





Trade Workshop for Overseas Territories, Crown Dependencies and Devolved Legislatures

Final Report

April 2023

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About CPA UK

CPA UK supports and strengthens parliamentary democracy throughout the Commonwealth

CPA UK focuses on priority themes which support and strengthen parliamentary democracy throughout the Commonwealth. These priority themes are: women in parliament; tackling modern slavery; security; public accounts committees; and international trade.

CPA UK brings together UK and Commonwealth parliamentarians and officials to share knowledge and experience through peer to peer learning. It aims to improve parliamentary oversight, scrutiny and representation and is located in, and funded by, the UK Parliament.



Building stronger parliaments and advancing democracy

CPA UK's core work is to build relationships with parliaments across the Commonwealth. This is achieved through a programme of parliamentary strengthening and capacity building activities.



CPA UK undertakes work at the request of other parliaments around the Commonwealth, and our tailored programmes include both individual country activities, and large scale projects and activities that bring together Commonwealth parliamentarians and parliamentary officials.



Introduction

About CPA UK and International Trade

With the departure of the UK from the European Union, there is potential for new trade relationships across the Commonwealth. There is also a great opportunity for extensive knowledge sharing, which will be of mutual benefit to all countries across the Commonwealth as the UK enters into a new era of negotiating and scrutinising unprecedented trade agreements. CPA UK has a crucial role in this by bringing Commonwealth parliamentarians together to further build their relationships and develop their capacity in the area of international trade policy.

Introduction to the Workshop

The UK's decision to leave the European Union presented the UK, Crown Dependencies and Overseas Territories with unique opportunities and challenges. For the first time in over 40 years, the UK has been able to independently pursue trade agreements and with this has come a need for greater parliamentary oversight and scrutiny, as partnerships are formed.

In response to this need, CPA UK organised a three-day workshop from 7 to 9 February for parliamentarians from the Overseas Territories, Crown Dependencies and Devolved Legislatures in Westminster. With the overall aim of enhancing effective scrutiny and oversight of international trade agreements, the workshop focused on various aspects of this in more detail.

Delegates explored the international trade landscape across the Commonwealth and the impact of Brexit on UKOTs and Devolved Nations. The programme included sessions across a range of thematic areas, including the negotiation process, sustainable development considerations, research and evidence-based scrutiny, and stakeholder consultation for inclusive trade policies.

CPA UK gathered both formal and informal feedback throughout the workshop. Highlights for delegates included hearing from experts on international trade agreements, the opportunity to network with relevant stakeholders in the UK Parliament, and a practical exercise held on scrutinising free trade agreements.

Delegates



Anguilla Hon. Kyle Hodge



Cayman Islands Hon. Isaac D. Rankine MP



Falkland Islands Hon. Teslyn Barkman MLA



Guernsey Deputy Nicholas Moakes



Isle of Man Claire Christian MHK



Jersey

Deputy Montfort Tadier Connétable Richard Vibert



Montserrat

Hon. Paul Lewis Hon. Veronica Doresette-Hector



Saint Helena Hon. Dr Corinda Essex



Turks & Caicos Islands Hon. Jameka L. Williams



Wales Alun Davies MS

International Trade Landscape

International Trade Landscape Across the Commonwealth

This opening session of the workshop gave a global overview of trends and patterns in international trade across the Commonwealth today. Delegates were given the opportunity to explore the opportunities and challenges faced by regions and members of the Commonwealth, as well as current attempts to strengthen dialogue, networking, and collaboration in relation to inclusive trade policies.

Dr Brendan Vickers, Commonwealth Secretariat, shared his perspective on the current international trade landscape and the impact of Covid on international trade and investment, post-Covid economic recovery and the role of technology within this. The headline of Dr Vickers's contribution was the significance of trade within the Commonwealth: with intra-Commonwealth exports being forecasted to exceed 1 trillion US\$ by 2026. However, it was noted exports in intra-Commonwealth trade are highly concentrated, exemplified by goods and services mainly coming from India and Singapore.

Dr Vickers outlined what he considered to be the key outcomes from CHOGM in relation to trade. Heads of State: agreed ambitious actions to boost trade to 2 trillion US\$ by 2030; recognised the importance of trade for inclusive and sustainable economic growth and prosperity; and recognised the need to promote food security through trade.



International Trade Landscape

Key challenges faced by international trade in recent history highlighted by Dr Vickers included COVID-19, global inflation, debt, and climate change. COVID-19 reportedly created a significant drop in global trade and investment, albeit followed by a recovery led by the goods trade.

Professor David Luke, London School of Economics, provided insight into the development of trade policy, focusing on the Africa trade landscape and the opportunities and challenges for the region post-Brexit. A key challenge for the region was highlighted as the legacy of colonial relations persisting with asymmetrical trade relations, even though Africa is rich with oils, minerals, and other commodities.

A key trend in international trade highlighted by both speakers was the growth in digital trade, which presents both opportunities and challenges to jurisdictions in the Commonwealth. There was a general concern that the growth of digital trade was likely to reinforce existing asymmetrical trade relations, owing to the unequal growth of technology across different regions.

Recommendations for boosting intra-Commonwealth trade included:

- Strengthening and reforming the multilateral trading system, with more balanced relationships with formerly colonised and small jurisdictions.
- Promoting sustainable trade in the circular economy.
- Forming partnerships with the UK and EU on digital trade.
- Engaging with young people who represent a large portion of the Commonwealth population, for example under the Secretariat's connectivity agenda through youth entrepreneurship.







Brexit Briefing: Part 1

The UK Seven Years On

This discussion centred on the UK's exit from the European Union, the ways in which the UK's trading landscape and parliamentary scrutiny processes have changed since, the future direction that the UK's trading policy may take, as well as Brexit's wider impact.

The Rt Hon. The Lord Lansley CBE discussed the broad role of the House of Lords during Brexit negotiations, wherein they were responsible for scrutinising agreements with the EU, followed by free trade agreements with Japan, Australia and New Zealand. Lord Lansley shared that the International Trade Committee would be keen to hear from smaller jurisdictions when gathering evidence, although noted that there is currently no formal process which ensures this will be done systematically.

Professor Holger Hestermeyer highlighted that the key issue with trade negotiations is that the range of views consulted upon are not broad enough, and often exclude smaller jurisdictions, despite them being directly impacted. In addition, Professor Hestermeyer further noted that, even when diverse stakeholders are consulted, this occurs too late in the process. He concluded that it is necessary for everyone with an interest to be involved from the beginning of negotiations to secure better outcomes for all stakeholders.

Dr Joelle Grogan discussed the limitations of current parliamentary scrutiny in the UK. The process has not changed since 2010, while the context and content of agreements have changed drastically. Reportedly, there is no legal obligation to seek consent or approach Parliament to negotiate treaties, and there are no legal requirements for the Government to seek the views of Overseas Territories, Crown Dependencies and Devolved Legislatures.

Dr Grogan's overall view was that the negotiation process remains opaque compared to how treaties are led in the EU, providing little to no opportunity to reopen negotiations if a disagreement is found. This was considered a point of particular concern considering commitments laid to trade agreements are binding on future parliaments.

This sentiment was shared by participating Overseas Territories, Crown Dependencies and Devolved Nations, who believed they were not effectively consulted upon during trade negotiations or advocated on behalf of. All delegates agreed on the need for more formal inter-institutional accountability and scrutiny, so that jurisdictions also directly impacted by agreements are able to have their say.

Behind the Scenes

Behind the Scenes: A Look at the Negotiation Process

During this session, delegates heard from the experiences of former trade negotiators and experts, to better understand the mechanisms that are at play during negotiations, and the ways in which these should be considered by parliamentarians.

Dr Minako Morita-Jaeger noted that, while trade negotiations differ across countries, generally there is interaction between domestic and international law. Dr Morita-Jaeger highlighted civil society organisations to be key stakeholders in the West, due to the impact of agreements on policy decisions. She emphasised that cross departmental conversations are key to ensure non-business stakeholders are accounted for, such as during the UK-Australia agreement.

James Kane discussed the workings of the UK Government's Department for International Trade (now the Department for Business and Trade), including the consultation process for prospective new trade agreements with parliament and UK business. James cited the announcement of a new department covering Business and Trade as an opportunity for the UK Government to redefine its relationship with business during the negotiation process.

Dmitry Grozoubinsky shared that the nature of trade negotiations means there must be elements which are opaque to outsiders. Dmitry noted that for parliamentarians not involved in negotiations there is a need to know how much someone is able to influence the process and what tools are available to do so. Identifying a thematic champion in the cabinet room that is involved in the negotiation was highlighted as a key means through which outsiders are able to influence the process.



Fisheries and Trade

Fisheries and Trade: Possibilities and Challenges in the OTs and CDs

This session explored the ways in which these nations' fisheries are impacted by issues such as regulatory autonomy, access to waters and quota shares.

Daniel Zeichner MP shared the difficulties around comprehending fisheries policy when not in government, notably due to the variation in context across the UK. Mr Zeichner noted that the issue of regulatory autonomy remains post-Brexit, despite leaving the Common Fisheries policy, wherein additional bureaucracy from the EU trade deal has made things more difficult for certain parts of the sector such as shellfish. Stakeholder consultation was highlighted as key for parliamentarians to understand the opportunities and challenges facing different sectors.

Hon. Dr Teslyn Barkman discussed the importance of squid and fish to the economy of the Falkland Islands: forming the base of wealth and 30% of government budget being dedicated to maritime sustainability. Prior to Brexit, Hon. Dr Barkman shared that one fishery alone made £1.7 billion over the last 9 years, raising the question of how the jurisdiction can continue to grow this revenue outside of the EU when this supported 44% of the Falklands economy.

Hon. Dr Barkman summarised that the Falkland Islands were the most effected OT by Brexit in terms of trade. As they are not currently encapsulated in the EU-UK Trade and Cooperation agreement, parliamentarians are advocating for inclusion and/or their own bespoke agreement with the EU.



Fisheries and Trade

Barrie Deas noted that fisheries carry a disproportionate political and symbolic heft, as demonstrated by the Brexit negotiations. He discussed five different types of access which are crucial for the fishing industry and how they have been impacted by Brexit:

1) Access to fishing opportunities: Zone attachment is not included in the EU trade agreement. A key criticism from the fishing industry is that there is an imbalance in the proportion of non-quota species allocated to UK fisheries.

2) Access to fishing grounds: A 12-mile exclusive limit for fishing was not granted in the trade agreement, and existing access agreements expire in 2026. Barrie Deas predicted that displacement will be a key issue and the UK is likely to lose a third of existing fishing grounds due to spatial squeeze.

3) Access to labour: The conflict between labour shortages and immigration policy is likely to have an impact on the fishing industry in upcoming years.

4) Access to decision making: The UK Fishing Act provides for fishing management plans and provides a more useful framework than what existed previously, with potential for engagement with grassroots fishermen.

5) Access to markets: Leaving the single market and customs union reportedly created initial associated problems with selling fish into the EU, however high fish prices have averted the crisis.



Sustainable Development Goals

The Sustainable Development Goals and Trade: Connections and Contributions

This session detailed the ways in which current trading processes attempt to uphold the Sustainable Development Goals, identifying several steps that could help ensure that international trade acts as an engine for inclusive growth and poverty reduction.

Lord Purvis discussed the need for effective parliamentary scrutiny to reveal the compatibility of trade agreements with sustainable development goals and human rights concerns. Lord Purvis reported that, while trade can positively contribute to social and economic justice, there is a need for this to be more systematically incorporated from the beginning of trade negotiations in order to achieve these aims.

Jean Blavock similarly highlighted the difference between what trade agreements could achieve, compared to what they achieve in practice. Jean discussed the importance of binding and aspirational language in trade deals to ensure agreements act in the interests of equality, sustainability, and development. While there tends to be binding language about market provisions, Jean reported this is rarely used with regards to issues of human rights and sustainability.

Ruth Bergan approached the session from an environmental perspective, drawing attention to the deterioration of sustainable development and environmental inclusion within trade deals, as a result of a lack of overarching strategy following the UK's exit from the European Union. Ruth discussed the Trade Justice Movement's campaign which purports the UK should exit the Energy Charter Treaty in order to promote transitioning to a low carbon economy and support developing economies in lowering their emissions.



Brexit Briefing: Part 2

The Impact of the UK's Exit on OTs, CDs and Devolved Legislatures

This roundtable provided an opportunity for delegates to reflect on the ways in which the UK's exit from the EU has shaped the trade and investment landscape of their jurisdictions, exploring the impact of the UK-EU deal, as well as the barriers faced by smaller legislatures in post-Brexit international trade.

Hon. Corinda Essex shared the challenges facing St Helena resulting from Brexit, including a greater reliance on the UK government to meet their financial needs. Hon. Essex further reported that there was little consultation with St Helena during the negotiation stage, despite their reliance on funding from EU programmes.

Alun Davis MS shared the challenges facing Wales, notably the lack of autonomy and mechanisms to resolve disputes resulting from Brexit. Mr Davies MS communicated a general consensus in the Senedd that they have not been consulted enough during post-Brexit trade negotiations, nor sufficiently informed with regards to trade agreements directly impacting the jurisdiction.

Both speakers highlighted the need for diverse voices from Overseas Territories, Crown Dependencies and Devolved Legislatures to be involved at early stages of the negotiation process, in order to ensure their priorities are also incorporated, as well as to improve their understanding of how agreements will operate in practice.



Parliamentary Mechanisms

Parliamentary Mechanisms for Influence and Impact

This session considered the ways in which parliamentarians around the world make their voices heard, with regard to the government's approach to international trade and economic policy.

Lord Mann provided an overview of both Houses, and the methods in which Peers specifically provide parliamentary oversight. Lord Mann further discussed the use of standing orders by members in the UK Parliament to steer parliamentary business, such as in cases where backbench MPs took control of the order paper during Brexit discussions, eventually passing a Private Members Bill extending Article 50.

Hon. Paul Lewis highlighted the main parliamentary tools for oversight and scrutiny in the Legislative Assembly of Montserrat, and further discussed the use of cross-party working in the Legislative Assembly in order to promote stronger scrutiny.



Communications Workshop

Workshop - Debates, Committee Questioning and Written Questions

This workshop, led by **Ginny Radmall**, focused on effective communications in the parliamentary context, exploring good practice and techniques for members when contributing to debates, delivering oral questions, and interacting with the public.

Delegates highlighted common challenges they face in communicating effectively, such as: speed control, conciseness, repetition of certain phrases, and balancing passion with aggression in tone. Delegates also highlighted challenges with managing expectations of different demographics and balancing how much information to reveal on certain issues.

A key aspect of the workshop therefore focused on participants' ability to communicate complex messages on technical areas such as trade agreements, quotas, and tariffs, in a clear and direct way, for the benefit of fellow members and the wider public.

To do so, Ginny's overarching recommendation for delegates was to demystify the subject area before seeking to speak on it with authority, using oral questions to learn the facts and gain clarity. Challenges around speed control and use of filler words were highlighted by Ginny as more likely to surface when the subject area is not fully comprehended.

"Seek first to understand, then to be understood"

When using Oral Questions, Ginny recommended:

- Starting with a question that seeks information only, then followed by supplementary questions framed around the information provided.
- Framing the question in a positive and genuinely inquisitive manner.
- Using a very open question to identify areas the speaker does or does not want to address.
- Remaining respectful without falling into the trap of changing the tone as the questioning progresses.

Ginny further explored how non-verbal cues support speaking interventions, including a person's stance. Standing to one'smaximum height was recommended, to support both breathing and outward image.

Trade Agreement Workshop

Practical Workshop: Reviewing a Free Trade Agreement

This practical workshop, led by Professor Michael Gasiorek, provided delegates with the opportunity to practice key methods and processes when analysing a free trade agreement. The workshop aimed to support delegates in understanding how to ascertain the scope and implications of a free trade agreement (FTA).

Professor Gasiorek highlighted the key initial questions to consider on FTAs:

Key initial questions to consider on FTAs:

- What are the overall gains from FTAs?
- What drives these gains?
- Who are the winners and losers?

Professor Gasiorek shared that FTAs have increased in complexity and content substantially over the last twenty years, creating more scope for interdependencies. Agreements therefore also differ widely: they will typically have common areas relating to tariffs, but commitments vary.

Professional Gasiorek highlighted a range of key questions to consider when analysing a FTA, including:

Key questions to consider when analysing a FTA:

- What interdependencies does the FTA create?
- What changes in market access have been agreed?
- What are the trade-offs? Are they politically and economically acceptable?
- What is binding and non-binding?
- What are the time scales in relation to market access, for review and/or negotiation, and for other specific provisions?
- Which areas are covered by dispute settlement?
- What remedial and/or rebalancing measures are allowed?

Professor Gasiorek also recommended seeking research and evidence to systematically work through the question above, drawing on official government documents such as scoping and impact assessments, parliamentary inquiries, stakeholder engagement, and independent academic researchers.

Scrutiny Process in the UK Parliament

Scrutiny Process in the UK Parliament

This session focused on the role of the UK Parliament in examining and challenging the work of the executive, hearing from a panel of speakers with experience scrutinising free trade agreements and supporting members through the oversight process.

Baroness Hayter and **Alexander Horne** highlighted the importance and essence of scrutiny for the benefit of supply chains. The International Agreements Committee in the House of Lords was highlighted as one of the key mechanisms through which this can be done, with around 3 months to scrutinise and complete reports on trade agreements or other thematic areas.

Both speakers noted that, because Parliament is rarely given all the information, engaging upstream with ministers in private meetings is more likely to result in being able to influence the outcome of negotiations.

Anthony Mangnall MP emphasised the importance of parliamentary scrutiny, including ministers and their advisors making themselves available to committees, particularly now, at a time when the UK is signing an increasing number of trade deals. Mr Mangnall MP also expressed an interest in working more closely with OTs to find mutual interests and ensuring their views are incorporated within evidence taken by his International Trade Committee.

Arabella Lang discussed the Parliaments and Treaties Hub and its role within the scrutiny process in the area of trade. The Hub advises parliamentarians' work on trade deals, making formal and informal recommendations on parliamentary scrutiny and assessments of agreements. Arabella reported that the Hub was designed to fill the gap in parliamentary expertise in trade and treaty scrutiny.

Key recommendations agreed by the panel included:

- The creation of greater incentives for Government to allow sufficient time for effective parliamentary scrutiny of trade deals.
- The establishment of a broader politically binding contract setting out the jurisdiction government and parliament have over the treaty process.
- The growth of more independent reports and assessments on treaties, by organisations such as the Parliament and Treaty Hub.

Stakeholder Consultation

Stakeholder Consultation and Trade Policy

This session provided participants with an opportunity to hear from a variety of key external stakeholders, as well as the important roles they have played in facilitating trade bill scrutiny.

Professor Christopher Dent discussed the role of stakeholder consultation within the International Trade Committee and his role as Special Advisor. Professor Dent shared that stakeholder evidence is incorporated into the scrutiny process and forms the basis of questions posed to government.

A key challenge highlighted by Professor Dent was the increasingly transnational nature of trade, resulting in a politically complex situation whereby stakeholders are operating in different jurisdictions and time zones. While stakeholder engagement varies, dependent on the complexity of agreements, New Zealand was highlighted by Professor Dent as a good practice example wherein trade negotiators have demonstrated a robust long-term strategy and included stakeholders at every stage of development.

Rosa Crawford introduced the Trade Union Congress and the role of trade unions more broadly in trade negotiations. Rosa reported that generally trade unions have not been meaningfully consulted in trade negotiations, despite being involved with a number of advisory groups. As a result, none of the current agreements have labour chapters to provide a mechanism to improve workers' rights.

Rosa highlighted the value of parliament engaging with trade unions on this area, to support parliamentarians asking for more transparency and ensuring human rights, as well as to build momentum around an agenda that supports workers' rights.



Research and Evidence Based Scrutiny

This session explored avenues that parliamentarians can take to source and utilise key research and evidence to support effective scrutiny of trade policy and agreements.

Emily Unell discussed the role of the clerking team in supporting the delivery of inquiries, ensuring the committee takes evidence from a wide range of sources, and supporting the drafting and publication of reports.

Emily reported that research is a key part of determining who a committee will hear from, to identify who is especially impacted by the content of a trade agreement. A key consideration of the committee is also ensuring balance in perspectives, as well as ensuring they reach out to voices which may not ordinarily have the time or resources to contribute to inquiries.

A key challenge highlighted by Emily was around the novelty and complexity of the committee's relationship with the department it scrutinises. The New Zealand trade agreement was highlighted as the first to be negotiated by the UK from scratch, and therefore the first agreement which was subjected to committee scrutiny of this kind. As a result, both government and the committee were learning and navigating how much information was appropriate for the government to reveal.

Alexander Horne discussed the benefits of hybridity in terms of stakeholder engagement, through opening up opportunities to take evidence virtually from all over the world. The HOL has also maintained hybrid meetings, so members are able to join even when they are not well to travel or have caring obligations, while remaining heavily involved in the scrutiny process.

A key barrier to scrutiny identified by Alexander was the lack of fixed procedure on how to scrutinise agreements after they are amended. Only agreements subject to ratification are required to be laid before parliament for scrutiny.

Workshop Feedback

CPA UK seeks to make our programmes as tailored and as relevant as possible to the needs of delegates. We do this through consultation with our key stakeholders and continuous learning from previous activities.

Below are statistics collected from evaluation forms completed by delegates in relation to their experience of the Workshop.

KNOWLEDGE ON TRADE IN THE COMMONWEALTH

1 53% Delegates' knowledge increased by 53.04% on the trading landscape across the Commonwealth.

KNOWLEDGE ON TRADE POLICIES & NEGOTIATION

62% policies and the negotiation process. Delegates' knowledge increased by 62.38% on the development of trade

KNOWLEDGE ON TRADE & SUSTAINABLE DEVELOPMENT

Delegates' knowledge increased by 32% on the role of trade in the **1 32%** Delegates knowledge independent.

KNOWLEDGE ON PARLIAMENTARIAN SCRUTINY OF TRADE POLICY

Delegates' knowledge increased by 47.93% on the role of **47%** Delegates knowledge interest and policy.

KNOWLEDGE ON COMMITTEES SCRUTINY OF TRADE AGREEMENTS

1 65% Delegates Knowledge the scrutiny of trade agreements. Delegates' knowledge increased by 65% on the role of Committees in

KNOWLEDGE ON EFFECTIVE COMMUNICATION AND PERSUASION

Delegates' knowledge increased by 41.94% on how to employ effective **1 41%** Delegates knowledge increased by the table of the communication and persuasion techniques as a parliamentarian.

Future Opportunities

Under its International Trade work, CPA UK will be focussing on a number of key areas over the coming years, both in response to developments in global trade policy and trends across the Commonwealth. This will include both bilateral discussions through the International Partnerships Team and multilateral work covering a number of regions through the work of the Multilateral Projects Team.

With the impact of trade agreements on marginalised groups, including women, a growing area of discussion, the important role of parliamentarians in ensuring policies are scrutinised through a gender-sensitive lens will be a focus of upcoming programmes, including trade and its role in women's economic empowerment across the Commonwealth.

In the post-Covid era, digital trade has become an increasingly growing area of global cooperation, in particular through increased e-commerce and digitally delivered services. As part of its upcoming international trade work, CPA UK will bring parliamentarians and experts together to discuss the opportunities presented by digital trade, including accelerating the Commonwealth's post-Covid recovery, as well as the challenges around ensuring nations are cyber secure.

For further information on CPA UK's International Trade theme, please email Rahel Kibru, International Trade Thematic Lead, on <u>kibrur@parliament.uk</u>.



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