

# G7 Trade Ministers' Communiqué – October 2021

We, the G7 Trade Ministers, met in London on 22 October to build on the initiatives we agreed in our communiqué of 28 May and advance our discussions on reforming the multilateral trading system to address 21st century trade issues and advance free and fair trade. We stand united in our commitment to build back better from the pandemic and provide our citizens with the intended benefits of free, fair, and sustainable trade, including raised living standards, full employment, sustainable development, and a protected and preserved environment. We are grateful for the insights of the Secretary-General of the Organisation for Economic Cooperation and Development (OECD) who participated in the meeting.

We welcome the presentation by the Chair of the Economic Resilience Panel, Lord Sedwill, and note the panel's suggestions on strengthening the resilience of global supply chains. We commit to closely monitoring issues impacting global supply chains and to continue working together to address these shared challenges.

## **12th WTO Ministerial Conference**

We discussed our priorities for the 12th WTO Ministerial Conference (MC12) building on our Leaders' commitments reached in Carbis Bay in June. Our shared objective is to deliver a successful Ministerial Conference that positions Members to foster a rules-based multilateral trading system, with the WTO at its centre, that is more resilient, sustainable, inclusive, and responsive to the needs of global citizens. We are determined to achieve a multifaceted outcome on trade and health as the response by the WTO to the Covid-19 pandemic, including how the international IP framework can best support the pandemic response. We will work with all WTO Members to resolve outstanding issues so that a meaningful agreement on effective disciplines on harmful fisheries subsidies can be attained, showing that the WTO can contribute to sustainability through its rule-making. We will work to deliver a realistic outcome on agriculture and agree to support a strong outcome in the Joint Initiative on Services Domestic Regulation. We support a permanent prohibition of customs duties on electronic transmissions. We look forward to further work on initiatives such as trade and environmental sustainability, and trade and gender. MC12 should highlight the WTO's ability to contribute to resolving 21st century challenges, including climate change and the loss of biodiversity. We commit to a successful and productive WTO 12th Ministerial Conference as an important opportunity to advance WTO reform to revitalise the organisation.

## **WTO reform**

We are committed to advancing work towards WTO reform in a way that is inclusive and action-orientated, to build a more viable and durable multilateral trading system. A key objective of WTO reform will be to

strengthen the organization's three core functions, in an effort to build a free and fair rules-based multilateral trading system that benefits all its members and helps secure shared prosperity for all. This includes advancing the effectiveness of the WTO's monitoring, negotiating and dispute settlement system functions, which requires resolving long-standing issues. We also highlight that the correct implementation and monitoring of commitments are essential to maintaining the integrity of an effective multilateral rules-based system and therefore support and encourage enhanced transparency and dialogue among WTO members in a balanced and inclusive manner. We remain committed to active engagement in this work to provide the political momentum necessary for progress, recalling the points highlighted by G7 Leaders' Carbis Bay communiqué and the Sorrento Declaration of G20 Trade and Investment Ministers.

## **Free and Fair Trade**

Our discussions today strengthened our resolve to tackle unfair trade practices that threaten the livelihoods of our citizens, harm our businesses, erode trust in, and undermine the functioning of the global trading system. We stand shoulder to shoulder in our commitment to act against these threats and prevent those seeking unfair advantages from benefiting.

Reconfirming our commitments in our May communiqué, we deepened discussions on market-distorting practices and the need to defend the integrity and sustainability of the rules-based multilateral trading system. We noted the continued opaqueness of these practices and the chronically low levels of compliance of some WTO members with regards to providing complete and timely notifications to meet their subsidy notification obligations. An important step in reinforcing the fundamental principles of transparency would be the adoption of the transparency and notification proposal in the General Council. We all endorse this proposal and will encourage the wider WTO membership to support it. We welcome the G20 commitments earlier this month to continue to work to ensure a level playing field, underscoring the importance of fair competition and of tackling distortions in trade and investment. We committed to continue our work together with likeminded partners to identify other ways to address the lack of transparency in government support by some jurisdictions. We reaffirmed the importance of the Global Forum on Steel Excess Capacity (GFSEC) as a forum that can help address the issue of global steel excess capacity in a multilateral framework. We will continue to support and work with the OECD to build on their excellent work undertaken to date, including a continued focus on the analysis of the incidence and magnitude of market-distorting practices and the impacts these may have on issues such as creating and maintaining overcapacity. We will step up our efforts in countering these practices, through appropriate tools and levers, and to develop stronger international rules on practices such as market-distorting industrial subsidies and trade-distorting actions by state enterprises.

We share and are guided by the concern expressed by our Leaders in Carbis Bay regarding the use of all forms of forced labour in global supply chains, including state-sponsored forced labour of vulnerable groups and minorities,

including in the agricultural, solar and garment sectors. We affirm that there is no place for forced labour in the rules-based multilateral trading system. We endorsed recommendations to identify, prevent and eliminate forced labour in global supply chains reflected in the [statement annexed to this communiqué](#). To further our response to these challenges, we will continue to discuss these important issues and commit to working collaboratively and with the assistance of relevant international organisations to tackle them.

## **Modernising Trade**

We recognise the urgent need to update the rules for global trade to ensure they continue to have a positive impact on the daily lives of our citizens. We oppose digital protectionism and authoritarianism and today, we have adopted the [G7 Digital Trade Principles](#) that will guide the G7's approach to digital trade, annexed to this communiqué. We have committed to open digital markets; data free flow with trust; safeguards for workers, consumers, and businesses; digital trading systems; and fair and inclusive global governance. Efforts should be intensified to tackle the digital divide and to build the capacities of developing countries. Furthermore, we are committed to advancing the E-Commerce Joint Statement Initiative towards a high standard and commercially meaningful outcome that works for all. We aim to achieve substantial progress by the 12th WTO Ministerial Conference.

As we implement the Paris Agreement and transition to net-zero emissions, we recognise the negative effect that carbon leakage may have on the climate. We commit to work collaboratively, including with relevant international organisations, to address the risk of carbon leakage, while enhancing international climate ambition. We also recognise the need for dialogue on the domestic solutions that are already being considered. We recognise the importance of ensuring that any approach is, among other things, transparent and WTO consistent. We agree on the importance of any trade solution to carbon leakage being built on a robust evidence base with scientifically sound data. We commit to continuing open, inclusive, and constructive discussions on trade and the environment, including carbon leakage, through fora such as the Trade and Environmental Sustainability Structured Discussions (TESSD), in recognition of trade's important role in tackling climate change.

We reconfirm our commitment to an end to new direct government support for unabated international thermal coal power generation by the end of 2021, including through export finance, investment, and financial and trade promotion support.

We welcome discussions at the G7 Trade and Environment Officials' Meeting on 30 September regarding supporting sustainable supply chains that decouple agricultural production from deforestation and forest degradation.

We are committed to continuing our collective work in all relevant fora to champion free and fair trade and to the modernisation of international trade rules. We look forward to continuing discussions under the trade track of the German Presidency in 2022.

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## G7 Trade Ministers' Statement on Forced Labour

We, the G7 Trade Ministers, share and are guided by the concern expressed by our Leaders in Carbis Bay in 2021 regarding the use of all forms of forced labour in global supply chains, including state-sponsored forced labour of vulnerable groups and minorities, including in the agricultural, solar and garment sectors. We affirm that there is no place for forced labour in the rules-based multilateral trading system. We acknowledge that on any given day there are about 25 million people subject to forced labour worldwide, and call on all countries, multilateral institutions and businesses to work together, including with survivors of forced labour, to eradicate forced labour from global supply chains.

We have taken seriously the task handed down to us by the G7 Leaders to identify areas for strengthened cooperation and collective efforts towards eradicating the use of all forms of forced labour from global supply chains. We recognise trade policy can be one of the important tools in a comprehensive approach to prevent, identify and eliminate forced labour in global supply chains. We further recognise that forced labour is a global problem and effective action should be based on international labour standards, the UN Guiding Principles on Business and Human Rights (UNGPs), and international standards on responsible business conduct, including collective efforts in multilateral institutions such as the United Nations (UN), especially the International Labour Organization (ILO), and Organisation for Economic Co-Operation and Development (OECD). We, therefore, appreciate the years of international cooperation that governments, workers organisations, and employers have undertaken in their own countries and multilateral institutions to comprehensively prevent forced labour and to provide victims of forced labour with protection and access to appropriate and effective remedies. We recall the 2021 G7 May Trade Communiqué and the 2019 Report on ending child labour, forced labour and human trafficking in global supply chains by the ILO, OECD, International Organization for Migration (IOM) and UN International Children's Emergency Fund (UNICEF). We further recall the commitments made by G7 Leaders in Elmau, 2015, to foster sustainable supply chains and by the G7 Social Ministers in Paris, 2019, to promote decent work, responsible business conduct and human rights due diligence in global supply chains and by G20 Labour and Employment Ministers in Mendoza, in 2018, to eradicate child labour, forced labour, human trafficking and modern slavery.

We call on all countries, multilateral institutions and businesses to commit to uphold human rights and international labour standards, and respect relevant principles on responsible business conduct throughout global supply chains to prevent forced labour, protect victims of forced labour and provide remedy to victims of forced labour. This includes adherence to international labour standards set out in the ILO Declaration on Fundamental Principles and

Rights at Work and its Follow Up, utilising the ILO Guidelines Concerning the Measurement of Forced Labour, which sets out the Indicators of Forced Labour and implementing the UNGP. We recognise the important role of governments to eradicate forced labour, protect victims of forced labour, and improve global supply chain transparency and the implementation of the principles of business and human rights, as recognised by the UNGP. Governments can help achieve these goals through sharing risk-management tools, encouraging the collection of data and evidence, upholding international labour standards in their own business operations and procurement policies, and including respect for international labour standards in their assessments of publicly funded projects. We further recognise the need to uphold international labour standards in all areas of the economy, including within the digital economy and through the use of emerging technologies to improve the traceability of global supply chains, ensuring developing countries are not left behind.

We commit to further enhancing clarity and predictability for businesses. We further commit to promote guidance on human rights due diligence, including but not limited to responsible recruitment practices, in line with the OECD Guidelines for Multinational Enterprises and Due Diligence Guidance on Responsible Business Conduct, including at sector levels; the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy and ILO general principles for fair recruitment; the IOM's ethical recruitment standards; and the UNGP. We highlight the role of our National Contact Points for the OECD Guidelines for Multinational Enterprises in this regard. We commit to promote, within the relevant multilateral institutions such as the UN, ILO and OECD, common definitions and guidance to collect and share data and evidence on forced labour, and facilitate business compliance with international labour standards and international standards on responsible business conduct throughout global supply chains.

We will continue working together including through our own available domestic means and multilateral institutions to protect individuals from forced labour, to ensure that global supply chains are free from the use of forced labour and those who perpetrate forced labour are held accountable. We recognise the importance of continuing technical exchanges on how trade policy can contribute to the eradication of forced labour from global supply chains, engaging in dialogue with relevant stakeholders, including in developing countries, to further refine our best practices, and identifying modalities for sharing data and evidence. We commit to working closely with multilateral institutions such as the UN, ILO and OECD to promote effective implementation of the fundamental ILO Conventions, in particular the Forced Labour Convention (No. 29), including its 2014 Protocol, and the Abolition of Forced Labour Convention (No. 105). We will work closely with the G7 Employment Task Force and the G7 Foreign and Development Ministers to promote human dignity, strengthen the implementation of international labour standards and responsible business conduct, and make individuals less vulnerable to forced labour and other labour rights violations.

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# UK trade partners agree to end export credit support for unabated coal power

Key international trade partners including the US, EU, Australia and Canada, have today agreed to end export credit support for unabated coal-fired power plants. This was agreed at the Organisation for Economic Co-operation and Development (OECD) meeting ahead of COP26.

The UK ended all financial support for overseas fossil fuel projects in March 2021 and is encouraging international partners to make similar commitments as President of the G7 and an independent member of the OECD.

Through the UK's international climate leadership, the country's export credit agency, UK Export Finance (UKEF), has helped to align the climate change commitments of export credit agencies in the OECD with the UK's world leading position on fossil fuels.

**International Trade Secretary and UK International Champion on Adaptation and Resilience for the COP26 Presidency, Anne-Marie Trevelyan, said:**

I am delighted UK Export Finance has helped to make this important breakthrough on the eve of COP26. The UK has led the way on climate action internationally as the world's first country to end support for overseas fossil fuel projects and legislate net zero.

After a series of tough negotiations over many months, our firm action to decarbonise our export credit support is now being met by our trading partners. There is more to do – we will continue to make the case that action is needed now to align our finance behind green trade to protect our planet.

UKEF operates under international standards set by the OECD to ensure exporters do not gain an unfair competitive advantage on the international stage. This ban ensures exporters in OECD member countries will be unable to apply for export credit and tied aid support for:

- new coal fired power plants without operational (CCUS) facilities; and
- existing coal-fired power plants, unless the purpose of the equipment supplied is pollution or CO2 abatement and such equipment does not extend the useful lifetime or capacity of the plant, or unless it is for retrofitting to install CCUS.

For more information on the policy announcement, [please visit the OECD's website](#).

**About UKEF**

[UK Export Finance](#) is the UK's export credit agency and a government

department, working alongside the Department for International Trade as an integral part of its strategy and operations.

Established in 1919, UKEF provides insurance, guarantees and loans where the private sector will not. Backed by the strength of the government's balance sheet, UKEF has £2 billion of direct lending dedicated to financing clean growth projects and over £50 billion of capacity for exporters to tap into.

This helps to make exports happen which otherwise might not, especially in economic downturns when access to finance is constrained. All support provided by UKEF is on commercial terms, generating a return for the UK taxpayer.

## Contact

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# Environment Agency Board Member appointments

The Environment Secretary, George Eustice, has reappointed four Non-Executive Directors for second terms to the Board of the Environment Agency and extended the second terms by 12 months of the Deputy Chair Richard Macdonald and Non-Executive Director Lynne Frostick.

John Lelliott and Dame Caroline Mason's appointments will run from 30 September 2021 until 31 March 2024. Judith Batchelar and Robert Gould's appointments will run from 30 September 2021 to 31 March 2025. The extended term of Lynne Frostick will run until 15 July 2022 and the extended term of Deputy Chair Richard Macdonald will run until 31 March 2022.

All appointments are made on merit and in accordance with the Governance Code on Public Appointments. There is a requirement for political activity (if significant) to be declared. Judith Batchelar, John Lelliott and Dame Caroline Mason have not taken part in any significant political activity in the past five years. Robert Gould has declared that he was the Conservative Leader of Dorset County Council until May 2017 and member of West Dorset District Council until May 2019.

The appointments are based on a time commitment of four days per month and receive a remuneration rate of £16,800.

## Biographies

### Judith Batchelar

Judith is a member of the Audit and Risk Assurance Committee and the Environment and Business Committee. Judith is the Area Board member for

Thames and Solent and South Downs.

Judith is a Special Advisor on Corporate Responsibility, Sustainability and Public Affairs at J Sainsbury plc and will leave this role on 19th November 2021. Judith holds several other roles, including:

- Chair of the Rugby Players Association
- Chair of the Advisory Board at Biological Sciences Research Council on Transforming Food Production
- Trustee of The Royal Botanic Gardens Kew, Accounting for Sustainability and the Matt Hampson Foundation
- Ambassador for the Woodland Trust

She also sits on the Natural Environment Research Council.

## **Robert Gould**

Robert is Chair of the Pensions Committee, a member of the Flood and Coastal Risk Management Committee, Audit and Risk Assurance Committee and People and Pay Committee. Robert is the Area Board member for Wessex. He is also the Environment Agency's shareholder representative at the Brunel Pensions Partnership where he chairs the Oversight Board.

Robert was Leader of Dorset County Council from 2014 to 2017 and a member from 2009 to 2017. He was a member of West Dorset District Council from 2003 to 2019 and was Leader from 2004 to 2014. Robert was a member of the Local Government Association's Improvement and Innovation Board from 2015 to 2017. He previously managed the family farm and has worked industry and property management.

## **John Lelliott OBE**

John is Chair of the Audit and Risk Assurance Committee, a member of the Flood and Coastal Risk Management Committee and a member of the Pensions Committee. He is the Area Board member for East Midlands. John is a Non-Executive director and Chair of the Audit Committee of the Covent Garden Market Authority and a member of Defra's Audit Committee.

Other roles include:

- Non-Executive Director of University Hospital Dorset NHS Foundation Trust (UHD), where he is Chair of the Charity and Sustainability Committees' and member of the Finance and Audit Committees'.
- Chair of the Natural Capital Coalition and is now a board member of the Capitals Coalition.
- Chair of the ACCA Global Sustainability Forum
- Member of HRH The Prince of Wales Accounting for Sustainability Project (A4S) Advisory Council
- Trustee of JTL Training and Chair of The Finance and Audit Committee and Trustee of The Centre for Sustainable Healthcare.



## **Dame Caroline Mason**

Dame Caroline is a member of the Environment and Business Committee and the Pensions Committee. Caroline is the Area Board member for Herts and North London.

Caroline is Chief Executive of the Esmée Fairbairn Foundation, one of the UK's largest independent grant-making foundations. She was previously Chief Operating Officer at Big Society Capital and, Chief Operating Officer at Charity Bank.

Caroline was the co-founder of Investing for Good, a social investment advisory firm and one of the first Community Interest Companies. Before joining the social sector, Caroline worked in creative and innovative product development in the financial services sector. Caroline was appointed CBE in 2013 for services to social investment and awarded a Damehood in the New Year 2021 Honours for services to the Charity Sector, notably making an additional £16m of funding available to help organisations across a wide range of sectors during the Covid-19 pandemic.

## **Lynne Frostick**

Lynne is Chair of the Flood and Coastal Risk Management Committee and the Regional Flood and Coastal Committee (RFCC) and lead Board member for FCRM. Lynne is also the Area Board member for Yorkshire and the North East areas.

Lynne is a Professor Emerita in Physical Geography at the University of Hull, a fellow of the Geological Society and Chartered Geologist, a fellow of the Royal Geographical Society and Chartered Geographer, a fellow of the British Society for Geomorphology and a member of the International Association for Hydraulic Research. Since 2018, Lynne has been an Honorary Fellow in the Energy and Environment Research Institute at University of Hull and was awarded the David Linton medal of the British Society for Geomorphology in 2021.

## **Richard Macdonald**

Richard is Deputy Chair and a member of the Audit and Risk Assurance and People and Pay Committees and Chair of the Environment and Business committee.

Richard is the lead Board member for Land Agriculture, ethics lead, and is also Area Board member the West Midlands.

Richard was the Chair of the Better Regulation Task Force and was responsible for its implementation. He has a strong farming background and was the Director General of the National Farmers' Union from 1996 to 2009. He is the Chairman of Sidia (a social impact business in Kenya), and the Vice Chairman of the National Institute for Agricultural Botany (NIAB).

## Further information

- The Environment Agency is a Non-Departmental Public Body set up under the Environment Act 1995 to take an integrated approach to environmental protection and enhancement in England. It has major responsibilities in flood management, water resources and quality, climate change, land quality, chemicals, pollution prevention and control, waste, conservation and biodiversity, fisheries conservation, air quality and navigation.
- The Board for the Environment Agency comprises a Chair and ten members.

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## [Media Advisory Notice – Ali Harbi Ali](#)

### News story

The Attorney General confirms the position in relation to reporting the first hearing and the hearing held today, in the case of Ali Harbi Ali.



The Attorney General confirms the position in relation to reporting the first hearing and the hearing held today, in the case of Ali Harbi Ali, accused of the murder of Sir David Amess MP and the preparation of terrorist acts.

Ali Harbi Ali appeared at Westminster Magistrates' Court yesterday for the first hearing in his case and at the Central Criminal Court today.

The Attorney General Rt. Hon Suella Braverman QC MP wishes to remind those reporting about the first hearing of the provisions of the Crime and Disorder Act 1998, in particular sections 52A and 52B. These provisions govern what may, and may not, be reported about the first hearing of a defendant whose case is then sent to the Crown Court for trial.

The Attorney General further wishes to remind those reporting in general

about this case of the provisions of the Contempt of Court Act 1981 and the requirement not to publish anything which creates a substantial risk that the course of justice in the proceedings will be seriously impeded or prejudiced. Editors, publishers and social media users should take legal advice to ensure they are in a position to fully comply with the obligations to which they are subject under the Crime and Disorder Act 1998 and the Contempt of Court Act 1981.

The Attorney General's Office is monitoring the coverage of this investigation.

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