

# UK and Japan start trade negotiations

The UK and Japanese governments will today (Tuesday 9 June) start negotiating a UK-Japan Free Trade Agreement.

The agreement will build on the existing EU-Japan deal. It will go further by securing additional benefits in areas such as digital trade, and providing support for the UK's 5.9 million small businesses.

It will allow the UK and Japan to set new standards in areas of digital technology and e-commerce, helping to establish our position as a global technology superpower.

Last year, UK trade with Japan was worth over £30 billion and 9,500 UK based businesses exported goods to the country, helping to employ 2.4 million people across the UK. A bespoke free trade agreement with Japan will help generate significant opportunities throughout the economy, creating jobs, boosting wages and diversifying choice for consumers.

UK-Japan trade talks are also an important step towards our joining the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), a key UK priority, which will help us diversify our trade and grow the economy.

The UK and Japan are committed to an ambitious timeline to secure a deal that will enter into force by the end of 2020. Both countries are also dedicated to leading the global response to the economic challenges posed by coronavirus, making international trade easier and fairer and avoiding a retreat into protectionism.

The International Trade Secretary Liz Truss and the Japanese Minister for Foreign Affairs Motegi Toshimitsu are launching negotiations via video conference call.

On the UK side, talks will be led at official level by Graham Zebedee, with all UK trade negotiations being overseen by Crawford Falconer, DIT's Chief Trade Negotiation Adviser.

Government analysis shows a UK Japan FTA will benefit every region and nation of the UK, with the greatest benefits in Scotland, London and the East Midlands.

International Trade Secretary Liz Truss said:

Today marks a historic moment in the long-standing friendship between the UK and Japan.

As we kick start trade talks, we aim to strike a comprehensive free

trade agreement that goes further than the deal previously agreed with the EU, setting ambitious standards in areas such as digital trade and services. A trade deal with Japan will also advance the UK's accession to the Comprehensive and Progressive Trans-Pacific Partnership, which will improve market access for UK businesses across the Asia-Pacific region.

This deal will provide more opportunities for businesses and individuals across every region and nation of the UK and help boost our economies following the unprecedented economic challenges posed by coronavirus.

Takaaki Hanaoka, Secretary General of the Japanese Chamber of Commerce & Industry in the UK said:

We, Japanese Chamber of Commerce & Industry in the UK welcome the movement of starting negotiation of Free Trade agreement by both UK and Japanese governments.

The UK and Japan have common ground in that both have mature markets and societies. Both can be partners in further developing economic activities through mutual trade and investment. We urge strongly that a legally binding FTA between UK and Japan be agreed at the earliest opportunity.

Negotiations will be conducted remotely, via videoconference, across six working groups and will cover all 23 chapters and annexes of the future agreement. Around 100 negotiators will be involved on the UK side.

A common-sense approach to negotiations will ensure that talks can progress during the COVID-19 pandemic, while public health and social distancing measures can continue to be respected.

Josh Hardie, CBI Deputy Director-General, said:

The launch of the UK-Japan talks is a big step forward to creating an ambitious free trade agreement.

Japan offers huge opportunities for two-way trade and investment, one that will benefit every region and nation across the country.

Business is optimistic that a deal focused on supporting digital

trade and industries of the future can be reached.

The government is committed to conducting trade negotiations transparently, and we will provide further information on the progress of the talks as they go on.