



Department for
International Trade



Department for
Business, Energy
& Industrial Strategy

Lord Grimstone of Boscobel, Kt
Minister of State for Investment

Department for International Trade
King Charles Street
Whitehall
London
SW1A 2AH

T +44 (0) 20 7215 5000
E grimstone.correspondence@trade.gov.uk
W www.gov.uk/dit

The Rt Hon Lord Goldsmith QC
Chairman
International Agreements Committee
House of Lords
London
SW1A 0PW

23 October 2020

Dear Peter,

Negotiations on the UK's future trading relationship with Japan: signing of the UK-Japan Partnership Agreement

I am writing to inform you and your committee that today the Secretary of State for International Trade, the Rt Hon Elizabeth Truss MP and Japan's Foreign Minister Motegi Toshimitsu are signing the UK-Japan Partnership Agreement in Tokyo. This is the first trade deal that the UK has struck as an independent trading nation.

You will also have received a My Lords letter through the usual channels.

This British shaped deal goes beyond the existing EU agreement with major wins for all parts of the UK in areas such as digital and data, financial services, food and drink and creative industries. This deal could boost trade between the UK and Japan by £15.7 billion and drive economic growth in the long run.

The agreement also includes a strong commitment from Japan to support the UK joining the Comprehensive Trans-Pacific Partnership (CPTPP), meaning closer ties with 11 Pacific countries in one of the world's biggest free trade areas, covering 13% of the global economy in 2018 and more than £110bn of trade in 2019.

Key benefits of the UK-Japan Partnership Agreement include:

- **Cutting-edge digital & data provisions** that go far beyond the EU-Japan deal, including enabling free flow of data, a commitment to uphold the principles of net neutrality and a ban on data localisation that will prevent British businesses from having the extra cost of setting up servers in Japan.
- **Supporting UK car and rail manufacturing jobs** at major investors in the UK like Nissan and Hitachi through reduced tariffs on parts coming from Japan, streamlined regulatory procedures and greater legal certainty for their operations.

- **Strong tariff reductions on key agricultural products** like pork, beef and salmon will benefit farmers and food exporters
- **A boost for UK brands with protections for more iconic UK goods** from just seven under the terms of the EU-Japan deal to potentially over 70, including English sparkling wine, Yorkshire Wensleydale and Welsh lamb.
- **British consumers to benefit** from cheaper high-quality Japanese goods from udon noodles to Bluefin tuna and Kobe beef.

The NHS' services and the prices it pays for drugs remain protected and was not up for negotiation. There have been no changes to our intellectual property regime that would lead to increased medicines prices for the NHS.

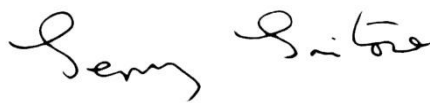
We have maintained all existing protections for our high standards of food safety and animal welfare. The UK's independent food regulators will continue to ensure that all food imports into the UK comply with those high standards and, without exception, imports into the UK will meet our stringent food safety standards.

Parliamentary transparency and scrutiny, next steps

As I set out in my Written Ministerial Statement of 12 October on transparency and scrutiny arrangements for free trade agreements, we have shared the full UK-Japan Partnership Agreement treaty text with your committee and the International Trade Committee in the House of Commons to aid the committees' important scrutiny work and the production of reports by them on the agreement.

While the Government is formally laying the treaty text electronically in Parliament today, the Constitutional Reform and Governance (CRAg) Act scrutiny procedure will not commence until 2 November, when the House of Commons returns from recess. Laying today ahead of the commencement of CRAg ensures that the House has the maximum amount of time to scrutinise the detail of the UK-Japan Partnership Agreement.

Best wishes,



Lord Grimstone of Boscobel, Kt
Minister of State for Investment
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