



Department for  
Business & Trade

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12 May 2023

Dear Darren,

### **Embargoed: Launch of UK - Switzerland Free Trade Agreement negotiations**

I am writing to inform you and your committee that the UK will shortly launch and begin negotiations towards a Free Trade Agreement (FTA) with Switzerland. Ahead of launch, I am sending you an embargoed copy of the following documents. The embargo on these documents will lift at 5:00pm on the 15<sup>th</sup> May when they will be published and placed in the House Library.

1. The Strategic Case for an upgraded UK - Switzerland Free Trade Agreement
2. A scoping assessment providing a preliminary economic assessment of the impact of the agreement.
3. A summary of the responses to the call for input on trade with Switzerland held in April 2022. This took views from consumers, businesses, and other interested stakeholders across the UK on their priorities for enhancing our existing trading relationship with Switzerland.
4. Our objectives for the negotiations

Switzerland is already one of the UK's most important trading partners and a key market for UK businesses of all sizes. Total trade between the UK and Switzerland has quadrupled over the last 20 years to reach £52.8 billion in 2022. Switzerland is the UK's 10<sup>th</sup> largest trading partner worldwide and our 2<sup>nd</sup> largest non-EU (European Union) trading partner in services.

Building on our long history of close relations and shared values, an enhanced UK-Switzerland FTA will modernise and improve on our current agreement, signed in February 2019. This is a continuity deal based on a more than 50-year-old agreement between Switzerland and the EU, and does not contain any commitments on services, investment or digital trade, despite these accounting for roughly half of our economic relationship.

A new agreement presents opportunities to secure long-term certainty on current arrangements and upgrade these to boost bilateral trade and investment. It will benefit crucial UK sectors such as financial and professional services, as well as businesses exporting digitally delivered services. It is also an opportunity to reduce or remove burdensome tariffs and quotas on agricultural goods. In terms of mobility, we will seek to provide long-term certainty, building on the outcomes of the recently extended Services Mobility Agreement.

UK and Switzerland's shared values also provide potential for greater cooperation in areas of mutual interest that trade can support, such as innovative research and development, and on our shared ambitions for tackling climate change. Negotiations provide an opportunity for both sides to defend free trade and showcase the best of European cooperation, demonstrating what two like-minded European nations can achieve outside of the European Union, while complementing our mutual relationships with the bloc.

A comprehensive agreement with Switzerland is a key part of the UK's strategy to secure advanced modern agreements with new international partners and upgrade existing continuity agreements to better suit the UK economy. It will provide opportunities for businesses big and small across the UK, unlocking trade and investment and opening up new exciting opportunities for growth in all regions.

The Government remains clear that any deal with Switzerland will be in the best interests of the British people and the UK economy. We will not compromise on our high environmental and labour protections, public health, animal welfare and food standards, and we will maintain our right to regulate in the public interest. We are also clear that during these negotiations the NHS and the services it provides are not on the table.

The Government will continue to keep Parliament updated as negotiations progress. As always, I am aware of the important role that your committee plays in the scrutiny of the Government's ambitious trade agenda. I would like to reiterate the commitment made by my department to make the Chief Negotiator and relevant Senior Civil Service experts available to brief the committee in private after each substantive negotiation round. My officials will work with the Clerks of your Committee to share the dates of future negotiation rounds so that the Committee is able to plan and take advantage of this offer if desired.

Best wishes,

A handwritten signature in black ink that reads "Kemi Badenoch". The signature is written in a cursive, flowing style.

**THE RT HON KEMI BADENOCH MP**

Secretary of State for Business & Trade and President of the Board of Trade and  
Minister for Women & Equalities