

UK and Australia sign historic trade deal

- The UK-Australia trade deal is the first 'from scratch' UK trade agreement to be finalised since the UK left the EU.
- It was agreed in principle by the UK Prime Minister in June and the UK International Trade Secretary has today signed the final deal during a virtual ceremony.
- The deal will benefit the UK by eliminating most tariffs on UK exports and unlock £10.4 billion of additional trade.

The UK has signed an historic trade agreement with Australia, our first 'from scratch' since leaving the EU, setting new global standards in digital and services and creating new work and travel opportunities for Brits and Australians.

The deal was 'agreed in principle' by the UK Prime Minister and Australian Prime Minister Scott Morrison in London in June, and negotiators have now finalised all chapters of the agreement. The final deal was signed in a virtual ceremony by International Trade Secretary Anne-Marie Trevelyan on Friday morning and will now be laid in the UK Parliament for a period of scrutiny.

The deal is expected to unlock £10.4 billion of additional trade, boosting our economy and increasing wages across the UK, while eliminating tariffs on most UK exports. It includes cutting-edge agreements in areas where Britain is a world leader, including in digital and technology, along with increased access to Australia for the UK's powerhouse service sectors.

This agreement will help create new opportunities for businesses in both the UK and Australia:

- Establishes clear and transparent rules that ensure fair treatment for UK investors, greater legal certainty to prohibit discriminatory treatment and reduces the risks associated with investment decisions.
- Provides UK investors with broader and deeper market access than Australia has ever guaranteed before, making it easier to invest across the economy while restricting limitations on business activity and reducing "investor-unfriendly" performance requirements.
- It gives UK and Australian firms guaranteed access to each other's government procurement markets
- It will allow young people to work and travel in Australia for up to three years at a time, removing previous visa conditions.
- UK service suppliers including architects, scientists, researchers, lawyers and accountants will have access to visas to work in Australia without being subject to Australia's skilled occupation list. This is more than Australia has ever offered any other country in a free trade agreement.
- UK businesses and professionals will have guaranteed certainty of

access, helping to make long-term business decisions around the movement of personnel, bidding for and accepting new contracts, and advertising their services in Australia.

- The deal removes tariffs on UK exports, making it cheaper for Australian importers to sell iconic British products like cars, Scotch whisky and UK fashion. Australian favourites like Jacob's Creek and Hardys wines, Tim Tams and surfboards will be more accessible for British consumers.

The deal is also a gateway into the fast-growing Indo-Pacific region and will boost the UK's bid to join CPTPP, one of the largest free trade areas in the world, covering £8.4 trillion of GDP and 11 Pacific nations from Australia to Mexico.

International Trade Secretary Anne-Marie Trevelyan said:

Our UK-Australia trade deal is a landmark moment in the historic and vital relationship between our two commonwealth nations. This agreement is tailored to the UK's strengths, and delivers for businesses, families, and consumers in every part of the UK – helping us to level up. We will continue to work together in addressing shared challenges in global trade, climate change and technological changes in the years ahead.

Today we demonstrate what the UK can achieve as an agile, independent sovereign trading nation. This is just the start as we get on the front foot and seize the seismic opportunities that await us on the world stage.

British High Commissioner to Australia HE Vicki Treadell said:

Today we make history. A day that heralds our exciting future. This Free Trade Agreement is a world-class partnership that helps Australians access the best of British high-quality goods and services, British companies to realise even greater opportunity in Australia and shows that Britain is open for business. The mobility elements further strengthen our existing connections and ensures that talent exchange will be even easier to achieve.

I look forward to working with our Australian friends to take this ambitious agreement forward as we realise the incredible opportunities now available to both our nations.

RenewableUK's CEO Dan McGrail said:

Australia has the potential to be a clean energy powerhouse, able

to provide all its electricity needs using just 1% of its offshore wind potential.

This free trade agreement will make it easier for UK and Australian companies to export green technologies and expertise, speeding up the transition of both countries to our net zero goals. We look forward to seeing even more UK companies out in Australia, ensuring they maximise all the economic benefits we've seen flow from our low-cost wind energy and green hydrogen developments.

TheCityUK Managing Director, International Trade and Investment, Nicola Watkinson, said:

This agreement with Australia is further evidence of the UK breaking ground with new trade deals with key trade partners. It is the first wholly new agreement negotiated with an advanced economy, and it furthers the UK objective to join the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP).

The agreement rightly focuses on issues important to the services sectors representing 80% of the UK economy, such as recognition of professional qualifications, data and digital provisions, which all create new opportunities for UK exporters. As the UK's largest exporter of services, the financial and related professional services industry welcomes this agreement.

CEO of Make UK, the manufacturers organisation Stephen Phipson said:

Achieving a new preferential trade arrangement with Australia is welcome for Britain's manufacturers who will benefit from day one with tariff free access on goods sold and witness improvements in business mobility between the two countries.

With enhanced export opportunities for the UK's medical device manufacturing sector and strengthened frameworks for bi-lateral co-operation on technical standards and regulations, there is much that the UK and Australia can work on in the future to boost exports from the UK. In the coming months, we look forward to working with Government to look at how the wider benefits of this new and closer relationship can be positioned and communicated with the manufacturing sector to maximise understanding of the opportunities available ahead of the deal coming into force in the future.