



Department for International Trade

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Dear Angus,

Update on negotiations to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership

On 28th September, the UK took the next step on the pathway to membership of this important and growing trading group. We kicked off the first round of talks with officials from all members of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

Joining CPTPP puts Britain at the heart of a dynamic group of countries, as the world economy increasingly centres on the Pacific region. And as these economies grow, it is even more important that the UK is in a free trade agreement with them, so that we benefit from this growth.

A free trade area worth £9 trillion in 2019, it spans the Asia Pacific and Americas. It includes some of the world's biggest current and future economies – the highest growth area for market opportunities for British exporters. Joining would secure lower tariffs for exports such as whisky and cars, which are in high demand in the Pacific region. Accession could see 99.9% of UK exports being eligible for tariff-free trade with its members.

UK exports to current CPTPP countries are already set to increase by 65% by 2030, equating to £37 billion annually. Membership is expected to boost this growth even further. More exports and free trade will support more jobs in the UK and create wealth that can fund our public services. We currently import around £28 billion worth of goods from CPTPP countries; membership will place these imports on a reliable footing.

As the world's second-largest services exporter, membership will make travel easier for businesspeople moving between the UK and CPTPP countries and locks in modern rules on data sharing. These new rules will help our cutting-edge tech sector increase its global presence and opens up new markets for financial and professional services.

The benefits of membership will be felt across the country. Scotland is expected to benefit from relative output gains of £163 million, with Wales enjoying gains of £53 million and Northern Ireland £45 million. In England, outside London and the South East, the North West is forecast to see long term output increase by £146 million and the West Midlands by £177 million.

Since the launch of negotiations, my Department has been assessing the UK's compliance with the existing CPTPP treaty rules. CPTPP has high standards in a range of areas including food safety, labour standards and the environment.

At the meeting of the UK Accession Working Group, over 20 negotiators from the Department for International Trade worked through the night, setting out the UK's high standards and explaining their consistency with CPTPP obligations.

We made significant progress towards acceding to CPTPP as part of our ambitious timeframe, with discussions on key areas such as e-commerce and procurement. We will follow these up with further technical written and oral discussions on a range of areas, and co-ordinate on next steps, with CPTPP members.

My Department is committed to drawing on the expertise of colleagues in both Houses and will continue to provide Parliament with regular written updates, as with other agreements under negotiation. We are also engaging regularly with the International Trade Committee and International Agreements Committee at Ministerial and Official level to ensure Parliament is appropriately involved as we deliver our new independent trade policy.

More than half of the world's high-income earners are set to be in Asia by 2030. British exports are, and will increasingly be, in high demand. Membership of CPTPP will cement our status as an open, enterprising economy which shares the benefits of trade with everyone. More trade will mean more jobs, more growth and higher prosperity.

Yours,

A handwritten signature in black ink, reading "Anne-Marie Trevelyan". The signature is written in a cursive style and is positioned above a horizontal line.

THE RT HON ANNE-MARIE TREVELYAN
Secretary of State for International Trade
& President of the Board of Trade