

Negotiations on the UK's future trading relationship with the US: Update

More trade is essential if the UK is to overcome the unprecedented challenges posed by Covid-19. New FTAs will be an important factor in facing that economic challenge, providing new opportunities for businesses and entrepreneurs who have faced significant challenges in this difficult period. An FTA with the US can help create opportunities for UK businesses, provide better jobs and boost the economy in every part of the country.

Both sides are hopeful that negotiations for a comprehensive trade agreement can proceed at an accelerated pace. Ambassador Lighthizer and I agreed that a second virtual round will take place in the weeks of 15 and 22 June, and that in advance of that negotiating teams will continue their work and meet virtually on a rolling basis, with meetings continuing throughout this week and beyond.

Negotiations over the past two weeks were conducted virtually but proceeded efficiently, with UK and US negotiators participating in extensive discussions in nearly 30 different negotiating groups covering all aspects of a comprehensive trade agreement. The discussions covered the following workstreams:

- Small and Medium Enterprises (SMEs)
- Legal Group – Disputes
- Trade Remedies
- Rules of Origin
- Investment
- Legal Group – Core Text
- Technical Barriers to Trade
- Competition
- Digital
- Telecoms
- Economics
- Customs
- Sectoral Annexes
- Cross cutting services
- Market Access for Goods, Overarching and Industrial Goods
- Good Regulatory Practice (GRP)
- Financial Services
- Sustainability, Environment and Labour
- General Coordination
- Market Access for Goods, Agriculture
- State Owned Enterprises
- Services Sectors
- Intellectual Property
- Procurement

- Sustainability, Anti-Corruption
- Market Access for Goods, Textiles
- Sanitary and Phytosanitary (SPS)
- Subsidies

The meetings were positive and constructive, reflecting the mutual commitment to secure an ambitious agreement that significantly boosts trade and investment between our economies, the first and fifth largest in the world.

Both sides recognised the unprecedented circumstances in which these negotiations took place, with significant emphasis placed on supporting the post-Covid economic recovery.

During the meetings, the teams discussed their respective objectives and agreed on ambitious next steps for coming talks. Our preparatory work makes it possible for the UK and United States to quickly advance negotiations in a number of substantive areas that will shape our future bilateral trade relationship.

A number of areas showed particular progress, including where both teams identified positive alignment between respective negotiating positions. They identified a mutually high ambition for services, investment and digital trade, among other areas.

Both sides also set out a mutual commitment to creating new opportunities for businesses on both sides of the Atlantic and to delivering benefits for workers, consumers and farmers. This includes the confirmation that both sides will quickly pursue a standalone Small and Medium Enterprises (SME) Chapter and will continue the UK-US SME Dialogue.

In the same manner as this negotiating round, discussions in the second round will cover all areas to be included in a Free Trade Agreement.

The Government is committed to negotiating a comprehensive agreement with the US and we look forward to making further progress at the next round of negotiations. The Government will make a further statement on progress following the second round of talks.