



Department for
International Trade



Department for
Business, Energy
& Industrial Strategy

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The Rt Hon Lord Goldsmith QC
Chairman
International Agreements Committee
House of Lords
London
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13 October 2020

Dear Peter,

UPDATE ON NEGOTIATIONS ON THE UK'S FUTURE TRADING RELATIONSHIP WITH AUSTRALIA

I am writing to inform you that on 12 October I made a Written Ministerial Statement to update Parliament on the second round of negotiations towards a UK-Australia Free Trade Agreement (FTA), continuing the next step of my commitment to keep you and your committee updated on trade negotiations.

The second UK-Australia Free Trade Agreement (FTA) negotiating round took place virtually from 21 September to 2 October.

Good progress was made between the end of round one and start of round two, with both sides sharing their draft chapter text or papers outlining their preferred approach. Over the two weeks, officials from 12 different UK government departments held discussions with Australian officials, with some further sessions coming over the next week that will mean talks will have spanned the breadth of the FTA.

The UK and Australia are committed to trade liberalisation and the rules that underpin it and both sides believe the FTA can send a clear signal of that shared commitment. UK and Australian negotiators want to agree an ambitious FTA that enhances the trade and investment opportunities for both countries.

Round two has reinforced the significant alignment between our two countries, which was demonstrated by productive discussions including in chapters such as Digital and Telecoms, where we have already seen a willingness to go even further than existing CPTPP precedent and to consider more ambitious proposals. Both sides remarked upon the speed at which substantive progress is being made and we have used this round to begin to lay the groundwork for an initial exchange of tariff offers.

The third negotiation round is expected to take place in November, and we anticipate it will again include discussions on all chapters. The Government is committed to negotiating a comprehensive agreement with Australia and we look forward to making further progress.

The Government further remains fully committed to transparency and will ensure that parliamentarians, UK citizens and businesses have access to information on our trade negotiations. We will make the next statement on progress following the third round of talks.

I would be happy to brief your committee on outcomes from the second round of UK-Australia negotiations, if you feel this would be useful.

A handwritten signature in black ink, appearing to read "Grimstone". The signature is written in a cursive, flowing style.

Lord Grimstone of Boscobel, Kt
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