

I. Introduction

The United Kingdom, in its representation of British and Commonwealth interests in conjunction with the formation of the European Union, decided to leave the Union, as per the applicable treaties and clauses that the United Kingdom had entered into for the purposes and objectives of the European Union. By this exit, the United Kingdom no longer is subjected to the several follow-on impacts of the legislations and further treaties and agreements from the European Union, and has the established legislations and treaties to pursue for itself with the rest of the world, without having any limitations imposed by the functionings of the European Union and its Parliament.

Whilst Article 50 of the UK exit from the European Union has almost taken effect, and that the UK as an independent entity, and representative of several Commonwealth interests, has started entering into bilateral treaties to benefit such British interests, the future relationship of the United Kingdom and indeed, of the several Commonwealth countries-ex UK, still needs to be appropriately and adequately represented such that the past, present and future of this relationship is fully respected and encouraged for the best interests of its peoples.

II. Current State of Engagement

At this time, with the Article 50 being implemented and that the UK is no longer subjected to the regulations of the EU, the trade terms of engagement falls upon the standards of world trade as per the World Trade Organization terms and conditions of its member states. Whilst this condition is completely acceptable by each party, however, there is a social and economic expectation that the conditions for trade between the parties would be established better than such normative conditions, with the long history and complex interdependencies of trade between the UK and the countries of the European Union, as has been occurring.

Several issues have been raised mutually such as fishing rights, export and import clearances, car manufacturers and some service industries, where such businesses would indeed suffer or face closure, if the vital lifelines of procurement and supply chain is broken and not in accordance to its previous or any sustainable state.

Indeed, as the world grows in terms of the global Gross Domestic Produce, to have severe or disabling condition on the free flow of goods and services that is most optimal, is in no parties interest. A common interest being that trade and businesses should thrive for all parties, and the best and most optimal solution to facilitate business should be provided by policy, is an inherent mutual agreement that already exists. Based on this preamble, it is quite expected that an agreement would be reached, where despite the UK not being in the EU, would still provide a fair state of engagement for businesses and trades, that would preserve and increase jobs, have profitable businesses and improve the economic conditions of all such engaging nations.

III. Issues with Current State

The current conditions of trading in terms of WTO rules, causes several issues for trade between UK and the EU.

a. Fishing Rights

In a closely spaced continent such as Europe, the common waters are often intersecting, and causes a diversion, in terms of the standard definitions of international waters. Whilst the parameter for such a definition would extend beyond the borders of two neighbouring countries of Europe, to implement such a standard definition of foreign and local waters, in a setup such as the continent of Europe, could mostly be a futile exercise, as such borders may not exist, or could not be implemented strictly. Hence, there is a certain porous border, already existing across Europe, by definition of such smaller geographic distribution of states, that prevent certain demarcation of what is foreign and what is local. Especially, in the area of fishing rights, a business can easily setup a fishery in its own waters, however, the fish that develops from such a plantation, could easily cross borders, even on a daily basis. Thereby, to catch the fish that had been planted by a certain business in a country, to obtain the harvest should be a natural right, especially even if it crosses international boundaries, in order to get such a gain.

By such conditions of the fishing industry, it is less disruptive and more efficient, if there is an arrangement in place that orders such a naturally occurring phenomenon, in order to be conducive for business across borders. Fishing industry in the EU, is a multi-billion dollar business, and certainly whoever catches the most fish, gets the most profit. So, a clear and concise trade terms is required that would reduce any misunderstandings for the methods of trade that maybe applicable in such conditions.

b. Export and Import Clearances

Post UK exit, the extended number of trucks that carry goods into the EU from UK, would have to face long wait times to obtain clearances and permits. This would cause an increase in the cost of goods that are supplied to the EU from UK, including increased paper work that would increase the uncertainty of the goods being successfully delivered to the EU. In a barrier-less condition, the certainty of trade and supply being almost constant, such an import and export restrictions would mean an increased risk for businesses across the borders. A requested good that is required for business maybe stopped at the border and clearances not given, implying a loss for the business that would depend on this supply for its products or services.

The mutual increase in business risk that has surfaced, is not a mutually satisfying condition, and an agreement should be formed between the UK and EU countries, to allow the free flow of applicable goods and services across borders and without import and export restrictions with added paperwork.

c. Digital Trade Services

The evolving digital economy, irrespective of Brexit or the state of integration of the EU, has provided an increase rate of trade, owing to trade services that are provided online. The ease of use of digital products, indeed induces the customer to buy more products, as opposed to a previous state of non-digital transactions or online commerce. This means, that certain goods and services would be traded between the countries, irrespective of a trade terms and conditions, and it is then, in the best mutual interest, that such state of commerce be agreed and delivered by the two parties, such that the businesses and individual customers who depend on such online commerce, are facilitated and enhanced, in conjunction with such policies.

Whilst online commerce has often been perceived as a threat to the mechanisms of taxation and import duties, however, it is an opportunity for both parties to develop a mutual policy that mitigates such a developing threat from online commerce and its associated communities. So, a mutual digital policy that encourages such online business, should be agreed for the future of the modern economies.

IV. Required Mandate for Resolution

It is unanimous from the existing issues that a clear mandate to better facilitate trade between the parties is required. A mandate that defines in principle that better conditions for trade is required between the UK and EU, than the existing conditions under the WTO should be agreed by both parties initially.

Upon such a mandate, further developments in policies would be developed.

V. Implications of the Mandate

Such a mandate would imply that better engagements between the UK and EU be developed where such a principle is enacted in practices and process of both the European Union and the United Kingdom. However, this principle cannot be assumed, rather that it is something that both parties have to work towards, initially to setup the structure, and thereon, on an ongoing basis in legislations and further policy developments.

The particular areas where the initial effort has to be expended, is to form the structure for effective engagements between the parties. When the UK was in the EU by force of treaty, the UK and Commonwealth nations ex-UK, had limited understanding for effective and productive engagements that would be prosperous for both parties. It can be possibly derived that several

economic issues within the EU, including and upto the challenges of the European Central Bank and currency inflations in constituent nations, could be attributed to the fact that UK as a source of major bridge to the resources, products and services from its Commonwealth family, was to certain extent under-represented, to achieve the most optimal economic setting for the UK, EU and the rest of the world. To prevent this issue from re-surfacing post Brexit, and adequate space and opportunity should be available mutually, such that the critical economic engagement method is not undermined or overlooked by virtue of a higher and more determining state, that maybe unaware of such un-apparent and un-directly connected fundamentals, for a unanimously mutual economic prosperity.

VI. Structural Implementations

Initially, certain structural conditions have to be established such that appropriate and adequate engagements can be undertaken for the most optimal economic condition. The European Parliament that had seated members from the United Kingdom, and further committees, groups and projects that had substantial fundings from the United Kingdom, should be require to be re-evaluated and re-adjusted for appropriate condition of the United Kingdom's existence in Europe, as per the current conditions of engagements.

The starting point of such a re-ordered engagement, would certainly be in the ambitions and objectives of the European Parliament. With having representation of all interested and qualified member nations in this parliament, a certain void that would exist without the United Kingdom, being seated in this Parliament, in whatever capacity, is a gap that would be almost impossible to adjust or rectify, simply by re-distribution of the allocated seats to other members, Whilst mathematically correct and optimal, the social gap that it would cause, in that citizens of the EU who had voted for a particular representation in conjunction with UK being a member state, cannot statistically be fulfilled by such a re-distribution to other member states. The vital ingredient being the long and historic social and economic connection between the UK and EU, is almost a non-negotiable instrument that whilst being mathematically oriented, would mostly be socially inflexible with the long ingrained ties in social and business activities between the two parties. Hence, the mathematical efficiency that is desired is strongly objected or in contention with its social counterpart, where a business needing a vital ingredient from UK for its activities, and having voted for a particular MEP to represent and protect this interest, is largely un-represented when the particular seat that had been seated by a UK is now allocated to a completely different nation. Constitutionally, such re-distribution may well be unacceptable as the social implications and reasons upon which the seats were created, are now not applicable or available. Hence, this would be a parliamentary inflation, from its initial stated objectives per seat, that strongly need to be addressed for adequacy.

Hence, a representation of the UK outside of the EU, should still be a valid and important contribution to the workings of the EU Parliament. The volume of economic transactions that occur between the EU and the UK, need a policy management, irrespective of the level or intensity with which the UK is legislated to be in the EU, and such market requirements is best collected and represented with rest of the community, in its sittings where-ever, including in the intricacies of

the workings of the European Parliament. The EU-UK engagement could be as tightly held as the UK being completely under the EU regulations as was the case pre-Brexit and under the Maastricht Treaty, or it could be completely loose, as would be under the trading conditions of the WTO, as is currently. A middle-path that mutually suffices should be developed in conjunction with the full European Community, and a place in the technical workings of the EU, as is in its parliament, is a true and full place for the importance of the UK and its EU relations.

VII. Mechanisms of Engagement

a. Special Parliamentary Representation

In the identified issues for current state, an individually agreed policy is not only required, but it is also imperative that any further ongoing issues with any agreements can still be discussed and agreed between the UK and EU, post such implementations of agreed policy regulations. Hence, a permanent representation is required by virtue of the organic nature of any developing engagement policy, that is a product of such developing economic policies of the European Union. Indeed, once an agreement on any of the issues is formed, if any subsequent legislation impacts the previous decision, its assessment has still to be undertaken mutually and with equal validity, so as not to invalidate the previous agreement. Hence, an ongoing forum is required to preserve and prosper the future developing agreements between the two parties.

Whilst the United Kingdom in its existence with the European Union had about 70 MEPs, in a representation outside the EU, the intensity and granularity of engagement with the UK by the EU constituent states, would indeed severely depend on the level of representation that the UK has in the EU Parliament. In such a special representation, not all topics would be voted by the UK MEPs, and only topics that directly affect the trade relations between the parties would be voted. This representation can also raise issues directly to the Parliament, on topics that are important for the UK, and seek approval for European wide implementation in regulations. Also, ordinary members of the Parliament can direct a query, question or rectification to this representation that maybe considered for further debates in the UK Parliament or in the European Parliament, or both simultaneously, on such particular topics.

b. Special Seats of the European Parliament

For an effective engagement, indeed, a mathematical combination that best would serve the purpose of the EU and the UK should be provided. The actual number of seats that would be taken in the EU Parliament, could be any number, as it would not be the same weightage or purpose as the ordinary members. However, the sole purpose of this Special Seats would be to provide fluidity and democracy to the engagement between the EU and the UK. Whilst having one member in the Special Seat would only converge the democratic process of engagement, having several members would encourage debate and better representation of the affected citizens of both the EU and UK. Indeed, any Parliament being the nurturer of democracy, sufficient democratic enablers should be evident and provided for its adequate functioning.

So the question arises, as to how many seats would provide a sufficient democratic representation for the engagement between the UK and EU. Here, the attempt is to provide and facilitate enough members that would be able to exchange debates and bills across the members and Special Seats.

Total Members of the European Parliament = 705 ... (A)

United Kingdom's Share in EU GDP = 16% ... (B)

Number of Seats allocatable to UK per GDP = $B * A = 112$... (C)

Also,

The future relationships being a further combination of goods and services from Commonwealth Countries ex-UK, can be calculated to be represented in the Special Seats as:

Per Year expected Growth for UK and Commonwealth Trade = 25% ... (D)

Premium on Special Seats = $D * C = 28$... (E)

Calculated Required Special Seats in the European Parliament for UK Post Brexit = $C + E =$
140 Seats

Indeed, previously, the UK only having 70 seats or so, was a major under-representation for the UK and the Commonwealth nations ex-UK, who had a fuller confidence that was much reduced pre-Brexit.

Post-Brexit, an allocation of the fair number of seats for the UK in the number of 140 in 705, or equivalent ratio, should be sufficient in conducting a fair democratic process for successful and efficient engagement.

c. Special Seats Function Powers

The Special Seats of the UK would be vested with powers to:

- a. Introduce legislations that affect trade between UK and the EU
- b. Raise questions and clarifications on passed EU legislations that affect trade
- c. Introduce Bills from UK Parliament for EU Parliamentary clarifications and vice-versa
- d. Seek votes from EU Parliament for passing of introduced legislations

d. UK Table Representation Committee

An EU Parliamentary Committee of UK Table Representation that would research and develop policy agenda for successful and efficient trade between UK and EU has to be established. Economists from both parties would participate in this research to develop future directions and provide suggestions for passing legislations. The research papers provided by this Committee would be fundamental to developing and drafting future legislations.

VIII. Conclusion

The special relationship between the UK and EU, with its long history and elaborate economic ties, cannot simply be voided by the UK not being in a particular affiliation with the EU. Indeed, any future relationship is based on past experiences, and what remains important is the will of the two parties to still engage successfully and efficiently in the best interest of its existing economic ties.

The suggestions from this paper is that at this time of a deadlock for a 'Brexit Deal', such a Deal is not to be signed and accepted without a full and regular considerations of all dependencies, including the larger interest of the UK and its follow-on effects on the economy of the EU and its constituent states. Whist the EU has put in much effort to develop the EU Parliament, to constantly make it efficient is an ongoing effort that has to be met with most flexibility from all interested parties.

For the successful engagement with the UK, it is recommended that :

- 1. Special Seats of 140 be allocated for UK representation in EU Parliament**
- 2. A UK Table Committee for the EU Parliament be formed**
- 3. Negotiations for a Deal be replaced by the ongoing working via the Special Seats and the Table Committee**

With such an approach, the future of UK, EU, UK with the EU and much of the wider connected world, would certainly have a more prosperous and sustainable future.

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