STATES OF JERSEY



THE EXTENSION OF THE UK-KAZAKHSTAN STRATEGIC PARTNERSHIP AND COOPERATION AGREEMENT

Presented to the States on 28th June 2024 by the Minister for External Relations

STATES GREFFE

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REPORT

This Report to the States Assembly provides an overview of the United Kingdom-Kazakhstan Strategic Partnership and Cooperation Agreement (SPCA) and its extension to Jersey.

It provides States Members with an overview of –

- the context of continuity agreements post-Brexit and how they impact Jersey;
- the Strategic Partnership and Cooperation Agreement between the United Kingdom (UK) and Kazakhstan and its extension to Jersey; and,
- the provisions of Jersey's inclusion in post-Brexit trade agreements as agreed by the States Assembly in 2021 with an update on progresses being made in this area and the ongoing work with the Legislation Advisor Panel ("LAP").

MINISTER FOR EXTERNAL RELATIONS

28th JUNE 2024

Post-Brexit Continuity Agreements

Annex A contains a list of international agreements that were entered into by the European Union (EU) of which the UK was a part of at the time, and relevant partner countries. These existing EU international agreements applied to Jersey by virtue of our relationship with the UK and the *previous* Protocol 3 relationship with the EU. Therefore, in order to deliver continuity of effect at the time of the UK's exit from the EU, the agreements listed in Annex A applied to the Crown Dependencies to the same extent and under the same conditions as the existing EU international agreements. This work on continuity has not set any form of precedent for the extension of any new agreements since Brexit.

The UK-Kazakhstan Strategic Partnership and Cooperation Agreement

The UK-Kazakhstan SPCA is part of the wider HMG programme to deliver continuity across a number of international agreements that the UK previously participated in as a member of the EU. This programme is nearing completion, but with some further cooperation agreements expected this year.

The UK-Kazakhstan SPCA is a post-Brexit continuity agreement which seeks to replicate the previous EU-Kazakhstan Enhanced Partnership and Cooperation Agreement (EPCA). As with the previous EU agreement, this SPCA is a political agreement which does not include preferential trade provisions. The agreement encourages dialogues covering politics, economy, trade, culture, education, and security. It outlines mechanisms for regular consultations and collaboration between the two countries on issues of mutual interest. Key objectives include promoting economic development, enhancing trade relations, facilitating investment, strengthening cultural ties, and cooperating on regional security challenges.

Negotiations around this agreement have been ongoing since before Brexit, however due to some obstacles on the Kazakhstan side, the UK have only recently managed to conclude negotiations and the SPCA was signed on 24 April 2024 by the Foreign Secretary during his visit to the region.

As was the case under the original EU agreement (Protocol 3), the UK-Kazakhstan SPCA applies to the Crown Dependencies from a "goods only" baseline to ensure the dialogues maintain the integrity of the UK Customs Union. Members should note that no new obligations are expected of Jersey for its inclusion within this agreement, and any material impacts which may arise in the future from the provisions of this SPCA will not apply to Jersey where it goes beyond the remit of goods trade.

Territorial application was discussed back in 2021, however given the time that has elapsed since then, UK officials have contacted the Minister for External Relations to ask the Government of Jersey's consent for Jersey to be included in the agreement. Members will wish to be aware that fellow Crown Dependencies have consented to the extension of the SPCA.

Provisions of Jersey's Inclusion in Trade Agreements and Work with the LAP

In 2021, the States Assembly agreed to the principles as outlined in P.94/2021¹ and as a result, to date, Jersey has agreed to participate from day-1 for goods provisions of new UK trade agreements which mirrors Jersey's inclusion under Protocol 3 as outlined above. In addition, the Government has secured the ability to have services – and other chapters – extended to Jersey at a later date, via an extension mechanism. This approach ensures that Jersey exports immediately benefit from the same preferential tariffs as UK exports, and the Government of Jersey have consented to the extension of the UK-Kazakhstan SPCA on the basis that goods-only will be extended from the outset as agreed by the States Assembly in 2021.

In March 2023 the States Assembly endorsed paragraph (b) of P.6/2023 as amended, which requested the LAP, in consultation with the Privileges and Procedures Committee, to 'bring forward legislation' enabling the Assembly to ratify all international agreements and treaties binding upon Jersey.²

Given the LAP's work to finalise its proposal for an appropriate legislative process to govern approval mechanisms for international agreements is ongoing, the Minister for External Relations wishes to ensure Members are briefed and sighted on the background to, and detail of, the proposed SPCA's extension to Jersey.

¹ Principles for Jersey's Participation in United Kingdom Free Trade Agreements

² <u>Assembly Consideration of the Bilateral Investment Treaty with the United Arab Emirates (P.6/2023) Second Amendment</u>

Annex A

Continuity Agreements:

- Andean
- Australia MRA
- Bosnia & Herzegovina
- Cameroon
- Canada
- CARIFORUM
- Central America
- Chile
- Cote D'Ivoire
- EAC Kenya
- Economic Partnership Agreement (EPA) between the UK and the Pacific States
- Egypt
- ESA EPA
- Faroes FTA
- Georgia
- Ghana
- Israel TPA
- Jordan
- Kosovo
- Lebanon
- Liechtenstein FTA
- Mexico
- Moldova
- Montenegro
- Morocco
- New Zealand MRA
- North Macedonia
- Palestinian Authority FTA
- SACU + M
- Serbia
- Singapore
- South Korea
- Swiss FTA
- Tunisia
- UK Norway & Island Trade Agreement
- Ukraine
- US MRA
- Vietnam