

REPORT ON ATTENDANCE AT THE TRADE WORKSHOP FOR OVERSEAS TERRITORIES, CROWN DEPENDENCIES AND DEVOLVED LEGISLATURES – 7 – 9 FEBRUARY 2023

This Report does not include details of the Programme or the outline of my exposition as this information has already been provided. Instead, it covers key points emerging from sessions that are of particular relevance and/or potential importance to St Helena.

DAY 1

Session 1.

It was made clear that the British Government is keen for trade treaties/agreements to be established with non-EU countries in the post- Brexit political environment and that it wishes its Overseas Territories and Crown Dependencies to explore opportunities for international trade.

In my intervention I made reference to the recent change in route for St Helena's sea freight service which now provides direct access to Angola and Namibia and could facilitate trade links with these countries. I stated that Angola had expressed interest in establishing links with St Helena prior to the pandemic. I emphasised that whilst St Helena does not have goods for export that are likely to be in demand in these countries, they may be able to supply essential goods to St Helena at better prices if a trade agreement were to be formalised. This is an opportunity that SHG should explore further to establish what benefits (if any) can be achieved .

It was apparent that the British Government would be likely to wish to be fully involved in any trade negotiations and deals made by its Territories and/or Dependencies.

Session 2.

This session mainly provided background regarding some recent trade treaties developed, or being developed, by Britain with Australia, New Zealand and Japan. It was made clear that Free Trade Agreements usually cover all trade undertaken between the signatories rather than pertaining to specific commodities.

The Cabinet re-shuffle and creation of a new Department to deal with Business and Trade which had just taken place caused lack of clarity and uncertainty regarding roles and responsibilities relating to trade matters which impacted negatively on the usefulness of part of the programme.

Session 3.

I was anticipating the focus to be on the 'nuts and bolts' of negotiation best practice but it turned out to be largely theoretical. This was brought to the attention of the organisers and the content of Session 10 was adjusted slightly in light of the feedback.

Session 4.

This session was largely dominated by issues raised by the Falklands because the EU did not agree to extend the Trade and Co-operation Agreement signed with Britain in 2020 to the OT's and so fish exported to EU countries is no longer tariff free as the OT's are viewed as 'third countries'.

In my intervention I emphasised the importance of OT's being fully involved in decisions pertaining to their resources so that issues like those caused by the lack of consultation regarding the banning of commercial fishing in Ascension's waters do not reoccur. I stated that sale of fishing licences to

foreign vessels had been an important source of revenue to St Helena which no longer exists. I also mentioned that Tristan da Cunha's economy is almost totally reliant on fish exports.

It was interesting to learn that OT's can impose tariffs on the UK and that it is possible to get concessions for being part of a Marine Protected Area, although details about how to do so were not supplied.

Session 5.

SDG's are key to sustainable development and it was interesting to hear what steps can be taken to ensure that trade policies and processes do not undermine their achievement. It is becoming increasingly common for trade treaties to contain clauses that obligate the partners to uphold specific SDG's. The panellists were adamant that all potential impacts should be assessed fully to ensure that these would not be detrimental.

Session 6.

My exposition stimulated questions and considerable interest. Those present were shocked that an OT has such a low median income and assumed that this must be because St Helena's cost of living is extremely low compared with UK/other OT's. I had to explain that although we do not have to pay for heating, the cost of most essential items is considerably higher than that in UK; fuel prices are comparable and utility unit costs substantially more expensive. Reactions showed that there was little awareness of the economic and social situation on St Helena.

I elaborated on the substantial aid St Helena had received from different EU funding streams before Brexit and on Britain's commitment to seeing that OT's were not worse off as a result of Britain leaving the EU. The Chair of the session (Deputy Speaker of the House of Commons, Nigel Evans M.P.) gave an undertaking to make enquiries regarding what is being done/will be done to honour this assurance. If his queries coincide with Ministers' consideration of St Helena's 2023/4 Aid Settlement, the timing may be advantageous for the island.

I also made it clear that St Helena does not like being in receipt of routine budgetary aid and wishes to reduce its dependence on such support.

DAY 2

Session 7.

This was an informative session in terms of explaining how politicians can shape policy, but did not really reveal anything new or directly relevant to St Helena.

Session 8.

I found this session disappointing as it was pitched at a very low level which would have been suitable for new politicians as part of post-election induction training.

Session 10.

The exercise was useful as it highlighted the key aspects of a Free Trade Agreement that require analysis both before it is finalised and when it comes under scrutiny (e.g. aims, scope, relevance, appropriateness of KPI's, etc) It was noteworthy that emphasis was placed on the importance of getting documentation correct before signature as having to make amendments at a later stage hardly ever works satisfactorily.

The approach to, and methodology for, analysis of FTA's are also applicable to other forms and levels of formal agreements and contracts.

Day 2 also included witnessing Prime Minister's Questions live and part of a Debate in the House of Lords. I have done both previously but always enjoy the experience.

DAY 3

Session 11.

This was an extremely interesting session which explained the scrutiny procedures and processes within the UK Parliament. Documents such as Trade Agreements follow a decision by Government but then the House of Lords gives an opinion on them, although it cannot vote them down.

All treaties come before the House of Lords which can call for evidence from anyone, including Ministers, and can hold a debate. Scrutiny takes place after signature, but before ratification and implementation.

It was stated that Government frequently has to be pressed to provide the level of detail necessary for thorough scrutiny and can resist scrutiny as it may slow processes. Such scrutiny can, however, strengthen the case for implementation of a treaty or agreement as it can provide reassurance of its quality.

The consensus view of the panellists was that scrutiny of the treaties/policies themselves is more important than that of implementing legislation. In some cases, such legislation may not be necessary.

It was noted that a key weakness in treaties/agreements tends to relate to the respective roles and responsibilities of the signatories so it is important that these are clearly defined and also scrutinised in detail.

Session 12.

Another very valuable and informative session. The key message was that it is of the greatest importance to involve all key stakeholders from the conceptual stage of development of the policies underpinning agreements/treaties so that those who will be most impacted can consider the issues, comment at the outset and provide further feedback at significant points during the formulation process.

It is considered best practice for stakeholder groups to be formed to act as key consultees throughout the development of trade policies and the agreements/treaties that form part of their implementation.

It was emphasised that both the over-arching policies and the agreements/treaties following these should be subject to scrutiny. Although amendments can be made to such documents if both parties agree, there is no mechanism in place in the UK system for these to be scrutinised. Only variations needing ratification have to be laid and Parliament may not even be informed of minor changes.

Session 13,

I found this session concerning as it emphasised the vital importance of intensive research and triangulation of evidence on a scale that is totally beyond the reach of St Helena. This made me aware that the scrutiny (and indeed policy formulation) we can undertake on St Helena will be

better than nothing, but sub-optimal in many instances and, thus, potentially open to challenge. This is a risk that SHG needs to bear in mind and try to address in its allocation of resources.

Future Opportunities

Delegates were keen to establish a networking group that would meet virtually probably on a quarterly basis to discuss key issues, challenges, developments, etc. Notification has been received since the Workshop that CPA is trying to facilitate this.

Concluding Comments

Of all the CPA activities that I have attended, I found this Workshop to be the most valuable. The timing was particularly appropriate as the range of formal scrutiny is being widened on St Helena and we need this to be as effective and efficient as possible.

Furthermore, the contacts I established with key players in both Houses of Parliaments and also in academia (several of whom expressed willingness to help St Helena) may prove valuable going forward, particularly if trade opportunities arise for St Helena.