

The Rt Hon. Liam Byrne MP
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Dear Liam,

**Update following round 1 of negotiations on an enhanced Free Trade Agreement
with Turkey**

I am writing to update the Business and Trade Committee on progress made in the first round of negotiations on an enhanced Free Trade Agreement (FTA) with Turkey, which took place in Ankara between 23 June and 2 July 2025.

During this initial round, talks focused on gathering insights across policy areas and building a shared understanding of each other's initial positions. Negotiations were constructive, with both countries working towards agreeing ambitious outcomes in key areas, including services and digital trade. The talks also facilitated UK-Turkey cooperation and dialogue in areas of mutual interest that support growth.

Economic growth is our first mission in government and FTAs have an important role to play in achieving this. A stronger trade relationship with Turkey will contribute to jobs and prosperity in the UK. Total trade between the UK and Turkey was worth £27.8 billion in 2024.

Negotiators made significant progress in a number of areas:

Sustainability and Collaboration

Negotiators discussed areas of future cooperation relating to Innovation, SMEs and Trade and Development. The round also covered Women's Economic Empowerment and Labour rights, identifying joint priorities and reaffirming relevant international commitments. Commitments being sought will help foster joint initiatives to, for instance, improve women's access to global markets and reduce trade barriers for SMEs.

Regulatory Environment

Negotiations also covered technical issues relating to the regulatory environments of both Parties, including Consumer Protection and Competition. Discussions centred around rules and provisions to promote fair competition and safeguard the interests and rights of consumers engaged in cross-border trade between the UK and Turkey.

Trade in Services

Productive discussions were held on key technical issues, including digital, financial and professional business services. Initial discussions aimed to identify areas of alignment and explore commercially meaningful opportunities to build on the existing agreement's limited services provisions.

Goods

Turkey was the UK's 16th largest trading partner in 2024 and UK goods exports to Turkey were worth £6.1bn. The UK's existing FTA with Turkey replicates the effect of the EU-Turkey Customs Unions. Industrial products are fully liberalised, and agricultural goods are partially liberalised in the current FTA. During the first round of negotiations both sides worked to establish baselines and respective ambitions as well as agree a forward process for future rounds.

I would like to reiterate that the government will only ever sign a trade agreement which aligns with the UK's national interests, upholding our high standards across a range of sectors, including protections for the National Health Service.

Round one has secured some important milestones and my Chief Negotiator, Ilaria Regondi, would be pleased to attend an in-person private briefing to provide the Committee with more detail on the discussions and progress more broadly, if and when this would be helpful. The second round of negotiations is expected to take place in the Autumn of 2025.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Douglas Alexander', with a stylized, cursive script.

THE RT HON DOUGLAS ALEXANDER MP
Minister of State for Trade Policy and Economic Security
Department for Business and Trade