

To the Chair of the International Trade Committee Inquiry

Dear Chair,

I am grateful for the opportunity to contribute to your inquiry. This issue is central to the economic fortunes of the United Kingdom and the Sheffield City Region. We currently export around £3.5bn of goods each year. With a national trade strategy that is responsive to our need I believe we can significantly increase that number.

But to do so we need to see a fundamental change in the way that the Government develops, delivers and monitors its approach to international trade.

The Trade White Paper

The Trade White Paper (Department for International Trade, October 2017) set out a series of principles for the UK's future trade policy once we leave the European Union. One of these was the commitment to inclusivity and transparency.

I welcome this principle being included in the White Paper. It is now critical that it becomes policy and practice.

My response is set within the context of three interlinked elements; Brexit; Industrial Strategy; and Devolution. I will address each of these in turn.

Brexit

Brexit poses a unique challenge to the UK. With a significant number of businesses embedded within complex supply chains and exporting to the European Union there are economic risks. Mayors working with the local business community and the Local Enterprise Partnerships should be working with the Government to ensure that these issues are understood and are part of our future trading relationship with the EU.

The Sheffield City Region also has the potential to benefit from exploring new and deeper trading relationship with trade partners around the world. These partnerships are often developed between regions with complementary strengths and opportunities, for example

the strengths in advanced manufacturing in Pune, India that mirror our own within the Sheffield City Region.

Mayor's must be engaged by the Government to develop, in partnership with the business community and Local Enterprise Partnerships, those regional relationships.

Industrial Strategy

The Government's policy document on Strengthened Local Enterprise Partnerships (Ministry of Housing, Communities and Local Government, July 2018) sets out the role of LEPs and MCAs in driving growth at a strategic economic geography through place-based and locally-controlled policies and funds. Government has been clear that MCAs are the beginning and not the end of devolution. Therefore, placing the Industrial Strategy at the heart of the UK's future trade policy is sensible given the importance of a place-based industrial policy at a national level. It is critical that the development of Local Industrial Strategies contributes towards this.

Devolution

Elected Mayors have a clear mandate to deliver for their communities. They are best placed to develop and strengthen local partnerships, to speak cogently about their respective places' strengths and opportunities and to forge these relationships around the world. National Government support is central to Mayors achieving their objectives; especially on trade policy. The Government's GREAT brand is strong, especially when aligned to our strong ambassador and foreign office network around the world. Those assets must be made to work harder for local areas.

My response:

These three key elements make it critical that:

- 1) Mayors play a central role in the development of UK Trade policy. National policy has to support our own local priorities and for it to do that Mayors must be involved in its oversight nationally as well as at the regional Department for International Trade level.
- 2) Mayors are central to how that trade policy is implemented, with a clear focus on rebalancing the economy and empowering regions with significant trade potential to be at the forefront of determining appropriate target markets and aligning national government resources to delivering activity in those target markets.
- 3) The Board of Trade, chaired by the Secretary of State and which includes Devolved Administration representation includes elected Mayor representation.
- 4) The Government works with Mayors in determining and supporting strategically important industries when they have a significant presence in their regions.
- 5) Mayors are supported to lead joint trade and investment missions overseas, and that Government departments actively encourage engagement with prospective investors on the basis of the regions unique capabilities and opportunities.

I believe that these measures would enable the Sheffield City Region to play a more active and constructive role in future UK trade policy and enable the Sheffield City Region to boost its competitiveness and productivity.

The unique challenges posed by Brexit require bold and imaginative policy responses. The generation of those ideas do not reside in Westminster. They reside locally.

Should you wish any further information or to speak to my team in more detail please contact my Director of Trade and Investment, Rachel.Clark@scinvest.com.

I wish the committee the best of luck with its important inquiry and look forward to seeing the final report.

Yours sincerely

Mayor Dan Jarvis MBE MP