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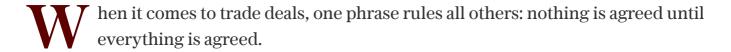
As a former Australian negotiator, I know the UK has its work cut out getting trade deals done

The Australians are battle-hardened and they - like the UK's other negotiating partners - will be ready to exploit its tight deadline

TIM WARD

FORMER DIPLOMAT AND TRADE NEGOTIATOR FOR THE AUSTRALIAN GOVERNMENT 1 September 2020 \cdot 1:00pm





And agreeing everything, even in uncomplicated negotiations, can burn through one particular resource at a fearsome rate – time.

Time is of the essence not just in Britain's talks with the EU: International Trade Secretary Liz Truss will this week commit to seeking a 'Gold Standard' trade deal with Australia by the end of the year, and reiterate her ambitions to seal a deal with Japan by then too.

An Australian agreement is viewed as being a 'critical step' in Britain's ambitions to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), an 11-nation trade bloc that includes Japan, Canada, Australia and New Zealand, and accounts for 13 per cent of global commerce.

In my 20-plus years as a trade expert, I've been a senior negotiator for the Australian Government and adviser to the UK Government, so I know well the pressure that negotiating teams are under.

I also know comprehensive Free Trade Agreements typically take anything from three to ten years to agree, so getting Australian and Japanese arrangements in place while simultaneously concluding a deal with the EU before 2021 is extremely ambitious.

The need for speed comes with a health warning, though: Australian negotiators will be battle-hardened in a way that UK negotiators, thanks to decades within the EU, are unlikely to be. New Zealand's Deputy PM, <u>Winston Peters</u>, said as much last month.



In trade negotiations, it's essential to have the patience to carefully build a comprehensive package, always maintaining a focus on the quality of the outcomes. Restricting yourself to a particular timetable can be counterproductive.

The revelations that <u>former Australian PM Tony Abbott could be joining team GB will not have fazed</u> Australian negotiators one iota. They'll aim to understand Britain's trading policies better than their British counterparts, and use Liz Truss's tight timescale to their advantage – the pressure is on.

While the headline-grabbing arrangements with Australia are likely to involve whisky, cars and, quite possibly, sausages (all of which presently attract 5% tariffs), watch closely what happens in terms of financial services, as the service sector is often the poor relation of the goods sector when it comes to trade deals.

Britain's service sector could do with an Antipodean boost, as it seems likely new barriers to EU work are looming – the fallout of failing to agree a comprehensive European trade

deal will affect everyone in the UK, from that massive service sector to individuals having to pay more for basic foodstuffs, as the <u>recent Affordable Food Deal report highlighted.</u>

I <u>co-authored a report on the 'state of play'</u> in UK-EU negotiations for Best for Britain and, at the launch last week, was asked to rate how good the present situation is on a scale of one to ten.

At heart, I am a diplomat and instinctively avoid pronouncements on ongoing negotiations – yet even I was prepared to concede that I'd rate the chances of a comprehensive deal being agreed this year at little more than five out of ten.

There are thoughts that a thin 'framework deal' will be agreed, with a commitment to keep on talking, but that could leave Britain, and its industries, services and people, in a trade purgatory for who knows how many years, with tariffs and other barriers stifling business in the meantime.

Getting all of this sorted with the EU at the same time as getting deals signed with the likes of Australia and Japan is a huge ask for negotiating teams. Always remember, nothing is agreed until everything is agreed.

In the meantime, there's an ever-present, and ominous, soundtrack to negotiations: the noise of the clock ticking.

Tim Ward is a former diplomat and trade negotiator for the Australian Government. He headed Australia's rules of origin teams in negotiations around the Trans-Pacific Partnership and the ASEAN-Australia-New Zealand Trade Agreement, as well as playing a key role in Australia's bilateral free trade agreements with the US, New Zealand and Malaysia. He is now a trade policy consultant and director at NPTW Consultants.

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