



Department for  
International Trade



Department for  
Business, Energy  
& Industrial Strategy

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

15 March 2021

Dear Peter,

### **Update on negotiations on the UK's future trading relationship with Australia**

I am writing to inform you and your committee that today I have made a Written Ministerial Statement to update Parliament on the fourth round of negotiations towards a UK-Australia Free Trade Agreement (FTA).

The fourth round of Free Trade Agreement (FTA) negotiations with Australia took place between 22 February and 5 March. During the two weeks, negotiators held 51 negotiation sessions, covering 27 different chapter areas. In total, we have had 170 sessions since launching negotiations in July 2020.

Both the negotiation teams shared text and additional proposals before the round, including on Digital, Labour and Technical Barriers to Trade, allowing negotiators to enhance their substantive conversations. From this, negotiators were able to build mutual understanding, and make further progress consolidating texts in most chapter areas. Focused engagement has enabled negotiators to provisionally identify shared ambition and remaining points of divergence to work through ahead of the next round.

Good progress has been made in areas including Customs, Rules of Origin, and Professional Services. The majority of text has been agreed in chapters on Good Regulatory Practice, as well as Small to Medium-Sized Enterprises. Development in the latter reflects the commitment of both Australia and the UK to ensuring businesses of all sizes can benefit from the FTA.

Some text was agreed in cross-border trade in services. Negotiators were also able to hold technical discussions on mobility, international maritime transport services, express delivery services and domestic regulation.


Meanwhile, progress was also made on Procurement and Digital, with parts of the text agreed. In addition, there were productive discussions on the Innovation chapter.

Discussions were taken forward on Investment, where we hope to include provisions which further enhance our strong bilateral relationship, building on the UK's position as second largest direct investor in Australia and the second largest recipient of Australian Foreign Direct Investment in 2019.

The Australia and UK negotiation teams have also planned an intensive period of intersessional discussions in the coming weeks to continue this momentum ahead of a fifth round of talks.

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 fifth round of talks.

Best wishes,

A handwritten signature in black ink, appearing to read "Grimstone". The signature is written in a cursive style with a large initial 'G' and a long, sweeping tail.

**Lord Grimstone of Boscobel, Kt**  
Minister of State for Investment  
Department for International Trade