

UKLegalFuture

Brexit: The Future of International Trade

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Global Britain: trade agreements with the rest of the world

1. Global Britain

White Paper, *The United Kingdom's exit from and new partnership with the European Union* (February 2017):

'By leaving the EU we will have the opportunity to strike free trade agreements with countries around the world. We will be champions of free trade driving forward liberalization bilaterally, as well as in wider groupings, and we will continue to support the international rules based system' (p51)

'... an independent trade policy gives us the opportunity to strike deals better suited to the UK and to make quicker progress with new partners, as well as those where EU negotiations have stalled' (p56)

'We are also seeking to achieve continuity in our trade relationships with third countries, including those covered by existing EU free trade agreements or EU preferential arrangements. We are exploring with our trading partners ways to achieve this'.

2. Existing bilateral agreements with third countries

- 2.1. Agreements with third countries from which the UK benefits due to its EU membership (eg with South Africa on trade in wine, with Israel on government procurement, with Australia on mutual recognition in relation to conformity assessment).

- 2.2. Mixed agreements, that is agreements in which the UK participates along with the EU (eg with FTA with South Korea, or CETA with Canada).

3. Issues raised by negotiating new bilateral trade agreements

- 3.1. Practical: the UK has not negotiated trade agreements for over 40 years.
- 3.2. Policy: increasing emphasis on big package-deals and non-tariff barriers
- 3.3. Duration of negotiations (eg CETA: negotiations started in 2009 and the agreement is not yet in force; the Canada-South Korea FTA took 14 rounds of negotiation over 9 years to conclude).
- 3.4. Linkage with Article 50 negotiations: Until it has left the EU, the UK is bound by EU law and may not negotiate trade deals with third countries.
 - Practical consideration: what is the limit on what can be done during the next two years?
 - Policy consideration: what would third countries need to know?
 - Legal consideration: is there scope for flexibility?

4. Multilateral agreements

- Environmental law, including the Convention on Access to Information, Public Participation in Decision Making and Access to Justice in Environmental Affairs (the 'Aarhus Convention'), the Kyoto Protocol on carbon emission reductions
- An exercise in complexity: the Unified Patent Court Agreement

5. Conclusion

- 5.1. Considerable legal and practical complexity
- 5.2. The significance of the Article 50 TEU negotiation