

UK International Agreements

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Executive summary

After Brexit, the UK membership in several agreements between the EU and third countries will lapse. The UK government has announced a wide strategy of replicating the effects of these agreements quickly. Some of them concern trade: their coverage spans from basic rules on trade in goods to anti-corruption policies and corporate governance standards. Recent agreements have comparable coverage. Other agreements address different matters. Replacement of bilateral agreements normally requires negotiation with the non-EU party. Transitioning multilateral agreements, instead, requires UK accession to each treaty and does not require the drafting of a new text.

As far as devolved competences are concerned, some recurring elements are notable. Trade agreements often include: rules on public procurement; rules on trade in agricultural and fisheries products, including the promotion of geographical indications; commitments on environmental protection and sustainable fisheries and forestry. Some agreements include rules on judicial cooperation against corruption and money laundering. Multilateral agreements, some of which do not concern trade, can cover environmental protection and cooperation in civil justice matters.

Introduction

This background paper follows the “Update on international agreements” sent by RT Hon Steve Barclay MP on 25 January 2019 (the “Update”) and the UK Government’s Policy Paper “Processes for making free trade agreements once the UK has left the EU” of 28 February 2019 (the “Policy Paper”). The Update contains a list of international agreements to which the UK is currently a party by virtue of its EU membership. These treaties are targeted for a “replacement” plan, to preserve their effects for the UK in the future. The Policy Paper explains the process of negotiating new free trade agreements for the UK after Brexit (that is, agreements for which there is currently no EU equivalent).

After a no-deal Brexit, the UK would cease to be a party to EU treaties with third parties. The Update mentions the possibility that, if a deal is achieved, “the EU ... will notify treaty partners that the UK is treated as a Member State for the purpose of these existing EU agreements during the implementation period.” It is worth pointing out that this arrangement cannot operate without the treaty partners’ consent. The word “notification” arguably indicates a request. The treaty partners can grant or decline such request, even if the EU approves it and volunteers to convey it to the third country.

The UK Government wishes to ensure “continuity in international agreements.” To this purpose, it mapped all treaties that require replacement after Brexit. This background paper offers an overview of these treaties, clarifying their content and, where possible, flagging **through highlighting in bold** their possible relevance to Scottish devolved powers.

The focus of the Update is on trade agreements. Some recent ones (e.g., the agreements with Japan and Canada) are “deep integration” trade agreements. They

regulate matters going beyond the typical commitments in trade liberalisation, and touch upon several policies that might relate to free trade only indirectly.

Other treaties listed in the Update are also addressed below.

How trade agreements are made in the UK and in the EU

1. The process in the EU

Given that the Update focuses on existing EU agreements, it is helpful to describe how trade agreements are concluded in the EU. The negotiator is the Commission, but both legislative bodies (Council and Parliament) must consent to the agreement's entry into force.

Initially, the Commission holds an impact assessment study, a public consultation and a scoping exercise with the potential partners. If these steps prove promising, the Commission makes a recommendation to the Council of the EU to authorise the opening of the negotiations.

If the Council agrees, the authorisation comes with a "negotiating mandate." In the mandate, the Council sets the directives for the negotiation, including its goals, scope and possibly the timeframe.

The EU Chief Negotiator, appointed by the Commission, assembles a team of Commission's experts, depending on the topics included in the agreement. At every round of negotiation, the Commission publishes an update. The Commission must consult with the Council's Trade Policy Committee and must inform the Parliament at each stage.

The Parliament's International Trade Committee regularly discusses the negotiations and can make resolutions to express its view on how the negotiations should proceed.

After the Commission and the treaty partners reach an agreement on the text of the deal, the Commission submits formal proposals for adoption to the Council. Following discussions, the Council adopts a decision for the signature of the agreement on behalf of the EU. It then transmits the signed agreement to the European Parliament for consent (a yes/no vote). After the Parliament gives its consent, the Council adopts the decision to conclude the agreement.

Please note: when an agreement also touches upon matters reserved to Member States, it is a so-called "mixed agreement" and it requires the ratification of each Member State.

2. UK Government approach to trade agreements negotiation

On 28 February 2019, the UK Government published [Processes for making free trade agreements once the UK has left the EU](#). The paper set out the UK Government's proposals for how the UK will agree future trade deals with third countries after Brexit. The proposals do not apply to other international negotiations and treaties, including negotiations on the future relationship with the EU or to "replacement" treaties seeking to transition existing EU treaties.

The key elements of the UK Government's proposals are:

- A strong and effective role for the UK Parliament in scrutinising the Government's trade policy and free trade agreements whilst recognising that "making, amending and withdrawing from treaties are functions of the executive which are carried out in exercise of the Royal Prerogative".
- Consideration by the UK Parliament of the Government's outline approach to negotiations, which will include its negotiating objectives.
- A close relationship with a specific parliamentary committee in each House as the negotiations progress enabling the committees to produce "a detailed report on the agreement that had been reached".
- Parliamentary scrutiny of the final agreement under CRaG - the Constitutional Reform and Governance Act 2010 (CRAG).

From a **devolved perspective**, the UK Government paper states:

"Government is committed to working closely with the devolved administrations to deliver a future trade policy that works for the whole of the UK. It is important that we do this within the context of the current constitutional make-up of the UK, recognising that international treaties are a reserved matter but that the devolved governments have a strong and legitimate interest where they intersect with areas of devolved competence."

The UK Government also highlighted three commitments in relation to dialogue with the devolved administrations on international trade matters:

- regular Senior Officials' Groups, held every six weeks;
- an ongoing programme of monthly round-tables on technical policy areas
- Formation of a new intergovernmental Ministerial Forum for international trade.

On the **role of the devolved legislatures**, the UK Government wrote:

"We recognise that the devolved legislatures also have a strong and legitimate interest in future trade agreements. It will be for each devolved legislature to determine how it will scrutinise their respective Governments as part of the ongoing process. Equally, the means by which our Parliament in Westminster works with its devolved counterparts is a matter for the legislatures themselves, in line with their existing interparliamentary ways of working."

3. Scottish Government proposals on future UK trade policy

Ahead of the UK Government publishing its approach paper, the Scottish Government published [Scotland's role in the development of future UK trade arrangements](#) on 30 August 2018. The Scottish Government outlined the key conclusion of the document:

“The paper considers that decision making process and argues that the Scottish Government and Scottish Parliament must play a much enhanced role in the development of future trade policy and the preparation, negotiation, agreement, ratification and implementation of future trade deals, to help industries, protect devolved public services and ensure the highest standards of environmental and consumer protection in Scotland and across the UK. Doing so will require a significant change in the current arrangements for scrutiny and democratic engagement, which are already out of date, under strain and in urgent need of reform.”

Trade and trade-related agreements

Trade agreements are particularly important for the UK after Brexit. Unlike other treaties, the UK has been unable to negotiate and conclude trade treaties autonomously so far. Since trade and foreign investments are EU-reserved competences, the UK has aligned itself to the EU common external economic policy led by the EU Commission. After Brexit, the UK could re-appropriate the power to set external tariffs and conclude trade deals in its own right.

The agreements listed in the Update are at different levels of completion. Some are finalised and their entry into force is only conditional upon Brexit happening. Others appear to be at the stage of drafting or legal scrubbing. With other possible partners (e.g., Japan, Canada, Australia, New Zealand) negotiation talks might have started, but no document is available to comment on.

When information about the new UK deal exists, the comments refer to the new draft or finalised text [\[updated on 22 March 2019\]](#). Otherwise, the comments refer to the existing EU agreement that the UK needs to replace. In terms of coverage, the assumption is that the existing EU agreements will be a close template for the new UK ones. Therefore, EU texts are a valid starting point for the present exercise.

A recent development must be mentioned, because it affects future trade negotiations. On 13 March 2019, the UK Government announced that it will establish [a temporary regime of unilateral liberalisation in case of no deal](#). The UK will not simply transition its current tariffs – something that would entail the abrupt imposition of tariffs on imported EU products, and the ensuing burden on consumers and business importers. Instead, a range of new products will enter duty free into the UK, and custom duties will be retained only to protect selected industries (e.g., lamb, ceramics, fertilisers).

This regime, which is ostensibly temporary, might undermine the UK’s negotiating leverage in future trade talks with other countries. Trade agreements would normally open a country’s market further, with respect only to selected trade partners, compared to its general degree of openness stipulated under WTO law, which prohibits discrimination based on the origin of goods and services. A comprehensive non-discriminatory tariff-free regime makes it harder to identify the kind of preferential concessions that a trade partner typically expects, at least with trade in goods.

Bilateral trade and trade-related agreements already signed by the UK

1. UK – Switzerland

The UK – Switzerland agreement was concluded in Berne on 11 February 2019. Unlike other trade agreements, it does not use a single previous EU treaty as a model. It rather consolidates into one text several EU-Switzerland treaties on trade.¹ The parties agreed to discuss, within 24 months from its entry into force, the possibility of regulating other areas, such as trade in services, protection of intellectual property rights, labour, environment, trade remedies and dispute settlement.

The coverage of the treaty is mainly about trade in goods and government procurement, with a section on cooperation in criminal matters. In more detail, it covers:

Tariffs on goods: mostly 0% in sectors relevant to UK trade; customs security (border inspection and formalities: not rolled over unless Joint Committee decides otherwise).

Fisheries and Agriculture: reduced tariffs and tariff-rate quotas; removal of non-tariff barriers. Several sections on sanitary and phytosanitary measures, as well as the treatment of organic foods, were disapplied.

Public procurement: higher concessions than granted under WTO law; additional market access to sub-central districts and municipalities; new liberalised sectors: telecommunications, railway operators, energy (excluding electricity), and private utility providers. In this respect, the entire WTO concessions have been included to ensure continuity in the event that the UK would fail to become a party to the WTO GPA agreement shortly (in fact, the UK re-joined the GPA in time).

Mutual recognition: recognising standard conformity certifications by recognised bodies in the exporting country – three sectors covered, including pharmaceuticals and automotive. On 17 further sectors, there is no agreement yet (e.g., construction products, medical devices, explosives for civil use).

Tariff preferences to developing countries: no tariffs on goods from qualifying developing countries.

Anti-fraud: full judicial cooperation and administrative assistance on fraud and all other illegal activities, including customs and indirect trade-related tax offences. Cooperation against money laundering, covering in particular serious cases of fraud and smuggling.

¹ The list and details of the eight agreements is contained in Article 1(1) of the Treaty.

2. *UK – Chile Association Agreement*

This association agreement seeks to replicate the effects of the EU-Chile Agreement that entered into force in 2005. The new UK agreement consists of a short document that incorporates the EU-Chile one and details the necessary amendments.

Trade in goods and services: removal (or reduction) of tariffs and other trade barriers; wider concessions in services and framework for mutual recognition of qualifications.

Agricultural and fisheries products: lowers tariffs, increases tariff-rate quotas and **protects Geographical Indications**. Special safeguards (higher tariffs) are allowed when imports reach a high level. Tariff-rate quotas were updated to account for the size of the UK economy, based on historical trends.

Public procurement: increased liberalisation.

Social cooperation: the parties committed to cooperate in raising and upholding labour rights, non-discrimination on grounds of gender and **fighting drug-trafficking and organised crime**.

Intellectual property: enhanced protection to intellectual property, including **Geographical Indications**.

3. *UK-Faroe Islands FTA*

The UK-Faroe Islands FTA is finalised and can enter into force on exit day (or after the transitional period). It is a goods-only agreement that replaces the EU-Faroe Islands agreement. It does not contain sections on services, IP rights, government procurement. Note that trade flows between the two countries are almost negligible with one exception: yearly trade of fish and crustaceans from the Faroe to the UK amount to approximately £200 million in value.

The new UK agreement consists of a short document that incorporates the EU-Faroe one and details the necessary amendments

Trade in goods: removal (or reduction) of tariffs and other trade barriers.

Fisheries products: tariff-rate quotas are adjusted to reflect the size of UK market and historical trends. A Veterinary Protocol unifies Faroese law to EU standards, but the UK did not commit to retain those terms. The Faroe Islands cannot recognise future new UK standards as equivalent to EU ones. This amendment might result in non-trade barriers to trade, in the form of veterinary controls and inspections.

4. *UK-Israel Trade and Partnership Agreement*

This treaty seeks to replace on a bilateral level the effects of three agreements between the EU and Israel (the 1995 Association Agreement, the 1997 Procurement Agreement, the 2010 Conformity Assessment Agreement).

The new UK agreement consists of a short document that incorporates the EU-Israel ones and details the necessary amendments

Trade in goods and services: removal (or reduction) of tariffs and other trade barriers; wider concessions in services and framework for mutual recognition of qualifications. A protocol on conformity assessment spares pharmaceutical products from double-testing and inspection.

Agricultural and fisheries products: lowers tariffs, increases tariff-rate quotas. Special safeguards (higher tariffs) are allowed when imports reach a high level. Tariff-rate quotas were updated to account for the size of the UK economy, based on historical trends. The UK retains the right to apply an Entry Price System on agricultural products (imposing an extra duty when goods come at a price below a pre-determined level).

Cooperation: the parties committed to promote sustainable agricultural practices and environmental protection, to facilitate social development, to support each other's tourism policies, to cooperate in the fight against drug trafficking and money laundering, and to engage in a dialogue on social matters (unemployment, rehabilitation, equal treatment, labour relations).

5. UK-Palestinian Authority

This treaty seeks to replace on a bilateral level the effects of the agreement between the EU and the Palestine Liberation Organization.

The new UK agreement consists of a short document that incorporates the EU-PLO one and details the necessary amendments thereto.

Trade in goods and services: removal (or reduction) of tariffs and other trade barriers; wider concessions in services and framework for mutual recognition of qualifications.

Agricultural products: lowers tariffs, increases tariff-rate quotas. Special safeguards (higher tariffs) are allowed when imports reach a high level. Tariff-rate quotas were updated to account for the size of the UK economy, based on historical trends. The UK retains the right to apply an Entry Price System on agricultural products (imposing an extra duty when goods come at a price below a pre-determined level).

Cooperation: the parties committed to promote sustainable agricultural practices and environmental protection, to support each other's tourism policies, to cooperate in the fight against drug trafficking and money laundering, and to engage in a dialogue on social matters (unemployment, rehabilitation, equal treatment, labour relations).

6. WTO Agreement on Government Procurement (GPA) (multilateral)

The UK was accepted as a member of the GPA at the end of February 2019. The UK's commitments under the GPA replicate the EU's commitments under the WTO regarding non-discrimination in **public procurement contracts**. In essence, the UK will not be allowed to favour domestic goods and service providers over the

competing goods and services originating from the other GPA countries, in a series of sectors.

7. ESA-UK Economic Partnership Agreement

This treaty seeks to replace on a bilateral level the effects of the agreement between the EU and the Eastern and Southern Africa (ESA) EPA.

The new UK agreement consists of a short document that incorporates the EU-ESA one and details the necessary amendments thereto.

Trade in goods: tariffs are reduced or removed. Other trade obstacles are removed. Customs procedures are harmonised. A committee will determine whether ESA countries can be exempted from UK safeguards (temporary raises in duties to protect the domestic production).

Agriculture: the EPA contained a mechanism entitling the EU to raise safeguards on sugar. This mechanism is suspended in the UK EPA.

Cooperation: the parties committed to promote **sustainable growth of the fisheries-based economy**. They also pledged to coordinate their tourism policies and promote the conservation of environmental and water resources.

8. UK-Pacific Islands trade agreement

This agreement was signed on 14 March 2019 between the UK and the Pacific Islands (Fiji and Papua New Guinea). It seeks to replace the 2009 Partnership Agreement between the EU and the same countries.

The UK exports almost exclusively services and imports almost exclusively goods (cane sugar and fish) from the Pacific Islands. The treaty only cover trade in goods.

Trade in goods: tariffs are reduced or removed. New rules of origin were added to allow cumulation of EU-input.

Agricultural goods: the treaty includes a mechanism to trigger safeguards against sugar imports in case of disturbance to the importing market. This mechanism is initially suspended for five years.

9. UK – CARIFORUM EPA

The Update indicates that the UK-CARIFORUM EPA's signature is imminent ("likely in February"), and on 22 March 2019 CARIFORUM was listed among the parties with which the UK has achieved a signed agreement, without further information. The EPA between the EU and CARIFORUM (including 15 Caribbean states) was signed in 2008 and has a narrower coverage than the FTAs concluded after 2010.

Trade in goods and services: removal of tariffs and other trade barriers; wider concessions in services and framework for mutual recognition of qualifications. There is a specific commitment to **environmentally sustainable tourism**.

Agriculture and fisheries: export subsidies are prohibited. Parties pay special attention to the importance of food security and competitiveness of traditional agricultural products in the Caribbean.

Intellectual property: enhanced protection to intellectual property, including **Geographical Indications**.

Public procurement: access to procurement market (no CARIFORUM state is party to the WTO agreement on government procurement).

Environmental protection and labour standards: the parties commit to uphold international standards on environmental protection and labour rights.

10. Other trade-related agreements

UK - Australia agreement on trade in wine

This agreement replaces the EU-Australia agreement, which it incorporates for ease of reference. It facilitates trade in wine through cooperation, regulatory transparency and recognition of winery techniques and **protection of geographical indications** (mostly Australian).

UK – New Zealand Agreement on Trade in Live Animals and Animal Products

This agreement replaces the EU-NZ agreement, which it incorporates for ease of reference. It facilitates **trade in animal products** through cooperation, regulatory transparency and mutual recognition of sanitary measures.

Mutual Recognition agreements with New Zealand and Australia

The agreement facilitates trade in goods between the parties, through mutual recognition of certain technical standards. The sectors covered include: Medicinal products; Medical devices; Telecommunications terminal equipment; Low voltage equipment; Electromagnetic compatibility; Machinery; Pressure equipment.

Agreements on foreign insurance providers

UK-US agreement on prudential measures on insurance and reinsurance. Makes it easy to operate in the UK for US insurance providers (and vice versa).

UK-Switzerland agreement on direct insurance: insurers can access the market of the other country and operate there under the same conditions applicable to local competitors.

Air services agreements (with UK, Canada, Switzerland, Israel, Georgia, Morocco, Kosovo, Albania, Iceland)

These agreements regulate the provision of international commercial aviation services between the territories of the parties.

Rail and Road agreement with Switzerland.

This agreement governs the carriage of goods on the roads of Switzerland and the UK, ensuring liberalised access for road transport carriers to the markets of both countries.

Nuclear cooperation agreements (with Australia, Canada, US, IAEA). These agreements replicate the effects of the EU agreements and the framework of Euratom (the EU agency on nuclear energy). These agreements concern the safety of nuclear power stations, regulation of emissions of radioactivity, basic safety standards for radiation protection, safeguarding of nuclear material, emergency preparedness and trans-frontier shipments of spent nuclear fuel and radioactive waste, as well as movements of radioactive substances. They also facilitate or allow trade in goods, materials, research and technology.

Other bilateral trade and trade-related agreements targeted by the UK for replacement (analysis on EU texts)

11. UK – EFTA states (Norway, Iceland and Lichtenstein)

The EFTA states currently participate in the European Economic Area (EEA) with the UK. The EEA Agreement will not apply to the UK after Brexit. The UK Government has agreed on 20 December 2018 on a draft “Agreement on arrangements between [the EFTA states and the UK]” following Brexit.

This Agreement is largely devoted to citizens’ rights – that section is not analysed. Part Three of the Agreement is titled “Separation provisions” and addresses trade and other matters.

This Agreement largely mirrors the similar provisions of the Withdrawal Agreement (related to the EU rather than the EFTA). There still is no self-standing treaty with EEA upon which it is possible to comment.

On March 18, 2019, news outlets announced that the UK had agreed on the text of a roll-over agreement with Norway and Iceland. The text is not available for comments but is presumed to follow the 2018 draft. It has been reported that, in case of no-deal, the treaty will only cover tariffs. The entire roll-over of the EEA regime would only occur if the UK agrees to a deal with the EU.

Trade in goods: goods placed on the market before Brexit can remain in circulation (including **agricultural** and **fisheries** products).

Geographical indications: existing GIs will be protected.

Mutual assistance in criminal matters: current arrangements (redolent of EU law) in this field will remain in force until the end of the transition period.

Government procurement: current EU-like arrangements are extended for the duration of the transition period.

12. UK – Southern African Customs Union and Mozambique Economic Partnership Agreement (SACU+M EPA)

The UK wishes to give continuity to the trade arrangements currently governed by the EU-Southern African Development Community EPA. The EU-SADC EPA is a trade agreement. Besides a largely aspirational section on sustainable development, this is a classical trade agreement with typical regulatory coverage.

Sustainable development: the parties confirm their commitment to contribute to sustainable development, including social development and **environmental protection**.

Trade in goods: SADC tariffs are reduced or removed. EU tariffs are removed. Other trade obstacles are removed. Customs procedures are harmonised.

Trade in services and investments: the parties set a framework for negotiating concessions beyond the WTO General Agreement on Trade in Services.

Agriculture: export subsidies are removed, and so are tariffs and quotas for goods entering the EU.

13. UK – Canada Comprehensive Economic and Trade Agreement

The Update noted that the new UK agreement would cover “the same aspects of trade (chapters) as the existing EU-Canada agreement (CETA).” A draft text is not available yet. The Update lists the UK-Canada agreement among those close to “being finalised.”

It is important to note that CETA covers a range of issues that go beyond trade liberalisation. Here is a quick overview of matters covered by CETA.

Trade in goods and services: removal of tariffs and other trade barriers; wider concessions in services and framework for mutual recognition of qualifications.

Agricultural products: lowers tariffs, increases tariff-rate quotas and protects Geographical Indications. Special safeguards (higher tariffs) are allowed when imports reach a high level.

Public procurement: increased liberalisation (prohibition to discriminate against Canadian suppliers and goods).

Sustainable development: commitments to uphold **environmental protection** and labour rights; including **commitments to fight trade in fisheries, forest and environmental goods sourced illegally or unsustainably**.

Investment protection: protection of foreign investors and investments; specific dispute settlement system to resolve investor-State disputes.

Fair trade practices: regulation on antitrust, competition, subsidies.

Intellectual property: enhanced protection to intellectual property, including **Geographical Indications**.

14. UK – South Korea

Currently, there is no publicly available evidence that this treaty is being drafted. The Update does not mention it. The coverage of the EU-South Korea largely corresponds to that of CETA.

Trade in goods and services: removal of tariffs and other trade barriers; wider concessions in services and framework for mutual recognition of qualifications.

Agricultural products: lowers tariffs, increases tariff-rate quotas and protects Geographical Indications. Special safeguards (higher tariffs) are allowed when imports reach a high level.

Government procurement: the parties confirmed their WTO commitments, and provided for slightly larger concessions (for instance, prohibiting the requirement that a bidder has previously been awarded a contract to participate).

Intellectual property: enhanced protection to intellectual property, including **Geographical Indications**.

Fair trade practices: regulation on antitrust, competition, subsidies.

Sustainable development: commitments to uphold **environmental protection** and labour rights.

15. UK – Japan

Currently, there is no publicly available evidence that this treaty is being drafted. The Update does not mention it and the Department for International Trade confirmed on 21 February that the Japan replacement agreement would not be transitioned for exit day. The coverage of the EU-Japan Economic Partnership Agreement is the widest among the EU's trade agreements. It overlaps with that of the CETA (except the chapter on investments) and has some additional elements.

Trade in goods and services: removal of tariffs and other trade barriers; wider concessions in services and framework for mutual recognition of qualifications. Specific focus on the automotive industry: the parties adopted common standards to facilitate trade in this sector.

Agricultural products: lowers tariffs, increases tariff-rate quotas and protects Geographical Indications. Special safeguards (higher tariffs) are allowed when imports reach a high level. Mutual recognition of inspection procedures.

Public procurement: increased liberalisation (prohibition to discriminate against Japanese suppliers and goods), including larger access to Japanese procurement sectors (e.g., 48 cities are now bound by the obligations not to discriminate).

Sustainable development: commitments to uphold **environmental protection** and labour rights; including **commitments to fight trade in fisheries, forest and environmental goods sourced illegally or unsustainably**.

Fair trade practices: regulation on antitrust, competition, subsidies

Intellectual property: enhanced protection to intellectual property, including **Geographical Indications**.

Corporate governance: enhanced (Western) standards of corporate governance: directors' accountability, transparency, participation in decision-making.

16. UK – Singapore

The EU has signed a Free Trade Agreement and an Investment Protection Agreement with Singapore in October 2018. The former will enter into force after the Council of the EU ratifies, while the latter will also require the member states' ratification.

Singapore has expressed its agreement in principle to continue applying the FTA to the UK after Brexit.

The EU-Singapore FTA has a wide coverage that largely corresponds to that of the EU-Japan EPA (see above).

17. UK – Mexico

The EU has not yet concluded a modern trade deal with Mexico. In 2018, the two parties have published the text of an agreement "in principle," subject to legal revision. The new agreement should replace an older 1997 treaty with limited coverage (trade in goods, **public procurement**, competition rules).

The new agreement should cover many more areas, judging from the "in principle" text.

Trade in goods: tariffs and export duties are eliminated; import and export licensing schemes are harmonised. Customs procedures are streamlined.

Agricultural and fisheries products: lowers tariffs, increases tariff-rate quotas and protects Geographical Indications. Special safeguards (higher tariffs) are allowed when imports reach a high level. Mutual recognition of inspection procedures. Access to market for wines and spirits is increased. Pre-clearance for agricultural exports to Mexico is eliminated, as well as the pre-listing of EU establishment exporting animal-based products. There is cooperation on animal welfare and on the fight to antimicrobial resistance.

Trade in services: the parties made extensive concessions in several sectors.

Investment protection: foreign investments receive pre-establishment guarantees and protection. Investor-State disputes are brought to a permanent court.

Public procurement: the parties added new liberalisation commitments (e.g., procurement to the International Airport of Mexico City).

Intellectual property rights: increased protection compared to WTO standards, and an extensive **list of Geographical Indications** with automatic protection in the two jurisdictions.

Sustainable development: commitment to observe labour international treaties and **multilateral environmental agreements**.

Anti-corruption: parties commit to **penalise corruption** for public officials and consider criminalisation of business corruption.

18. UK – Turkey

The EU has with Turkey a Customs Union agreement in force since 1996. There have been talks of updating the current regime into a Deep and Comprehensive Free Trade Agreement comparable to the one between the EU and Ukraine. Currently, the customs union agreement has a narrow coverage. The Department for International Trade confirmed on 21 February that the Turkey replacement agreement would not be transitioned for exit day.

Trade in goods: trade in industrial goods (not agriculture, steel, coal or goods for public procurement) is liberalised. Turkey must align its regulations to EU laws, and must adopt the same external trade measures of the EU – for instance, the same tariff rates for imports.

Agriculture: the parties have agreed to asymmetric preferential tariffs (that is, better than required by the WTO).

19. Other Agreements

The Update lists several other EU agreements that need replacement. These agreements cover a wide range of topics, and it is possible to describe them summarily.

Agreements for which signature is imminent

The Update lists several Air Services agreements with third countries (Montenegro, Jordan, Moldova, Bosnia and Herzegovina, Macedonia, Norway, Serbia). The function of these agreements would be comparable to that of other air services agreement, detailed above. The Update describes these agreements as on track for completion by the end of March.

Agreements of which the text is at an advanced stage of discussion

The Update lists several agreements the text of which is not finalised yet. These are described as being subject to ongoing discussion, sometimes at an advanced stage. There is no publicly available information on the texts of these deals – the comments below refer to the EU agreement they seek to replace.

Agreements on the mutual recognition of certain distilled spirits and spirit drinks with US and Mexico

These agreements contain lists of **Geographical Indications** of each party, that the other party commits to protect in its market. They cover Scotch and Irish Whisky. The Mexico deal also covers Irish Cream.

Agreement with Chile on the mutual recognition of organic products

The agreement seeks to expand on the commitments under WTO law (agreement on Technical Barriers to Trade) regarding the **recognition of organic products**. It includes a list of products of each party that receive automatic recognition in the other. These products can automatically enter the market of the other party, subject to certain labelling requirements.

Agreement with the US on trade in wine

This agreement would facilitate trade in wine through cooperation, regulatory transparency and recognition of winery techniques and **protection of geographical indications** (mostly from the US).

UK-Indonesia partnership on ethical trade in timber products

Indonesia is one of the countries (others include Ghana, Cameroon, Republic of Congo, Central Africa, Liberia and Vietnam) that concluded with the EU a VPA (voluntary partnership agreement) relating to **ethical trade in timber**. The VPA provides for a legal framework – a licensing system – to ensure that all timber imports into the EU are legally produced.

Mutual recognition agreement with the US

Mutual recognition agreements (MRA) seek to facilitate trade establishing a system of equivalence and automatic recognition between two countries' certification and inspection systems on certain products. The UE-US MRA covers these sectors: Telecommunication Equipment; Electromagnetic Compatibility (EMC); Electrical Safety; Recreational Craft; Pharmaceutical Good Manufacturing Practices (GMPs); Medical Devices and Marine Equipment.

Other multilateral agreements targeted for replacement

The Update refers to a list of EU agreements, some of which are not primarily trade-related, that the UK will endeavour to replace. These being multilateral agreements, they are open for accession to new members. That is, the accession process does not normally entail a negotiation of the text of the agreement.

1. Civil justice agreements

On 28 December 2018, the UK sought accession to two Hague Conventions regarding **civil justice matters**. The 2007 Convention on the international recovery of child support and other forms of family maintenance establishes a system facilitating cross-border recovery of family maintenance payments. The 2005 Convention on choice of court agreements ensures the effectiveness of the parties'

agreement indicating which courts are competent to hear contractual disputes relating to trans-border transactions.

2. Fisheries agreements

The Update lists a series of multilateral **environmental agreements relating to cooperation in fisheries**. After Brexit, the UK will have to accede to these agreements in its own right.

Some of these treaties related to “Regional Fisheries Management Organisations” (RFMOs). RFMO parties cooperate to conserve and manage shared fish stocks. The relevant agreements are the *Convention on future multilateral cooperation in North-East Atlantic fisheries (Multilateral)*; *International Convention for the Conservation of Atlantic Tuna (ICCAT)*; *Convention on Future Multilateral Cooperation in the Northwest Atlantic Fisheries (NAFO)*; *Convention for the Conservation of Salmon in the North Atlantic Ocean (NASCO)*; *Agreement for the establishment of the Indian Ocean Tuna Commission (IOTC)*.

The *Agreement to promote compliance with international conservation and management measures by fishing vessels on the high seas* establishes a cooperation system to ensure fishing vessels’ compliance with international measures for the conservation and management of the living resources of the high seas.

The *Agreement on Port State measures to prevent, deter, and eliminate illegal, unreported and unregulated fishing* strengthens international cooperation on the fight against irregular fishing practices.

3. Other multilateral agreements

The Kimberley Process Certification Scheme

This agreement establishes a certification scheme to ensure that only “conflict free” diamonds are traded internationally.

Customs agreements

The Common Transit Procedure Convention (CTC) and the Convention on the simplification of formalities in trade in goods (SAD) facilitate custom procedures. The CTC does so by temporarily suspending duties and other charges on imported goods until they reach their final destination. The use of the single administrative document reduces the administrative burden of custom checks and increases the standardisation and harmonisation of data collected on trade.

INTERBUS

This agreement allows for coach services between EU countries and Albania, Bosnia and Herzegovina, Macedonia, Moldova, Montenegro, Turkey and Ukraine.

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