DEVELOPING A NEGOTIATING STRATEGY

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MY TOPIC

Trade Policy → Trade Strategy → Negotiating Strategy

- High level Vision
- Values

- Main actions

- Policy and strategy applied to a specific market / issue
TRADE POLICY IS A TEAM SPORT

- Minister of Small Business, Export Development and International Trade leads, at the federal level …
- That role is largely coordination
- Within the trade portfolio
- Within GAC: Foreign Affairs (trade policy is foreign policy)
  International Development (trade policy is development policy)
- Within the federal government (trade policy is domestic and social policy)
- With the provinces and territories (trade policy (federal-provincial relations)
- With stakeholders (business, civil society, special interest groups)
DEVELOPING A NEGOTIATING STRATEGY

- Canada’s Trade Policy:
  - Trade's good eh?

- Canada’s Trade Strategy
  - Protect our position in the U.S. market
  - Diversify our markets
NEGOTIATING STRATEGY - “IT DEPENDS” (DAVID PLUNKETT)

• The forum: bilateral or plurilateral/multilateral
• Comprehensive or targeted negotiating agenda
• The negotiating partner(s)
• Offensive or defensive stance
• Influence of external factors
• Whether trade is the primary objective
IT’S ABOUT CANADA’S INTERESTS

The negotiating strategy must be …

• Aligned with the Government Agenda
• Consistent with other federal government policy
  • Economic and social … and values
• Supported by the Provinces
• Endorsed by the stakeholders
THE NEGOTIATING STRATEGY

• The devil is in the details: consult, consult, consult
• Collect the facts: then do the math
• “Start with the end in mind.” (Stephen Covey)
• Solve the problems, one at a time: listen!
• When it’s over, it’s not over
KNOW YOUR NEGOTIATING PARTNER

- What are their likely asks?
- What are their sensitivities?
- What is in their other agreements that is of interest to Canada?
- Anything in their other agreements Canada can’t accept?
- Consult stakeholders currently doing business there
NEGOTIATING WITH INDO-PACIFIC COUNTRIES

- Different interests – wide range in economic size
- Different bureaucratic culture: hierarchical, cautious, siloes, capacity constraints
- Different business culture: relationships matter
- Different negotiating cultures
- Comprehensive trade agreements aren’t the only tool
NEGOTIATING WITH INDO-PACIFIC COUNTRIES

- Limited scope for liberalization in the near term
- Inclusive trade approach can touch on sensitive issues
  - Indigenous Peoples, civil society, role of women
- Wait until they are ready or take a step-by-step approach?
TRADE AND DEVELOPMENT

• Again, who are we talking about …?
• Developing countries are not a homogeneous group
• Different provisions for different trade partners?
• Enshrined in the trade rules
• S&DT designed to assist in meeting obligations
• But doesn’t address the real needs:
  • Productive capacity
  • Trade infrastructure
  • Governance
• Governments don’t have the money, even if they have the interest … but the private sector does