
STATES OF JERSEY



THE EXTENSION OF THE UK-IRAQ PARTNERSHIP AND COOPERATION AGREEMENT

Presented to the States on 10th February 2025
by the Minister for External Relations

STATES GREFFE

REPORT

This Report to the States Assembly provides an overview of the United Kingdom-Iraq Partnership and Cooperation Agreement (the “PCA”) 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 PCA between the United Kingdom (the “UK”) and the Republic of Iraq and its extension to Jersey; and,
- the provisions for Jersey’s inclusion in post-Brexit trade agreements as agreed by the States Assembly in 2021 .

MINISTER FOR EXTERNAL RELATIONS 7th February 2025

Post-UK Exit from the EU Continuity Agreements

The decision by the UK to exit membership of the European Union (the “EU”) brought with it a number of challenges relating to the replacement of international agreements that existed primarily through EU membership. Annex A contains a list of international agreements that were entered into by the EU, of which the UK was a part at the time of membership. 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 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 new precedent for the extension of new agreements or commitments for Jersey since the UK exit from the EU.

The UK-Iraq Partnership and Cooperation Agreement

The UK-Iraq PCA is part of the wider UK Government 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 before the end of 2025.

The UK-Iraq PCA is a post-Brexit continuity agreement which seeks to replicate the previous EU-Iraq PCA. As with the previous EU agreement, this PCA is primarily a political agreement rather than a preferential trade agreement. The agreement encourages dialogues to forge collaboration on defence, security, anti-corruption, and human rights. It outlines mechanisms for regular consultations and collaboration between the two countries on issues of mutual interest. Key objectives include promoting economic development and political transformation; developing cooperation in combating money laundering and terrorist financing; promoting human rights and social development; enhancing macro-economic stability and public finances; encouraging investment; and promoting development of the private sector, tourism and financial services.

While the UK-Iraq PCA does not include specific preferential trade provisions, it does aim to afford Iraq the same minimum rights and obligations as the members of the World Trade Organisation (WTO), of which Iraq is not a member. The agreement enshrines this commitment to similar treatment across a variety of trade related areas, including: the UK's common external tariff on goods, levying of customs duties, transparency of customs procedures, and safeguards against unfair trade.

Under Article 114 – Territorial Application, the UK-Iraq PCA does apply to Jersey “to the extent and under the conditions which the EU-Iraq Agreement applied immediately before it ceased to apply to the United Kingdom”. As was the case under the original EU agreement (Protocol 3), the new agreement thus applies to the Crown Dependencies from a “goods only” trade baseline.

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 PCA will not apply to Jersey where it goes beyond the remit of goods trade. Instead, the agreement is important to maintain the integrity and coherence of the UK-Crown Dependencies Customs Union by aligning common customs practice on Iraq with the UK. Non-inclusion in the agreement would not only undermine Jersey's place within the Customs Union, but also create inefficient fragmentation in UK-Jersey customs practice.

Officials of the UK government contacted the Minister for External Relations to ask the Government of Jersey's consent for Jersey to be included in the agreement, prior to its expected signatory in January 2025. Members will wish to be aware that fellow Crown Dependencies have also been asked and signalled their consent to the extension of the PCA. The UK Government announced final conclusion of the agreement during a visit from the Iraqi Prime Minister, as scheduled, on 14 January 2025.

The finalised text is attached, as Annex B, for information.

Provisions for Jersey's inclusion in 'trade and cooperation agreements'

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 has consented to the extension of the UK-Iraq PCA on the basis that goods only will be extended from the outset as agreed by the States Assembly in 2021.

Given the ongoing work of the Legislation Advisory Panel, in consultation with the Privileges and Procedures Committee, to consider legislation relating to the process for approving treaties in respect of Jersey, the Minister for External Relations has decided to inform Members of the proposed extension of the UK-Iraq PCA and thus align with the procedure followed for equivalent agreements in recent months.

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
- Iraq
- 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