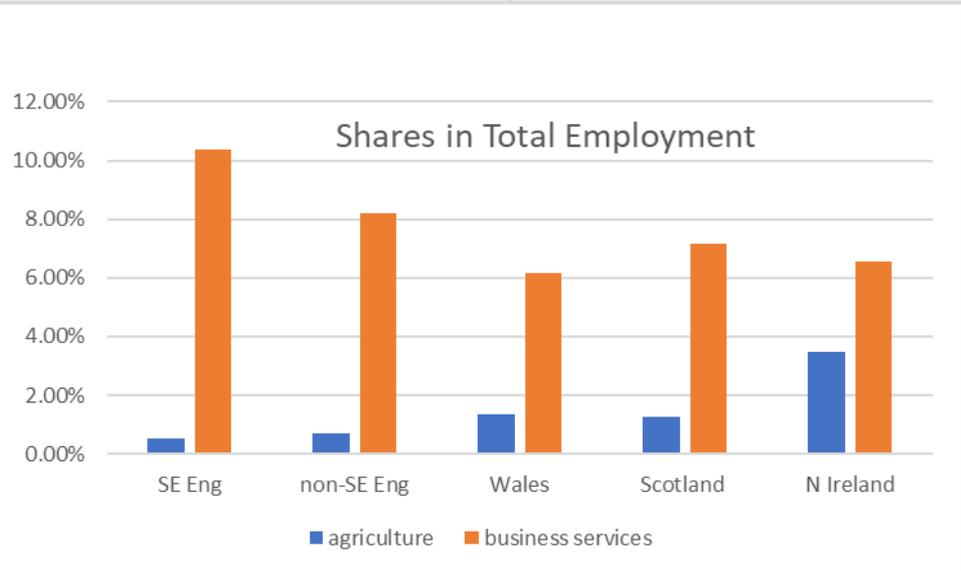
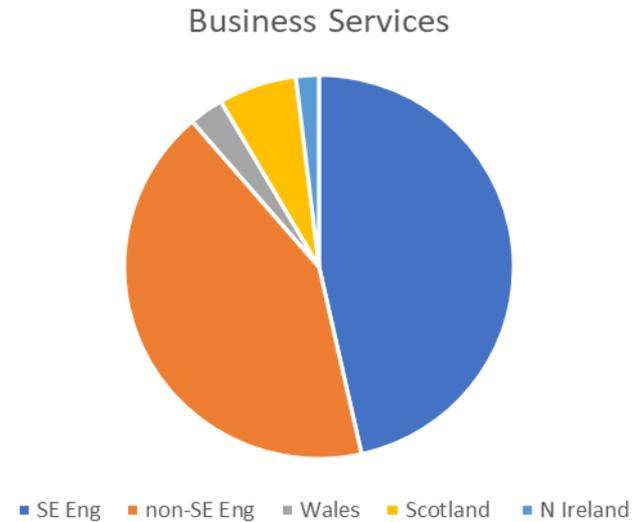
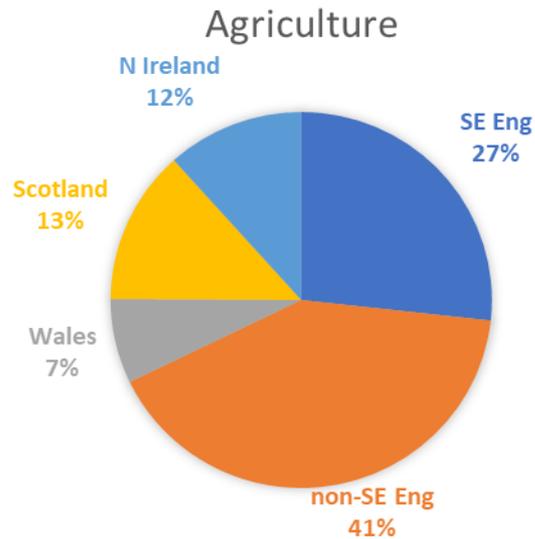
5

Source: UKTPO Briefing Paper 71, 'Identifying sensitive sectors'
 From Government Strategic Case; slightly different definitions of sectors
 Do not take the numbers too literally!



CITP
 CENTRE FOR
 INCLUSIVE
 TRADE POLICY

Regional Distribution (shares of em[ployment])



Questions

- Should the government have accepted this outcome, if it was the only trade-off involved.
- Should it have accepted as part of an overall package which included among other things:
 - Better business travel for British professionals
 - Easier for young Brits to travel and work in Australia
 - Digital trade opportunities for a global tech superpower
 - Access to billions of pounds worth of government contracts
 - Stronger cooperation on shared challenges



Questions continued

If the government accepted this outcome, what else ought it to do?

- Pay income supplements to farmers
- Retrain farmers for other jobs
- Provide better transport infrastructure in affected areas
- Facilitate movement from rural to urban areas
- Something else



Thank you

www.citp.ac.uk

info@citp.ac.uk

 [@centre4itp](https://twitter.com/centre4itp)



Does the UK have too many foreign students?

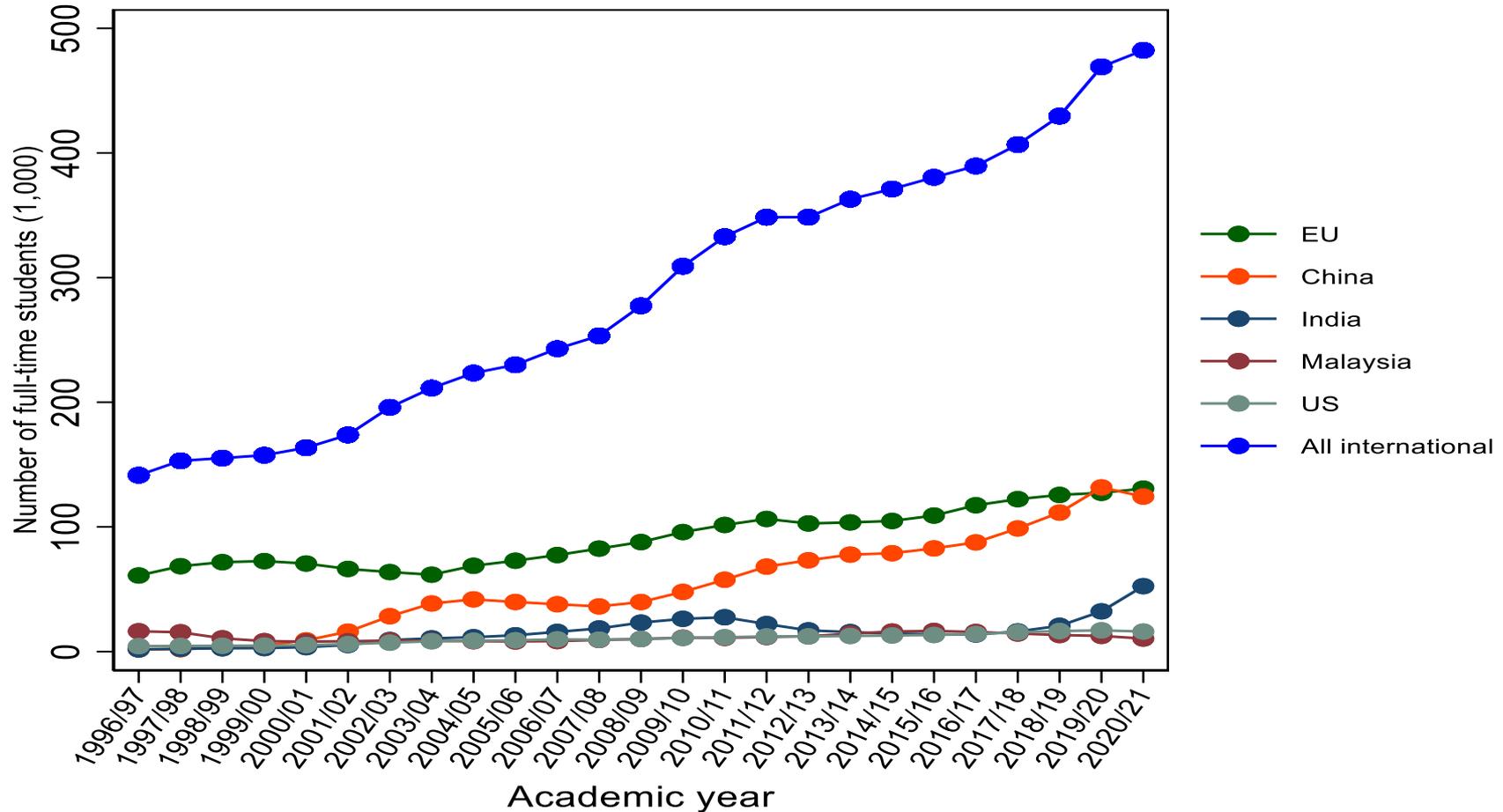
Zhihong Yu
University of Nottingham

Jan 18, 2023

The Recent Globalisation of UK's HE sector

- The last two decades has witnessed a rapid “globalisation” of UK's Higher Education sector
 - the surge of the inflow of foreign students (especially from China)

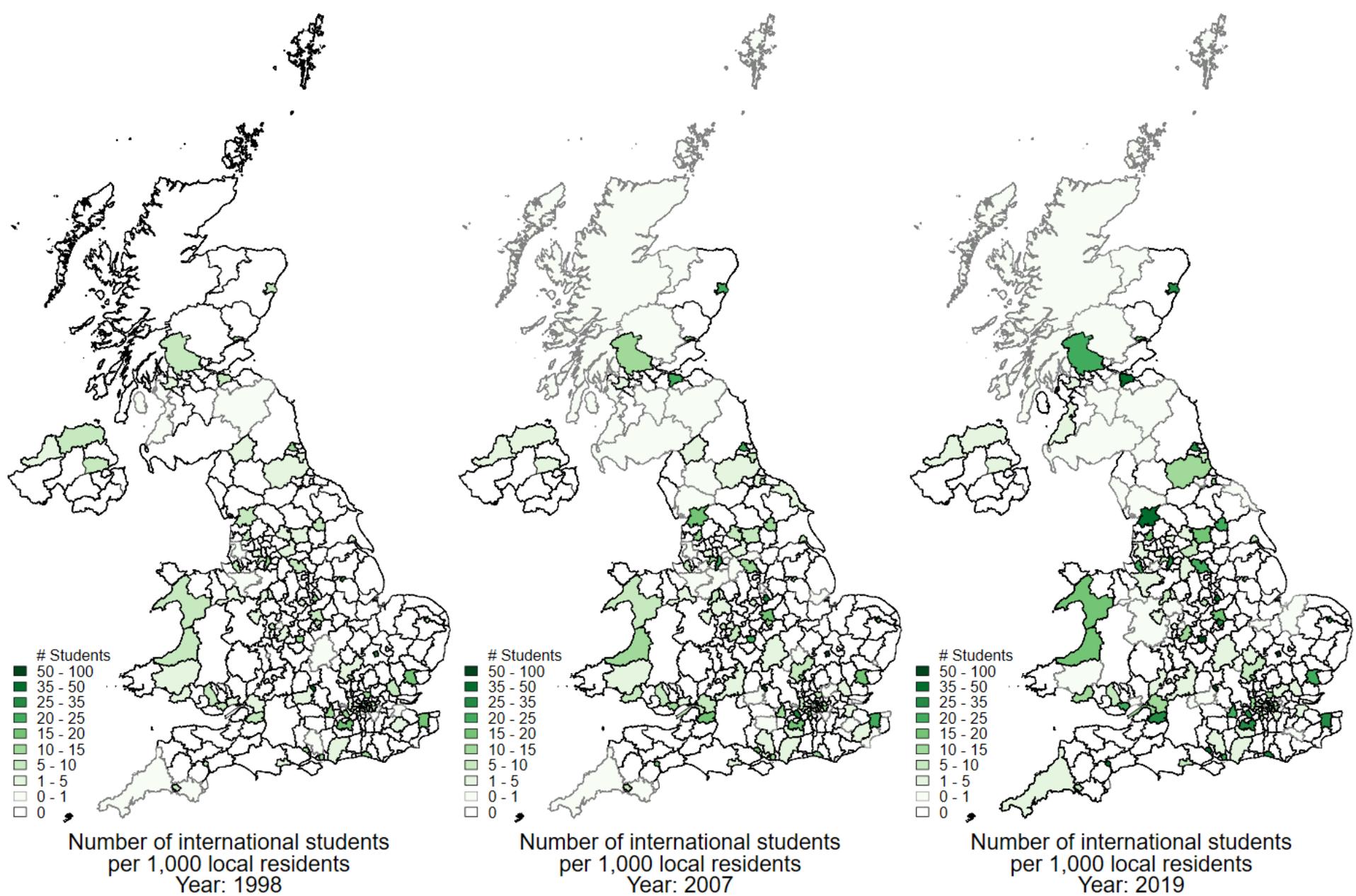
Figure 1 The number of UK's international students 1996-2021



- Total: The absolute number (**share**) of foreign students increased from around 140k (**13%**) in 1996 to 500k (**25%**) in 2020
- EU : stagnant growth over the last decade, likely to **decline**
- China: **dramatic rise** (below 1000 to 100k) , but subject to **political tensions**

The Recent Globalisation of UK's HE sector

- The last two decades has witnessed a rapid “globalisation” of UK's Higher Education sector
 - especially the surge of the inflow of foreign students from China (and other countries)
 - According to [Department of Education](#), the value of UK's HE export market is around 18 billion in 2019 (tuition fees , non-tuition fee expenditures, visitors' income)



- Large regional variation of exposure to foreign students (no. students per 1000 local residents)

Policy Debates

International education strategy: supporting recovery and growth

Strategy setting out the UK government's ambition for education exports and how it will support the UK education sector to access global opportunities.

From: [Department for International Trade](#) and [Department for Education](#)

Published 25 May 2022

The Department for Education (DfE) and the Department for International Trade (DIT) launched the International Education Strategy in 2019.

The strategy sets out the UK government's ambition to:

- increase the value of education exports to £35 billion per year by 2030
- increase the total number of international students choosing to study in the UK higher education system each year to 600,000 by 2030

NEWS

[Home](#) | [Cost of Living](#) | [War in Ukraine](#) | [Coronavirus](#) | [Climate](#) | [UK](#) | [World](#) | [Busi](#)

[Politics](#) | [Parliaments](#) | [Brexit](#)

Rishi Sunak considers restrictions on foreign students to curb migration

🕒 25 November

The
Guardian
News w

[nion](#) | [Sport](#) | [Culture](#) | [Lifestyle](#) | [More](#) ▾

rs Universities Students

● This article is more than 1 year old

'Treated like cash cows': international students at top London universities withhold £29,000 fees



CITP
CENTRE FOR
INCLUSIVE
TRADE POLICY

The impacts on Local Economies and Universities

❖ Local Economies

- Output/Value added, Employment
 - ✓ We find that exposure to foreign students is positively associated with regional GDP and employment (weakly) growth
- Housing market
 - ✓ US: international students increase home prices by 2.5% = \$4000
- Productivity/Technology
- Congestions on public service
 - ✓ health, schooling? (no data so far)

The impacts on Local Economies and Universities

❖ Universities

- Crowding out domestic students ?
 - ✓ Previous studies: no crowding out effects.
 - ✓ Some evidence of cross-subsidizing domestic students
- University finance
 - ✓ Short-term Cash flow
 - ✓ Long-term infrastructure investments
- Research power
 - ✓ Funding
 - ✓ Talents

Question

Would you seek to cut foreign student numbers,

if

this could lead to some losses/costs to university finance (tuition fees, cross-subsidy and research) ?



Thank you

www.citp.ac.uk

info@citp.ac.uk

 [@centre4itp](https://twitter.com/centre4itp)



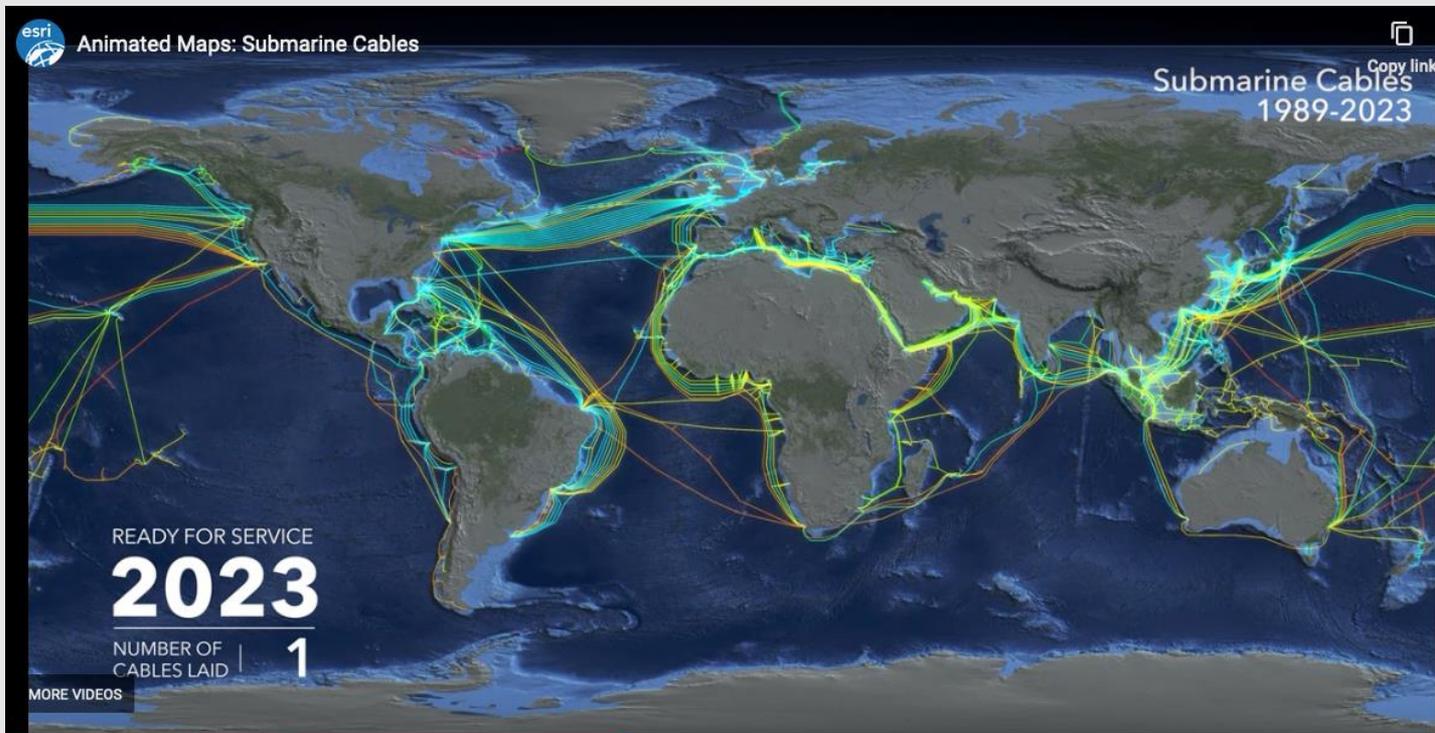
Public Deliberation on UK Trade Policy
Privacy and Data in Digital Trade
Maria Savona and Javier Ruiz

25 January 2023

Digital Trade



Google Cloud



CITP
CENTRE FOR
INCLUSIVE
TRADE POLICY

The heart of the matter

Digital trade policy covers data and software:

- DATA: bits of information, a lot of it personal.
- SOFTWARE: computer programs and proprietary algorithms.

The UK wants to be world leader in digital trade

LIBERALISATION:

- Making it easier to send DATA across borders.
- Restricting making access to SOFTWARE a condition for imports (to protect businesses).

Pros of liberalising digital trade

- Easier cross-border data transfers allow consumers and businesses to access innovative and/or cheaper global services than what can be offered locally.
- Digital trade agreements mean that businesses can export more digital services, creating more jobs, and have protections and incentives to create advanced digital technologies.



Cons of liberalising digital trade

- Making data transfers too easy increases risks for consumers, e.g. around privacy, and can stop regulators from making companies accountable.
- Restricting access to software can stop scrutiny of problems (e.g. crashing planes or medical equipment malfunctions).



Why this is relevant to the future of the UK

- The UK wants to become a global hub for data and digital - like the City of London is for finance and legal services – and digital trade is key.
- The UK wants to move closer to the US and Asia-Pacific after Brexit, but those countries have lower privacy and consumer protections.
- British companies may not be strong exporters, and access to cheaper digital services abroad means those jobs and innovations will be created elsewhere and not in the UK.



Question and main trade-off

Do the

benefits of

accessing cheaper or better global
digital services,

outweigh the

costs of

not being able to regulate technologies
that impact your life?



Public Deliberation on UK Trade Policy

Privacy and Data in Digital Trade

Maria Savona and Javier Ruiz

25 January 2023

Case 1 – Health data and privacy



Digital trade enables cross-border data flows

1. Countries shall not prohibit or restrict the cross-border transfer of information by electronic means, including personal information;
2. cannot require foreign companies to locate computing facilities in their territory in order to be allowed to provide a service;
3. must implement a legal data protection framework, but this could take many forms, from comprehensive laws such as GDPR to self-regulation by businesses.



FOR: Access to better services

- Benefits of cutting-edge medical treatments



Using AI to predict retinal
disease progression

May 18, 2020



FOR: Data sharing for health research

OpenSAFELY Research Approved Projects About Contact Press More ▾

Secure analytics platform for NHS electronic health records

OpenSAFELY delivers research across over 58 million people's health records, always respecting patient confidentiality

[What is OpenSAFELY?](#) [How do I know my data is safe?](#)

WORKING IN PARTNERSHIP WITH

UNIVERSITY OF OXFORD

NUFFIELD DEPARTMENT OF **PRIMARY CARE HEALTH SCIENCES**
Medical Sciences Division

LONDON SCHOOL OF HYGIENE & TROPICAL MEDICINE

tpp

EMIS
connecting healthcare

AGAINST: privacy risks

- Unrestricted data flows could allow our health data to be sent to countries with lower levels of protection.
- The interoperability of the high standard - such as UK privacy regime - with lower standards is ratcheting down towards the minimum common denominator.

PEW RESEARCH CENTER | NOVEMBER 15, 2019



Americans and Privacy: Concerned, Confused and Feeling Lack of Control Over Their Personal Information

Majorities think their personal data is less secure now, that data collection poses more risks than benefits, and believe it is not possible to go through daily life without being tracked

AGAINST: data exploitation

The data of NHS users being exploited and misused to profile us, for example for pharmaceutical marketing or illegally blacklisting people with medical conditions.

Fact Sheet

IQVIA Medical Research Data

Improving patient outcomes with evidence-based research

Analysing real world data will enable a better understanding of disease progression and treatments which can lead to more robust scientific research.

IQVIA Medical Research Data (IMRD)' is real world data, incorporating data from THIN, a Cegedim Database, which contains longitudinal non-identified primary care electronic medical records (EMR) from more than 18 million patients in the UK.

Population based research using IQVIA Medical

Demonstrating effectiveness



Accurate Data Ensured with a Money-Refund Guarantee! ☎ (888) 395-6727

DMDatabases.com

30+ years building custom databases through data aggregation.

Home Find Database Digital Solutions Data Enhancement About Us

AILMENTS MAILING LISTS - EMAIL LISTS

Ailment Marketing Lists by Ailment Type & Demographic Filters

IMPORTANT NOTE #1: All ailment marketing data is self-reported - no inferred data. Some data sellers promote high quantities because they are using inferred ailment data. We may have lower quantities BUT accurate data!

IMPORTANT NOTE #2: Phone/telemarketing data is "not" available on the ailment database.

AILMENT LEADS - MONEY-REFUND DATA QUALITY GUARANTEES:

Full Contact Name ... 95% accurate or money-refund
Direct Mail / Postal Address ... 95% accurate or money-refund
Email Address ... 95% accurate or money-refund

AILMENT LEADS - AVAILABLE MARKETING LIST APPLICATIONS

Email Campaign to Ailment Marketing List: We will email blast your offer to your custom ailment email list with a guaranteed email open rate (assuming offer/creative is approved). And after the email campaign to the ailment email list, you have the option of receiving an email list of the specific ailment sufferers that Opened your email message ... huge benefit since many of the ailment leads can be converted into a customer with a just few more email offers.

The value and digital innovations derived from the health data of people in the UK can be delivered out of the UK.



CITP
CENTRE FOR
INCLUSIVE
TRADE POLICY

Why this is important for the UK?

- Health data and digital technology are becoming increasingly important to enable the functioning of the health system.
- Data flows and health services are priorities for any future US trade deal.
- NHS records are unique in depth and breadth.



Question and main trade-off

Do the

benefits of

healthcare and health research from
sharing personal data,

outweigh the

risks this poses

to our privacy and in terms of data
exploitation?



Thank you

www.citp.ac.uk

info@citp.ac.uk

 [@centre4itp](https://twitter.com/centre4itp)



Citizen Jury Session 3

Case study 2: digital trade and software accountability

Javier Ruiz

25 January 2023

Case 2: Digital trade and software accountability



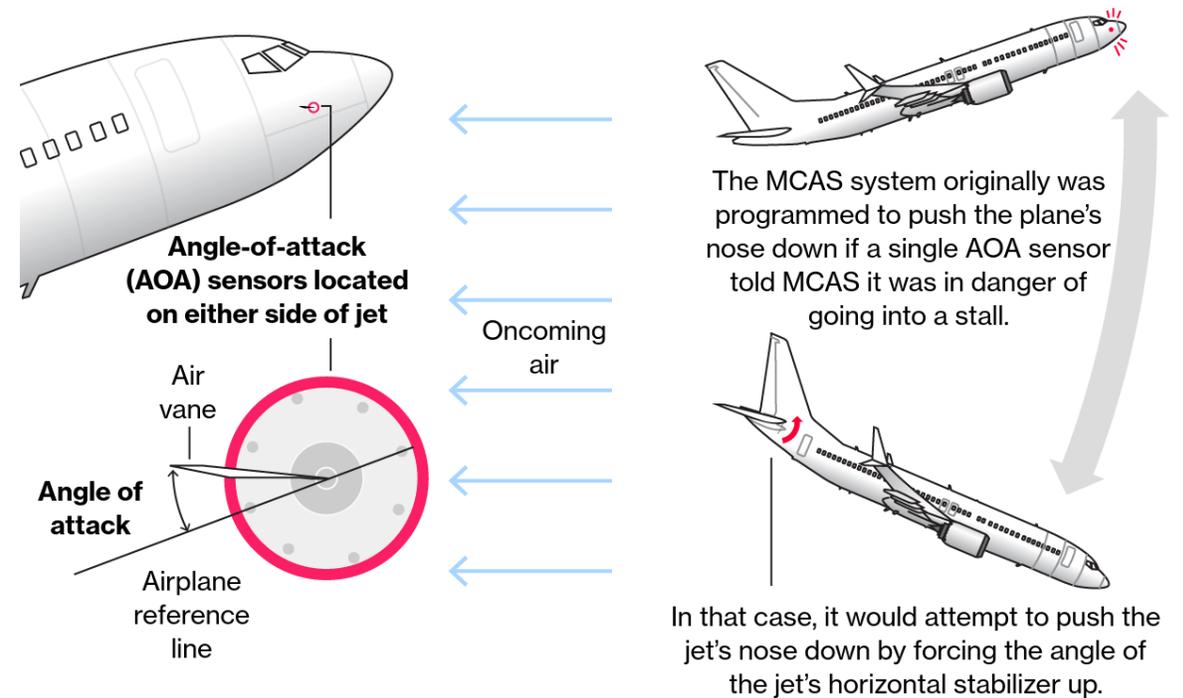
A-levels and GCSEs: Boris Johnson blames 'mutant algorithm' for exam fiasco

© 26 August 2020



Boeing Reprograms 737 System Linked to Crashes

A software update will prevent a single sensor from activating the Maneuvering Characteristics Augmentation System. The data from both sensors will be considered.



Sources: Boeing, Mentourpilot

Bloomberg

Digital trade restricts access to software

We “shall not require...
access to... software...
as a condition for the
import, distribution,
sale or use of that
software, or of products
containing that
software...”

(UK-Japan CEPA)



FOR: Protection for technology exporting companies



ECONOMY > GOVERNMENT & POLICY

Forced Technology Transfer (FTT)

By [JAKE FRANKENFIELD](#) Updated December 05, 2022

Reviewed by [ERIKA RASURE](#)

Fact checked by [SKYLAR CLARINE](#)

What Is Forced Technology Transfer (FTT)?

Forced technology transfer (FTT) is a practice in which a domestic government forces foreign businesses to share their tech in exchange for [market access](#). The practice is common in China. When a company wants to enter the Chinese market, the Chinese government can compel the firm to share its technology with Chinese companies.

AGAINST: Problem for accountability and audits



Auditing algorithms: the existing landscape, role of regulators and future outlook



Question and trade-off

Do the **benefits** of **protecting UK companies' technology** from being stolen by foreign Governments or competitors,

outweigh the costs of not being able to investigate **risks** posed by **technology** from companies **abroad**?



Agriculture, environment and Trade, a short introduction

Dr Viviane Gravey, Queen's University Belfast

February 2023

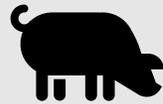
What trade-offs are we concerned this week?

Are the benefits of access to a cheaper, wider range of food worth the costs to food and environmental standards? Worth the competition for our local producers?



Why does trade matter for environment/agriculture?

- ... a question of standards



Animal
welfare



Food safety



Biodiversity
loss



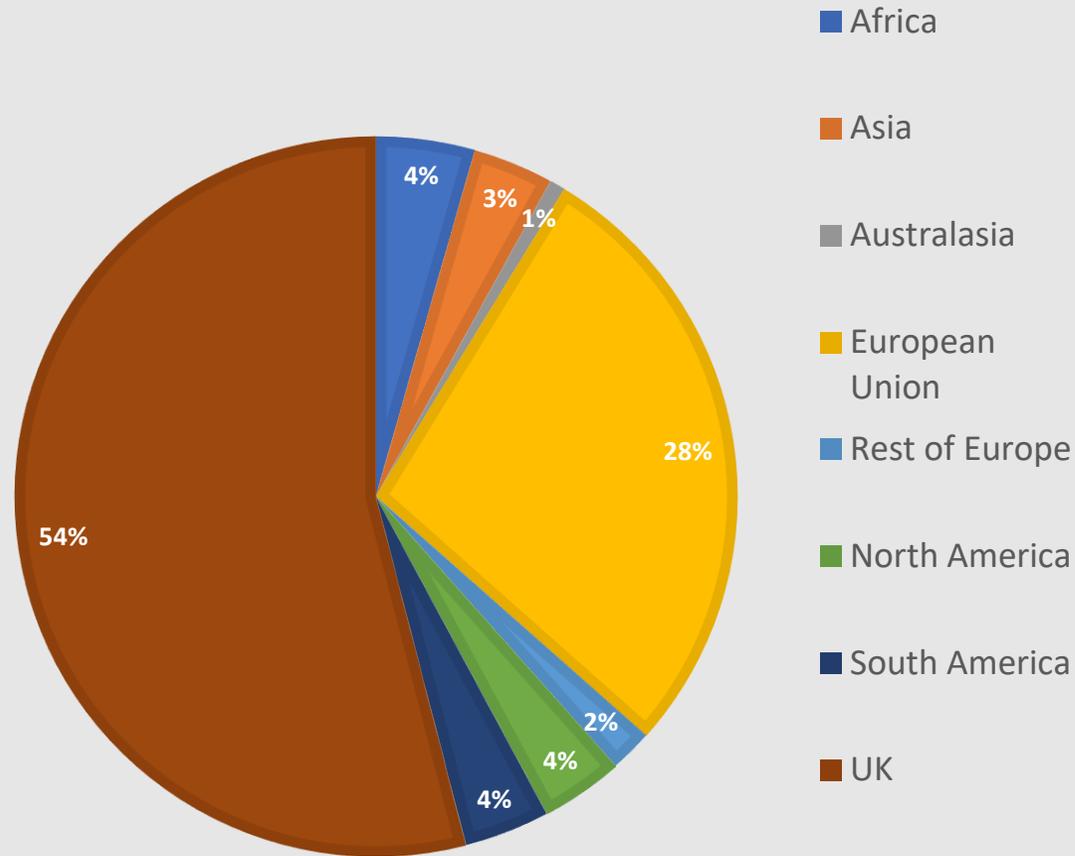
Climate
change



Air, water
pollution

Why does trade matter for environment/agriculture?

WHERE DOES FOOD CONSUMED IN UK IN 2020 COMES FROM?

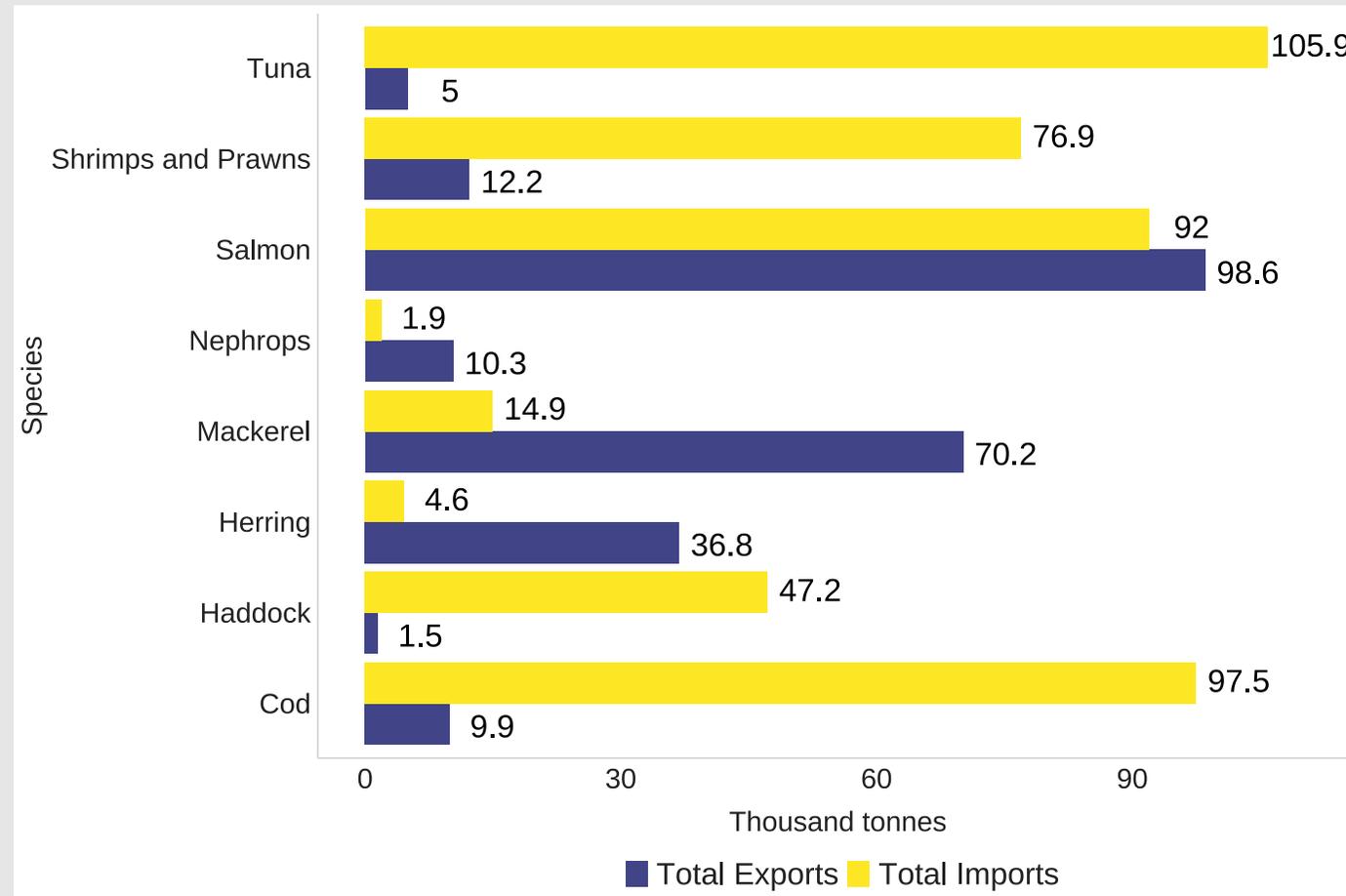


(Gov.UK)



CITP
CENTRE FOR
INCLUSIVE
TRADE POLICY

Why does trade matter for environment/agriculture?



Source: HMRC



CITP
CENTRE FOR
INCLUSIVE
TRADE POLICY

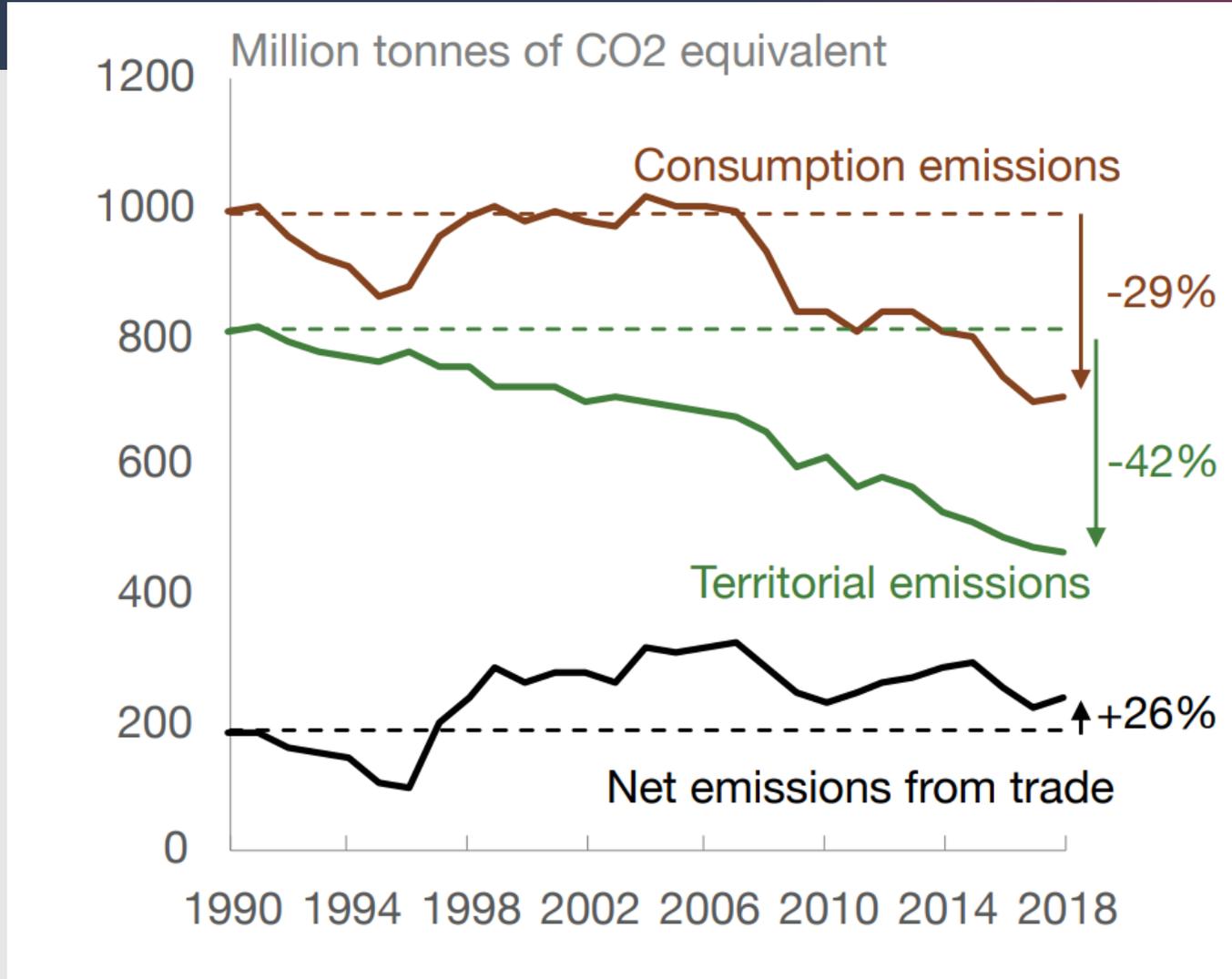
Why does trade matter for environment/agriculture?

“Trade can play a vital role in reducing **climate change** and **nature loss**, by bringing down the cost of green goods, services and technologies and speeding their uptake around the world”

(UK Board of Trade, 2021)



Trade & Climate Change

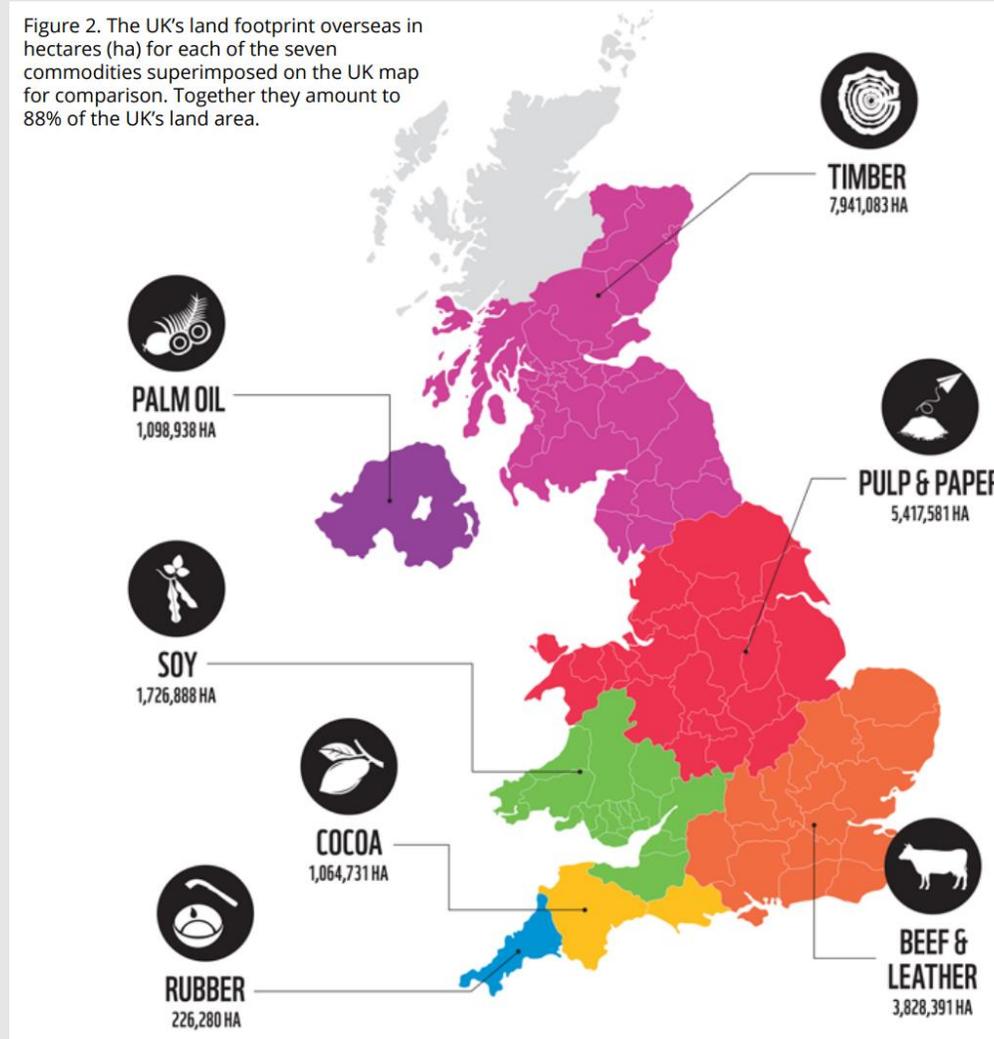


Greenhouse gas emissions produced and consumed in the UK: 1990-2018 ([UK Board of Trade, 2021](#))



Trade & deforestation

Figure 2. The UK's land footprint overseas in hectares (ha) for each of the seven commodities superimposed on the UK map for comparison. Together they amount to 88% of the UK's land area.



Current challenges

The views from key stakeholders:

- ✓ **NFU**, the National Farmers Union
- ✓ **Greener UK**, a group of environmental charities



Current challenges – the view from the NFU

Food and environmental standards
– undermined by trade deals?

Impact of war in Ukraine on
production costs

Impact of war in Ukraine on
seasonal workers availability



Current challenges – the view from the NFU

- NFU work on trade has (at least) four pillars:
 - Maximising opportunities for UK produces in international markets
 - Minimising costs of importing inputs (fertilisers, soy...) for UK producers
 - Minimising (unfair?) competition for UK producers from imports
 - Maximising number of seasonal workers able to come and work in UK for meat/fruit/vegetable sectors

Current challenges – the view of environmental groups

Food and environmental standards
– undermined by trade deals?

Whose interests are taken into
account when making policy?

“Establishing core standards would ensure that imports are not undermining domestic standards, protect UK producers who are required to adhere to higher standards, and alleviate the pressure lower quality imports create for a relaxation of domestic standards.”
([Greener UK, 2022](#))

What trade-offs are we concerned this week?

Are the benefits of access to a cheaper, wider range of food worth the costs to food and environmental standards? Worth the competition for our local producers?





Thank you

www.citp.ac.uk

info@citp.ac.uk

 [@centre4itp](https://twitter.com/centre4itp)



Case study : thinking about pesticides

Dr Viviane Gravey, Queen's University Belfast

February 2023

What are pesticides?



A 'pesticide' **prevents, destroys, or controls** a harmful organism ('pest') or disease.

- herbicides, fungicides, insecticides etc. are all pesticides

Pesticides are commonly used across the world. Their consumption is broadly stable in Europe over the last 10 years.

What is the trade dimension?

Which pesticides can be used in agriculture is fiercely debated, with scientists, farmers and the governments making decisions based on balancing the environmental damages pesticides can cause (notably to key insects such as bees), the health damages to humans and the advantages they provide for food production.

How do/should our own domestic decisions about which pesticides to use in the UK impact on trade?

What are our questions?



Should the UK **food imports** have to meet the same standards as local **UK production**?

Should we allow UK **pesticides exports** when these are banned for domestic use?

What are the trade-offs?



What are we willing to **compromise** on for lower prices, greater variety of food products?

- Food quality and security?
- Animal welfare?
- Impact on the environment? At home or abroad?
- Working conditions outside the UK ?
- Negative impact on UK industry?



Pesticides and Food Imports – what is at stake?



Difference in pesticides rules (what substances, what level is allowed) has three different impact:

- **HEALTH** – are food imports more dangerous for us?
- **ENVIRONMENT** – are food imports produced in a way that is more environmentally damaging?
- **ECONOMICS** – is it providing an unfair advantage for our farmers' competitors?

Trade-offs in action: the UK-Australia trade deal



Discussed in Week 2

70 pesticides banned in the UK are in use in Australia.

Bad for farmers

- “this FTA simply opens up UK agricultural markets for Australian produce, whether or not produced to the same standards that are legally required of UK farmers.”
- Source: Minette Batters, National Farmers Union, Press Release, 14 April 2022
 - Australia can continue with lower production standards than UK
 - UK open if Australia chooses to send beef and lamb here
 - Precedent for future trade agreements (e.g. Canada)
- **Government rough estimates losses of £94 million (0.7%) in incomes; agriculture, forestry and fishing**
- Source: HM Government Impact Assessment

Practical examples – pesticides in food?



Table 1: Examples of Maximum Residue Levels set for Highly Hazardous Pesticides used on apples

Pesticide (active substance)	UK/EU	US		Australia		International Standard *		Health issues (see guide on page 15)
	mg/kg	mg/kg	vs. UK/EU	mg/kg	vs. UK/EU	mg/kg	vs. UK/EU	
Buprofezin (Insect Growth Regulator)	0.01	3	x300	3	x300	3	x300	◆ Possible Human Carcinogen
Ethephon (Plant Growth Regulator)	0.8	5	x6.25	1	x1.25	0.8	Equal	◆ Cholinesterase Inhibitor
Etofenprox (Insecticide)	0.7	5	x7.1	N/A	N/A	0.6	x0.86	◆ Known Human Carcinogen ◆ Suspected Endocrine Disruptor
Folpet (Fungicide)	0.3	5	x16.6	N/A	N/A	10	x33	◆ Known Human Carcinogen
Malathion (Insecticide)	0.02	8	x400	2**	x100	0.5	x25	◆ Known Human Carcinogen ◆ Cholinesterase Inhibitor ◆ Suspected Endocrine Disruptor

* Codex Alimentarius

** Malathion is known as Madison in Australia

What does the Food Standards Agency say?



FSA/FSS (Food Standards Scotland) issued joint report on UK-Australia Trade Deal

"the FSA/FSS advice is that:

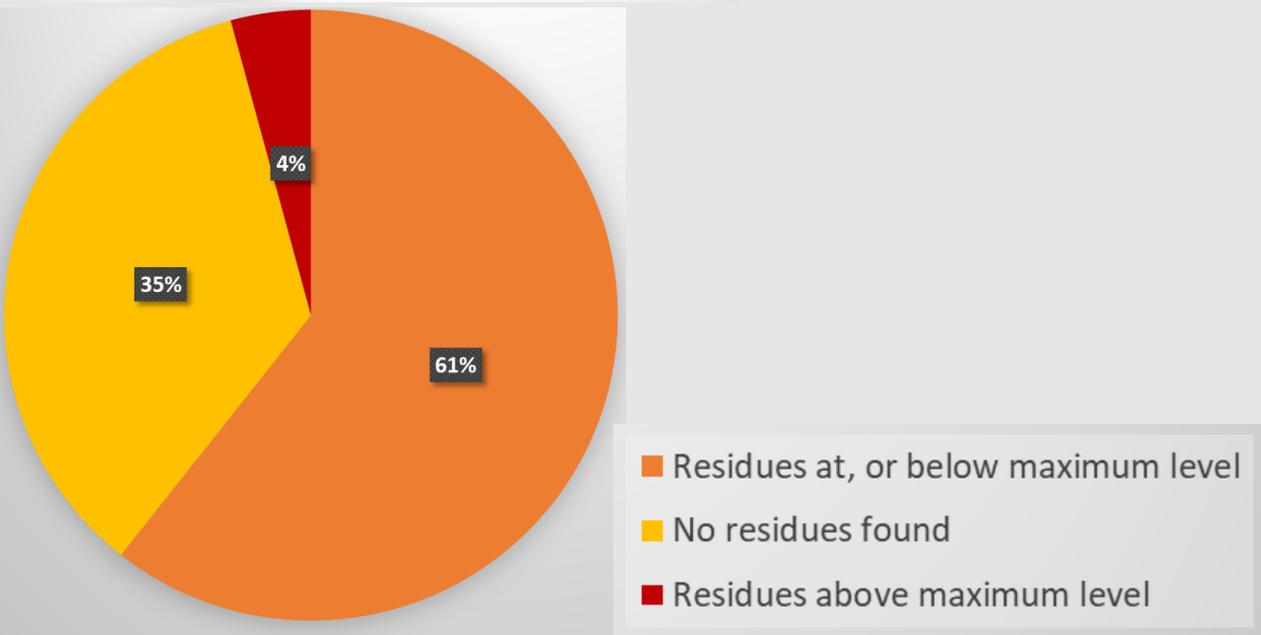
- The UK-Australia FTA maintains existing food safety statutory protections in accordance with retained law.
- No changes to the UK food safety regulatory system are required to give effect to this FTA at the point of entry into force."

How UK tests for pesticides

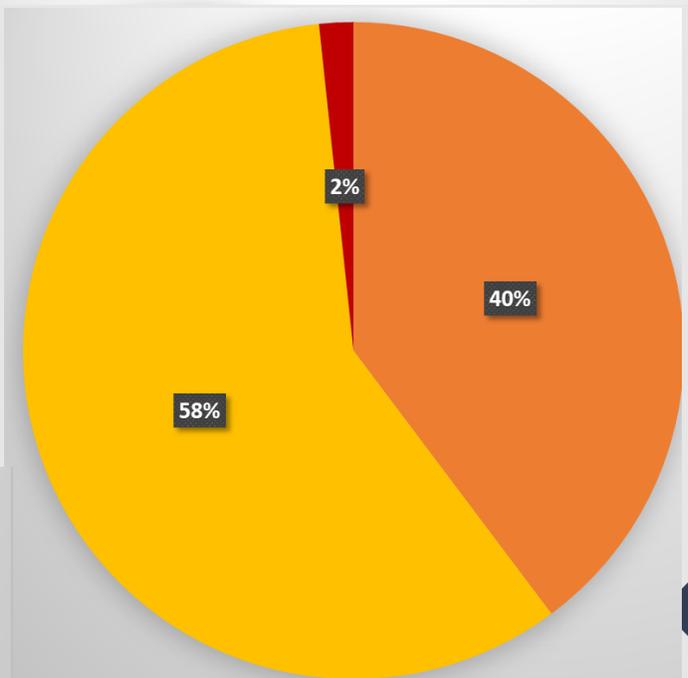


- The **PRiF** (Expert Committee on Pesticide Residues in Food) leads a risk-based approach, focusing on foodstuffs most likely to contain residues or of specific interest – 3000 samples checked each year

Total GB survey food from outside UK, 1209 samples (2021)



Total GB survey food from UK, 1433 samples (2021)



What does it mean for local producers?

“These illegal pesticide residues should not be making it onto the plates of UK consumers.

“They are either slipping past our shoddy **border checks** unnoticed, or foreign producers are being handed a **competitive advantage** by being allowed to use pesticides banned in the UK to protect human health or the environment.

“At a time when we are **asking our own farmers to produce more sustainably**, we should not be making it harder for them to earn a living.””

[Nick Mole, PAN UK cited in Farmer'sWeekly,November2022](#)



What are our questions?



Should the UK **food imports** have to meet the same standards as local **UK production**?

Should we allow UK **pesticides exports** when these are banned for domestic use?

UK is a leader in export of banned pesticides

PLENTY OF MARKETS WITH HIGH MARGINS

The three largest European exporters and the three largest importers of pesticides without EU approval, 2018 in tonnes

Amount in tonnes

 Export

 Import

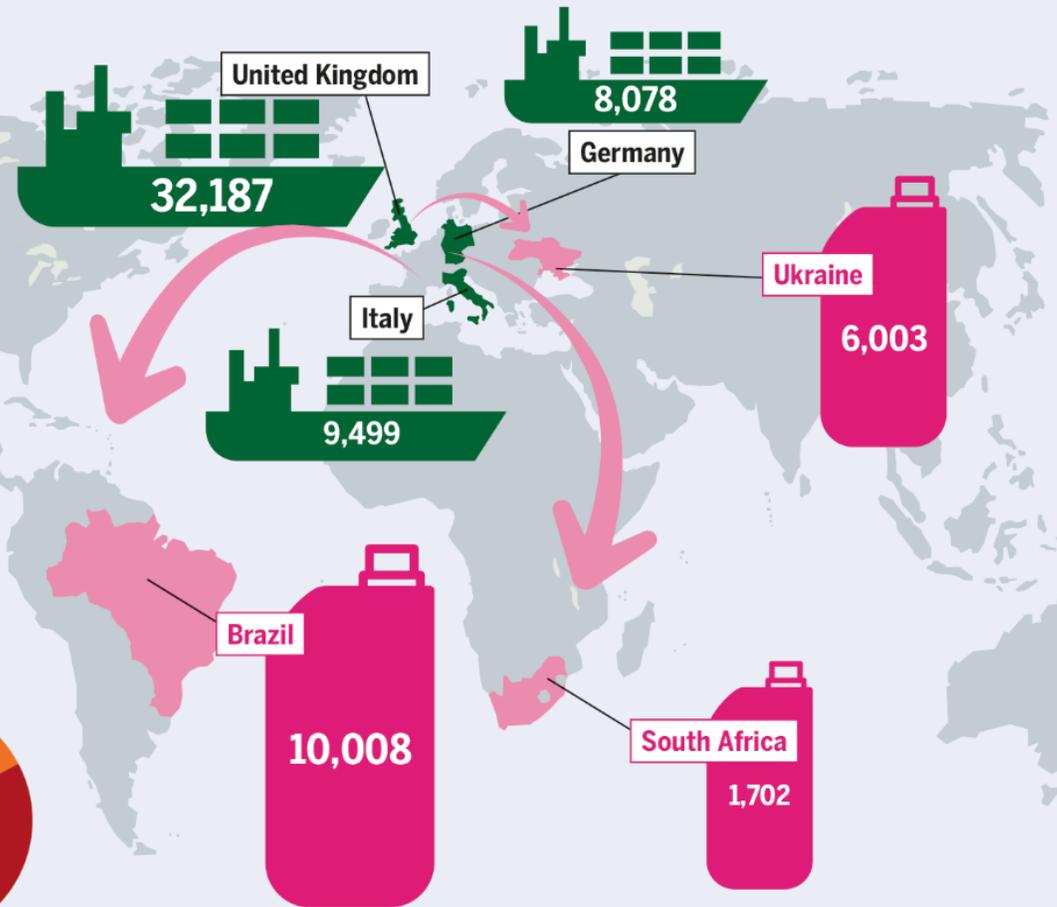
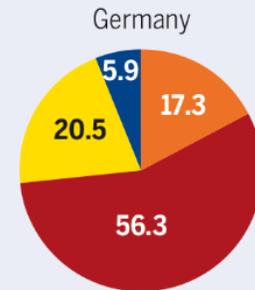
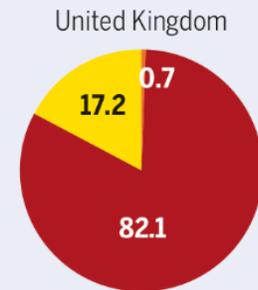
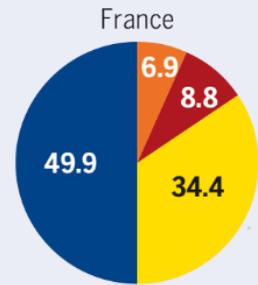
Percentage of exports by target region

 to Africa

 to America

 to Asia and Oceania

 to European non-EU countries



© PESTICIDE ATLAS 2022 / PUBLIC EYE

Opposing views – eNGOs v. industry

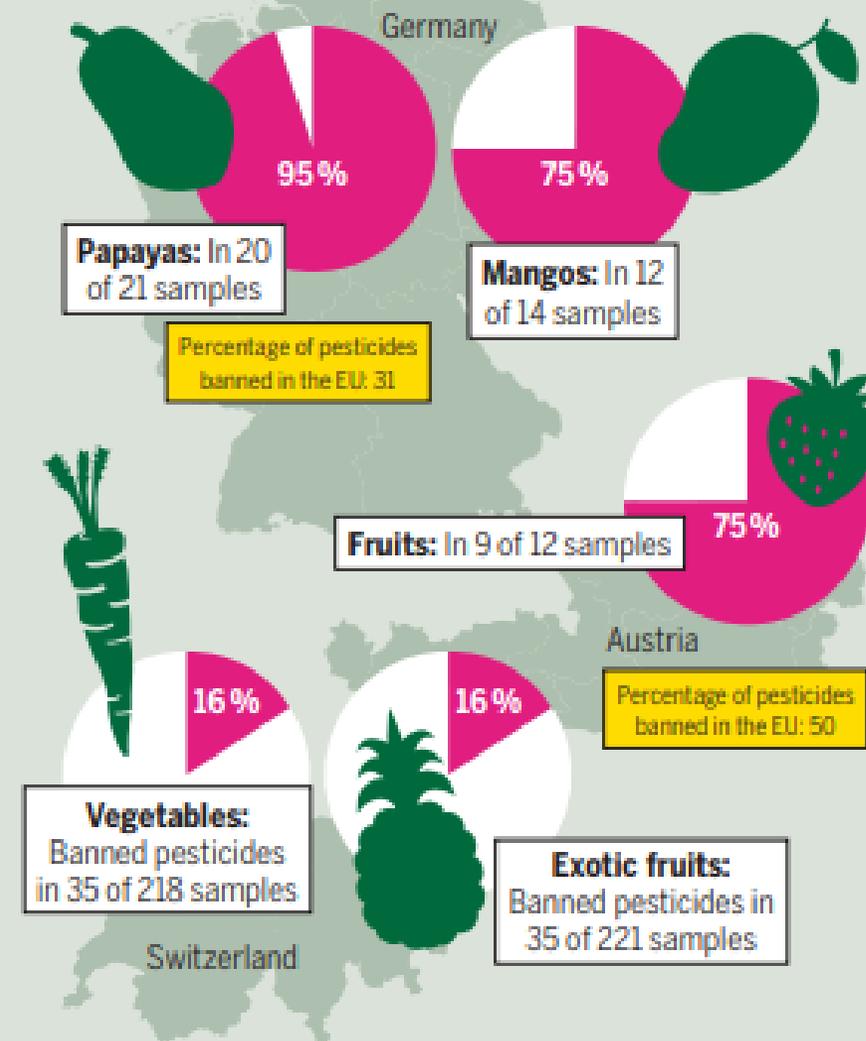
Vicki Hird, Sustain ([2022](#)) “The idea that we are manufacturing and exporting pesticides that have been banned here for the impact on our health or the environment is abhorrent.”

Syngenta ([2020](#)) : “The crop protection industry is one of the most highly regulated in the world, with products subject to extensive evaluation before they are approved for registration and sale. To be exported and sold, any finished product needs to comply with the specific regulatory requirements of the importing countries.”

Boomerang effect?

BOOMERANG

Pesticide residues in imported fruits sold in Austria, Germany and Switzerland



Results from 2017, 2020 and 2021

© PESTICIDE.AT, AS 2022 / GREENPEACE, PUBLIC EYE

Questions to take to discussions

What are we willing to compromise on for lower prices, greater variety of food products?

- Food quality and security? (impact on human health)
- Animal welfare?
- Impact on the environment? Here? Abroad?
- Working conditions outside the UK?
- Negative impact on UK industry?



NatCen
Social Research that works for society

Public Deliberation on UK Trade Policy

Welcome!

February 2023



Welcome back

- Welcome back to this public dialogue on UK trade policy. It has been commissioned by the Centre for Inclusive Trade Policy (CITP).
- Over five sessions we have explored the question: **What should we consider when making difficult decisions about trade?**
- Today is our final session where we will focus **on:**
 - **Understanding the decisions you make when faced with difficult trade-offs**
 - **Understanding who you trust to inform and make those decisions**

Who is in the room today

NatCen
Social Research

NatCen is an independent social research organisation running the session.

Participants

You are a diverse group of people from the X area

We are at session 5 out of 5



Session 1	Session 2	Session 3	Session 4	Session 5
Exploring 'fairness' in international trade	Exploring fairness in sectors and regions of the UK	Exploring trade-offs in digital trade	Exploring trade-offs in food and environmental trade	Deliberating trade scenarios decision-makers face
11/16 Jan 2023 18-20:30	18 Jan 2023 18-20:30	25 Jan 2023 18-20:30	1 Feb 2023 18-20:30	4 Feb 2023 10-16:00

What will happen today?

	Timing	What happens
Welcome	10 – 10.15	Intro and housekeeping
Recap and reflections	10.15 – 11	Capture your thoughts so far on post-its
Break	11 – 11.15	
Scenario discussions on rights and sectors	11.15 – 12.45	You make difficult decisions
Lunch	12.45 – 13.30	
Scenario discussion on digital trade	13.30 – 14.30	You make difficult decisions
Break	14.30 – 14.45	
Scenario discussion on Pesticides	14.45 – 15.30	You make difficult decisions
Summing up	15.30 – 16.00	Review what you've told us

Ground rules – NatCen role

- Lead facilitator – fire exits, time keeping and questions
- We'll all keep you focussed on the task at hand
- We're not experts in the topic
- We'll make sure everyone is involved
- Let us know if you need a break or something isn't clear

Helping one another – your role

- No one is expected to be an expert
- Everyone's voice counts
- Speak up and let others speak
- Changing your mind is good!
- Not everyone needs to agree
- We have breaks but take care of yourself

Recap and rationale

10.15 – 11.00





A bit on how trade decisions are made

- International agreements shape how countries trade goods and services with one another.
- Trade agreements in the UK are made under the 'Royal Prerogative', which means that they are decided almost entirely by the Government rather than Parliament.
- The Government typically consults with experts and interested groups confidentially. So this isn't made public.
- In practice, Parliament are consulted and so MPs get some influence. The House of Commons select committee on international trade is important in reviewing the details.
- Devolved administrations (in NI, Wales and Scotland) have no formal influence in the process as trade agreements are a 'reserved matter'. They may give their views to Westminster informally though.

Stepping into their shoes...

- Today you'll be imagining you're stepping into the shoes of MPs facing decisions about UK trade.
- You'll discuss four hypothetical trade-offs, each based on a topic you've encountered in the previous workshops:
 - 1) Imposing **rights requirements** on other countries when trading with them
 - 2) Balancing the interests of different **job sectors and regions** of the UK
 - 3) Balancing the costs and benefits of **digital trade**
 - 4) The impact of trade on **food and the environment**

First we'll discuss

- Your *priorities* in making decisions on trade
- Who do you trust to *inform* these decisions
- Who do you trust to *make* these decisions

Tea and coffee

11.00 – 11.15



Scenario 1: Imposing rights requirements

February 2023



Recap of some key facts

- Trade agreements aim to increase trade. However, they also are used to try and achieve broader objectives.
- These include things like requiring the country you trade with to improve their workers' rights, environmental standards, or level of gender equality.
- Richer countries trade a lot with each other, and they tend to have stronger human rights. They also rely on trade with countries which sometimes violate human rights.

Your task today

You are an MP in Westminster representing your local constituency and are in a Committee **considering details of the UK-India Trade Agreement**. This is an agreement between the two countries that will affect how they trade with one another.

You are debating Section 24 which the UK Government says **will require higher worker's rights standards from India if it is to have access to UK markets**.

As an MP you have a **duty towards your constituents**, and you want to be re-elected; however, you also have a duty as a law-maker to consider **what is best for the whole of the UK**.

Those in favour of the deal

Trade unions and Fair Trade campaigners are concerned about existing conditions for some workers in India

Some **business groups** argue it will boost GDP and that it will make some businesses more competitive

Those against the deal

Some **UK businesses** that import goods and services from India are worried about possible increases in costs as a result of the new requirements

Some **UK businesses** fear that the standards would have a knock-on effect, making other poorer countries less willing to trade with the UK

The arguments in parliament

Some argue that the UK needs to ensure its trade with India meet certain worker's rights standards in order to encourage better working conditions abroad.

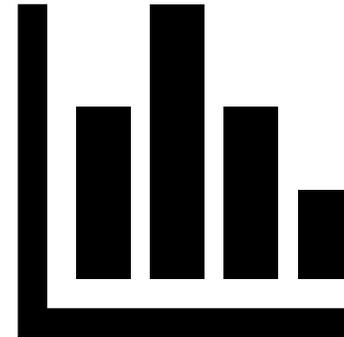
Others argue that requiring these standards could **hamper economic development in India and reduce the economic value of the agreement for the UK.**

The research

The House of Commons library has collected the information you requested on Section 24 of the trade agreement.

You asked for information regarding its impact, emphasising the costs and benefits to different groups.

There is significant uncertainty about these estimates but you are advised they are the best that forecasting can make at the moment.



The financial impact

There is evidence the UK and Indian economies will have a slight gain from the agreement



The impact in India

The rights would only immediately impact a portion of Indian workers involved in exporting industries, but should in principle affect all over time.

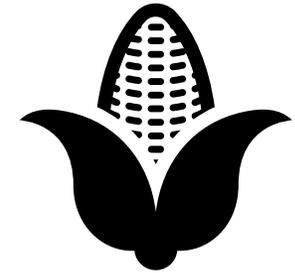
Even though it will support trade with the UK, as production costs in India may increase, it will also result in a loss of trade for India.



The impact in the UK

Prices in the UK of some goods may increase.

Some UK firms may be negatively affected by this change, though others may become more competitive.



The trade off you are faced with...

Should the UK accept section 24 that will require higher worker's rights standards from India if it is to have access to UK markets.

The thing we'd like you to consider is:

Should the UK insist on poorer countries agreeing to certain human rights in trade agreements it makes with them, if doing so limits the economic benefits of these agreement?

NatCen
Social Research that works for society

Scenario 2: Balancing sectors and regions

February 2023



Recap of some key facts

- Different countries import and export different things, and in the UK, services are very important. Approx. 80% of the UK's GDP (the value of all the goods and services it produces) come from services.
- Certain service sectors like finance, business services, and IT, are found particularly in South East England, which also includes London and East Anglia.
- In contrast, jobs in sectors like farming, vehicle manufacturing, and fishing are found particularly outside of the South East.

Your task today

You are an MP in Westminster representing your local constituency and are in a Committee **considering details of the Australia-UK Free Trade Agreement (FTA)**. This is an agreement between the two countries that will affect how they trade with one another.

You are debating section 83 of the FTA which the government predicts will result in an **increase in the incomes generated by business services (things like legal work and accounting) and a decrease in those in agriculture.**

As an MP you have a **duty towards your constituents**, and you want to be re-elected; however, you also have a duty as a law-maker to consider **what is best for the whole of the UK.**

Those against the deal

Local farmers and food producers are worried about the impact on their jobs

The farming and countryside commission are vocal against the deal

Those in favour of the deal

Local lawyers, accountants and consultants have written to you arguing it will create jobs

Business groups and think tanks argue it will boost GDP

The arguments in parliament

Some argue the **potential to boost growth should be prioritised**

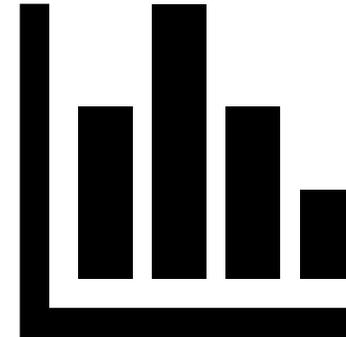
Others argue that **agriculture should be protected and more countries will start to demand similar deals**

The research

The House of Commons library has collected the information you requested on section 83 of the trade agreement.

You asked for information regarding its impact, emphasising the costs and benefits to different groups.

There is significant uncertainty about these estimates but you are advised they are the best that forecasting can make at the moment.



The financial impact

A projected net gain of £118 per year in the UK economy

The UK stands to gain £212 million per year through law, consulting, research and accountancy.

The UK stands to lose £94 million per year through livestock



The impact on jobs

A projected net gain 1,200 jobs

Estimated 3,700 jobs are created across the UK. 2,700 of these are in the South East of England.

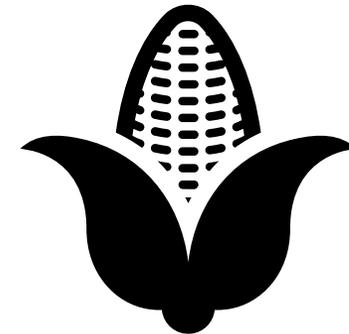
Estimated 2,500 jobs are lost. 700 of these are in the South East of England.

Estimated net increase of 800 jobs for women



The impact on consumers

Food prices will reduce by 0.3% but there is a risk of lower food-safety standards



The trade off you are faced with...

Should the UK accept section 83 that will benefit the business service sector while agriculture loses?

The thing we'd like you to consider is:

Should the Government sign a trade deal that benefits the business service sector while agriculture loses?

Lunch

12.45 – 13.30



Scenario 3: The costs and benefits of digital trade

February 2023



Recap of some key facts

- Digital trade is to do with the trade of data (bits of information), and software (computer programs). As more people increasingly rely on digital services and products, like Airbnb, Amazon, and Google, digital trade becomes more important.
- The UK wants to be a leader in ‘liberalising’ digital trade. This means making it easier to send data across borders.
- This can make it easier to access digital services and helps researchers learn from data, but it also means data could go to countries with lower data protection.

Your task today

You are an MP in Westminster representing your local constituency and are in a Committee **considering details of the NHS Health Data Sharing Agreement**. This agreement makes it easier for the NHS to work closely with health data companies outside of the UK who use this data to advance medical research.

You are debating Section 25 which the Government predicts will result in a **the development of potentially cutting edge medical treatments, though critics argue it may create greater privacy risks with implications for individuals' data**.

As an MP you have a **duty towards your constituents**, and you want to be re-elected; however, you also have a duty as a law-maker to consider **what is best for the whole of the UK**.

Those against the deal

Constituents with long-term health conditions are worried that life insurance claims for relatives could be turned down due to the sharing of health data

Human rights organisations are concerned that some people, like refugees, who may be vulnerable due to data sharing, will interact less with health services.

Consumer groups in the UK also raised concerns about the use of this data for commercial purposes, in profiling or advertising to consumers.

Those in favour of the deal

Constituents supporting loved ones with particular illnesses support the clause as it may lead to insights that can help them

Insurance agents argue that data sharing facilitates a better and more complete understanding of people's claims

Healthcare and research organisations argue that this will support their efforts to find better treatments for illnesses and gives the NHS information it needs to make services more effective

The arguments in parliament

Some argue that this will allow the UK to be a leader in health services and will improve treatments

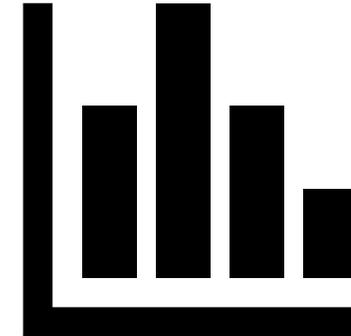
Others have argued that this sharing health data will further create commercial priorities that are at odds with the NHS.

The research

The House of Commons library has collected the information you requested on section 25 of the agreement.

You asked for information regarding its impact, emphasising the costs and benefits to different groups.

There is significant uncertainty about these estimates but you are advised they are the best that forecasting can make at the moment.



Leadership in research

The evidence suggests that the change would make the UK a world leader in the use of data to improve health services and treatments



The impact on jobs

The change could result in an increase in UK jobs in public health research and pharmaceutical companies.

However, it may also benefit pharmaceutical companies abroad, which might result in job losses in the UK from lost business.



The impact on health

Medical experts say the resulting research benefits could speed up a cure for major conditions, like Alzheimer's, by 10 years.

Other scientists have not committed to similar estimates, as they say it is too difficult to say what the effects might be.

The trade off you are faced with...

Should the UK accept section 25 that will make it easier for the NHS to work closely with health and data companies outside the UK?

The thing we'd like you to consider is:

Do the benefits of accessing digital health services and potential development of cutting edge medical treatments outweigh the risks of privacy abuses this creates?

Tea and coffee

14.30 – 14.45



Scenario 4: Trade's impact on food and the environment

February 2023



Recap of some key facts

- Trade of food and other agricultural goods matters to the environment because their production comes with standards. These include things like animal welfare, food safety, and air and water quality.
- Different places have different standards, and this matters to the UK as just under half of the food we consume comes from abroad (particularly the EU).
- Trade also effects climate change, both in terms of emissions it produces, but also in reducing the costs of green goods, services and technologies.

Your task today

You are an MP in Westminster representing your local constituency and are in a Committee **considering details of the Food Production Pesticides Standards Trade Agreement**. The countries the trade agreement covers have weaker process standards than the UK.

You are debating section 52 which the government predicts will result in a **decrease in the price of imported foods and greater variety of food products for consumers, but potentially fewer imported foods meeting UK pesticides standards**.

As an MP you have a **duty towards your constituents**, and you want to be re-elected; however, you also have a duty as a law-maker to consider **what is best for the whole of the UK**.

Those against the deal

Local farmers and food producers are worried new imports create unfair competition for them

Environmental groups are worried that greater competition will make it harder to improve environmental standards for farming in the UK

Farmers unions and environmental campaigners are worried limited testing on food imports makes it likely that more imports will not meet UK pesticides standards.

Those in favour of the deal

Food suppliers for restaurants, takeaways and supermarkets have written to you arguing it will help their businesses.

Business groups argue the risks are low as the UK food industry is already well-regulated

The arguments in parliament

Some argue that given the **current cost-of-living crisis**, the UK needs to **prioritise reducing the cost of food**.

Others argue that **UK farmers should be protected**, and the **potential health impact and environmental damage** should be considered.

The research

The House of Commons library has collected the information you requested on section 52 of the trade agreement.

You asked for information regarding its impact, emphasising the costs and benefits to different groups.

There is significant uncertainty about these estimates but you are advised they are the best that forecasting can make at the moment.



The financial impact

There will be a reduction in food prices for consumers due to cheaper products imported from places like Australia

At the same time, there is an estimated financial loss for UK farmers from closer agricultural trade with Australia



The impact on jobs

Certain types of farming are likely to be more affected:

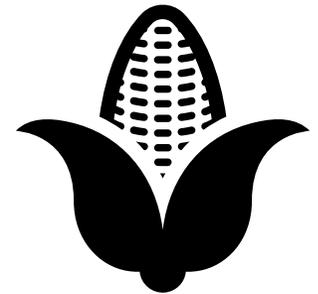
E.g. Wales is a big lamb producer. Australian imports with lower animal welfare standards could create direct competition for local production



The impact on health

Malathion, an insecticide used on apples, is found at a higher level in Australian food production than that found in international and UK production.

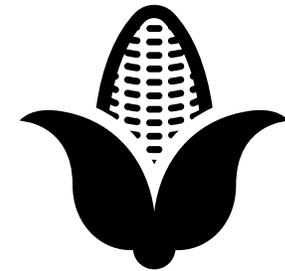
Malathion is a known human carcinogen (it can cause cancer).



The impact on environment

2018 beef imports from Australia to the UK have a land footprint equivalent to half the size of Northern Ireland, meaning it has a knock-on effect on deforestation.

Beef imports from Australia are quite small currently (most of UK beef imports come from Ireland)



The trade off you are faced with...

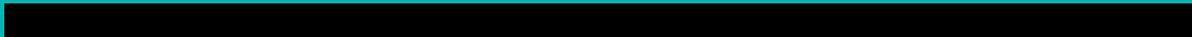
Should the UK accept section 52 which will lower prices of imported foods and offer greater variety for consumers, but potentially increase the amount of imported foods not meeting UK pesticides standards.

The thing we'd like you to consider is:

Are the benefits of importing food into the UK which potentially contain pesticides banned here, worth the benefits such as lower prices and greater choice?

Wrap up

16.00



Thank you!

Thank you for your time over the last month – we hope you've enjoyed it!

Please hand any expenses claims forms to your lead facilitator

You'll receive an email with a short questionnaire next week that is important for the research as it helps us understand your views, so please do fill this out.

You should receive your incentive within **10 working days**, via the email address below. Reach out here or to the freephone if you have any questions.

tradepolicy@natcen.ac.uk

Call: **0808 168 2153**