Press release: Trade policy minister sets out future UK-Africa trading relationship

Speaking to the Africa All Party Parliamentary Group (APPG) meeting on Wednesday 5 December, Mr Hands said the government wants a thriving trade relationship with Africa that benefits all. He also outlined what the Trade Bill and the Taxation Bill mean for the UK's future trade with the continent.

Bilateral trade between the UK and Africa totalled £28.7 billion in 2016, and the government places tremendous importance on strengthening our economic ties with the continent. No country has achieved long term growth, stability and poverty reduction without embracing trade and in turn, these economies represent our trading partners of the future.

Minister for Trade Policy, Greg Hands, said:

> The UK enjoys strong trading relationships with many developing countries including in Africa and I am a strong believer that free and fair trade has been the greatest liberator of the world's poor.
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> We must build new economic relationships that are mutually beneficial to both the UK and, crucially, to developing countries and their citizens. As we leave the EU, we will build and strengthen ties between British and African businesses and help turn the UK into Africa's trading partner of choice.
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> The potential is exciting and we must endeavour to make it happen.

The UK imported £12.7 billion in goods and services from Africa in 2016. As a leading voice in support of free trade as a tool for economic development, the Taxation (Cross-Border Trade) Bill was introduced last month and will enable the UK to put in place a trade preferences scheme for developing countries as we leave the EU. This will, as a minimum, provide the same level of access as the current EU trade preference scheme and will maintain tariff free access for the world's least developed countries and continue to offer generous tariff reductions to around 25 other developing countries.

We have also introduced the Trade Bill, which will allow us to replicate the effects of the 'Economic Partnership Arrangements' – development focused trade deals with Africa, Caribbean and Pacific countries which will minimise disruption to current trading arrangements.

The Department for International Trade (DIT) is going further still with a renewed focus on outward direct investment into Africa, and is significantly increasing UK export finance to encourage businesses to take full advantage of the investment opportunities in these growing markets.

Most recently, International Trade Secretary – Dr Liam Fox – visited Uganda and Ethiopia with a business delegation to explore new opportunities for trade and investment in these markets. Whilst on the visit he confirmed the completion of the largest ever loan of £215m to an African government by the UK's export credit agency, UK Export Finance, for the construction of a new international airport in Uganda which will create over 800 local jobs.

Further information

- On 24 June, the Department of International Trade and the Department of International Development pledged to help the world's poorest countries access UK markets once we leave the EU.
- As set out in the Trade White Paper, the UK remains committed to ensuring developing countries can reduce poverty through trading opportunities. The Department for International Trade and the Department for International Development are working together to ensure development and global prosperity are at the heart of UK trade and investment policy.
- We have introduced legislation that will put in place the necessary legal powers and structures to enable us to operate a fully functioning trade policy after we leave the EU. This will ensure the UK is ready for exit, providing continuity for individuals, businesses, and international trading partners.
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- The UK's largest Export partners in Africa were South Africa (£4.3 billion), Nigeria (£2.1 billion), Egypt (£2.0 billion), Morocco (£1.0 billion), Ghana (£1.0 billion), Angola (£706 million) and Kenya (£611million).
- The UK's largest import partners were South Africa (£4.4 billion), Morocco (£1.6 billion), Nigeria (£1.2 billion), Egypt (£990 million), Algeria (£789 million), Kenya (£490 million) and Angola (£417 million).