



Department for International Trade

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Dear Angus,

Embargoed: Launch of UK - Gulf Cooperation Council Free Trade Agreement negotiations

I am writing to inform you and your committee that the UK will shortly launch and begin free trade agreement (FTA) negotiations with the Gulf Cooperation Council. As part of that launch, I am sending you an embargoed copy of the following documents which will be published later this week:

1. The UK's strategic case for a UK - Gulf Cooperation Council Free Trade Agreement (FTA)
2. Our objectives for the negotiations
3. A summary of the UK's public consultation on trade with the Gulf Cooperation Council
4. A scoping assessment, providing a preliminary economic assessment of the impact of the agreement.

The Gulf Cooperation Council is a political and economic alliance between Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates. These 6 countries are home to 54 million people and in 2021 had a collective economy of £1.2 trillion.

The Gulf Cooperation Council is the UK's 7th largest export market, and total trade was worth £33.1 billion in 2021. An FTA would be a substantial opportunity for both our economies and a significant moment in the UK - Gulf Cooperation Council relationship. It will grow the economy, and support jobs and the levelling up agenda.

Government analysis shows that an FTA is expected to increase trade by at least 16%, add at least £1.6 billion a year to the UK economy and contribute an additional £600 million or more to annual UK workers' wages.

All regions and nations of the UK are set to benefit from a trade deal with the Gulf Cooperation Council, supporting the government's levelling up agenda. Industries outside of London are expected to benefit most, with the East Midlands, West Midlands, North East and Yorkshire and Humber in line for the fastest growth.

A strong trading relationship will allow the UK to play to our strengths as a manufacturing powerhouse and a world leader in technology, cyber, life sciences, creative industries, education, AI, financial services and renewable energy.

UK businesses in these industries have a role to play in supporting the Gulf Cooperation Council countries as they diversify their economies to move away from a reliance on oil and towards knowledge-based and green economies. The UAE, for example, has set a target of generating 50% of its electricity from renewable sources by 2050.

As in any negotiation, there will be some areas where we have different viewpoints, and we will only recommend a final agreement to Parliament that is in the UK's interest. The UK will continue to uphold our high environmental, labour, food safety and animal welfare standards through our trade agreement with the GCC.

The Government is committed to transparency and will ensure that Parliamentarians, UK citizens and businesses have access to information on our trade negotiations. I will provide further updates to Parliament as negotiations with Gulf Cooperation Council progress.

Yours Sincerely,

A handwritten signature in black ink, reading 'Anne Marie Trevelyan'. The signature is written in a cursive style with a horizontal line underneath.

THE RT HON ANNE-MARIE TREVELYAN MP
Secretary of State for International Trade
& President of the Board of Trade