



Department for International Trade

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Angus Brendan MacNeil MP
International Trade Committee
House of Commons
London
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By email to: tradecom@parliament.uk

12 August 2020

Dear Angus,

Update on negotiations on the UK's future trading relationship with the US

I am writing to inform you and your committee that the third round of negotiations towards a UK-US Free Trade Agreement (FTA) has now concluded.

The third negotiating round took place from 27 July to 7 August 2020. The round consisted of 33 sessions and covered 21 different workstreams. Progress continues to be made in many of areas that an agreement would cover.

Most chapter areas are now moving into the advanced stages of talks, with particularly detailed, text-based discussions on Intellectual Property. During this round, the UK and US also held their first text-based discussions on Rules of Origin.

In parallel to the negotiations, I held a series of meetings with the United States Trade Representative Ambassador Robert Lighthizer during my visit to Washington D.C earlier this month.

During these meetings both sides reviewed progress of the negotiations. I reasserted the UK's priorities in an FTA, and both sides reaffirmed their commitment to negotiating a comprehensive and ambitious agreement. In terms of the timeline of negotiations, it was agreed that they should continue at pace throughout the Autumn.

In separate discussions I also set out the UK's position on wider UK-US trade issues, including the removal of US retaliatory tariffs on iconic British products including Scotch whisky. I was clear that the UK considers these tariffs to be unacceptable and continued to push for their immediate removal, ideally through a negotiated settlement.

In light of the Covid-19 pandemic, the UK and US have taken a joint decision to postpone the SME Dialogue that was being planned in Boston later this year. We hope to rearrange this for Spring 2021.

Further talks will be held between the third and fourth negotiating round, which is expected to take place in early September. The two sides are expected to exchange their first Market Access offers during this time-period.

As Parliament is currently in recess, I would like to share the outcome statement in full (attached), in lieu of a Written Ministerial Statement. For the purposes of transparency, this will also be published on gov.uk and I am placing a copy in the House Library.

Following the completion of round 2 of UK-US negotiations, I welcomed the opportunity to update the committee last month. Committee members may wish to attend DIT's MP FTA briefing session on 8 September (16:00-16:30) for further updates. Please RSVP to parliament@trade.gov.uk to receive a virtual invite.

Best wishes,

A handwritten signature in blue ink, appearing to read 'Elizabeth Truss', is centered on the page.

THE RT HON ELIZABETH TRUSS MP
Secretary of State for International Trade
& President of the Board of Trade

Title: Negotiations on the UK's Future Trading Relationship with the US: Update

The third UK-U.S. Free Trade Agreement (FTA) negotiating round took place from 27 July to 7 August 2020.

There were 33 sessions held in the round, covering 21 different workstreams. Positive progress continues to be made in many of the areas covered by an agreement.

Most chapter areas are now moving into the advanced stages of talks, with particularly detailed, text-based discussions taking place on Intellectual Property. The UK and US also held their first text-based discussions on Rules of Origin.

In parallel to the negotiations, the International Trade Secretary held a series of key meetings with the United States Trade Representative, Ambassador Robert Lighthizer.

In these meetings both sides reviewed progress in the negotiations. The International Trade Secretary reasserted the UK's priorities in an FTA, and both sides reaffirmed their commitment to negotiating a comprehensive and ambitious agreement. In terms of the timeline of negotiations, it was agreed that they should continue at pace throughout the Autumn.

Further talks will be held between the third and fourth negotiating round, which is expected to take place in early September. The two sides are expected to exchange their first Market Access offers in this time period.

In separate discussions the International Trade Secretary also set out the UK's position on wider UK-US trade issues, in particular U.S. retaliatory tariffs on UK products including Scotch whisky. She was clear that the UK considers these tariffs to be unacceptable and continued to push for their immediate removal.

Due to considerations relating to Covid-19, the UK and US have taken a joint decision to postpone the SME Dialogue planned to take place in Boston later this year. We hope to rearrange in Spring 2021. Further details will be provided in due course.

Below is a summary list of those workstreams discussed in the round.

- Good Regulatory Practice (GRP)
- Technical Barriers To Trade
- Intellectual Property
- Investment
- Sanitary and Phytosanitary (SPS)
- State Owned Enterprises
- Anti-Corruption
- Financial Services
- Competition
- Environment
- Services Sectors – Professional Business Services
- Balance of Payments

- Rules Of Origin
- Cross Cutting Services
- Legal Group - Core Text
- Market Access – Textiles
- Trade Remedies
- Market Access
- Customs and Trade Facilitation
- Sectoral Annexes
- Telecoms