**Draft specification of Requirements - Assessment of China’s approach to selected recent trade and investment agreements and implications for UK trade policy**

**Summary of Requirement**

The services procured will be used to review China’s approach to trade agreements with selected advanced economies and, based on that analysis describe the expected scope for a UK-China arrangement in the following scenarios

1. Sector-specific dialogues
2. Bilateral Investment Treaties (BIT)
3. Free Trade Agreements (FTA)

China’s approach to trade agreements is rapidly changing. China is willing to consider a negative list approach to services and investment, as well as aspects of ‘modern’ trade agreements for the first time.

The purpose is to prepare the UK’s trade policy position towards China, in particular in the context of China’s rapidly changing approach to trade policy. This will enable us to provide informed advice on the best vehicle to deliver for UK consumers and businesses.

The Authority has a budget for this requirement of £95,000, we expect bids to be competitively priced below this.

**Deliverables**

**Key dates and milestones**

The supplier should produce the following outputs by the interim dates:

1. Detailed work plan within a week of contract commencement
2. Bi-weekly updates on progress of the research
3. An interim report covering Part 1 of the project by **31 December 2019**
4. A briefing session on the interim report by **15 January 2020**
5. A final report covering Parts 1 and 2 of the research by **31 March 2020**
6. A briefing session each on the final report by **7 April 2020**

**Areas of Analysis**

**Part 1:**

The contractor will conduct an assessment of China’s Trade and Investment Agreement practices, focusing on China’s deals/negotiations (BIT or FTA) with the EU, the US, Switzerland, Canada, Australia, New Zealand, South Korea and Japan. This assessment will focus on the following issues:

**Negotiation**

1. Key offensive and defensive interests of both sides
2. Approach to modern aspects
3. Key gains and concessions of both sides

**Implementation**

1. Descriptive evaluation of China’s compliance with treaty commitments
2. Empirical evaluation of treaty implementation
3. Impact of treaty on bilateral trade and investment flows

**Part Two:**

Based on experiences in the above agreements, the Contractor will analyse what would be the expected scope for a UK-China arrangement in the following scenarios (1) sector-specific dialogues, (2) BIT, (3) FTA.

**Coverage**

1. Sectoral coverage
2. UK regional coverage
3. UK & Chinese line ministries involved

**Negotiability**

1. Leverage of each side
2. Sensitive issues e.g. analysis of core interests and legal provisions on trade and investment of both sides
3. Likely timescales

The research should be able to provide quality recommendations on the suitability of the identified trade agreements for UK future trading relationship with China. Its findings should provide a steer towards the policy implications of each of these agreements for UK trade policy, as well UK consumers and businesses.

**Supplier requirements**

The Contractor must provide a team with experience and expertise in:

1. China’s trade and investment landscape including its trade policy, macroeconomy, business environment, good and services sectors
2. Working with Chinese government departments and other relevant stakeholders
3. Working with UK businesses that operate in China
4. Credible knowledge and experience of the issues and sectors outlined above

A Single Market Engagement Call is planned to take place on 30th September 2019 for interested bidders to gain an understanding of the requirement and ask any questions they may have.

Please send an email if you would like dial in details and to confirm attendance on the call.

Interested bidders are encouraged to provide feedback on scope and budget and to provide indicative costs for this project via email.

Please email: mustak.razaque@trade.gov.uk