

UK and South Korea eye bigger deal following bumper year of trade

- Trade Secretary hosts inaugural UK-South Korea trade committee to lay groundwork for enhanced deal that will build on £13 billion trading relationship
- Anne-Marie Trevelyan and Trade Minister Yeo Han-koo sign new strategic agreement to bolster supply chain resilience – the first UK agreement of its kind with an Asia-Pacific partner
- Secretary of State to visit green pioneer Ceres Power, which signed £43 million partnership with South Korean firm Doosan

International Trade Secretary Anne-Marie Trevelyan today (7 February) hosted the inaugural UK-South Korea FTA Committee in London and meet her Korean counterpart, Yeo Han-koo, to discuss increased trade and collaboration in key areas such as digital, the environment and supporting small business. Both sides will aim to start talks on an enhanced trade deal later this year.

Trade between the UK and South Korea totalled £13.3 billion in the year to September 2021 – up 11 percent on 2020. In particular, UK exports to South Korea have seen strong growth, increasing by 12 per cent in the same year.

Following the global chip shortage and other supply chain issues caused by the pandemic, they also signed an agreement to strengthen supply chain resilience. As one of the UK's biggest trading partner for critical goods, the agreement will help ensure the continued smooth flow of key supplies between our two countries.

After the meeting, Trevelyan will travel to Redhill to visit Ceres Power, the green energy pioneer that signed a £43 million partnership with South Korean firm Doosan.

International Trade Secretary Anne-Marie Trevelyan said:

This is our Indo-Pacific tilt in action – strengthening ties with one of the largest economies in the world.

From offshore wind to hydrogen, 2021 saw many examples of the growing collaboration between our two nations – particularly on clean growth.

I'm excited to build on our existing trade agreement, going even further in areas like technology and services.

South Korea, a global leader in electronics and more recently cultural exports like K-pop and Squid Game, counts cars, whisky and crude oil amongst its top goods imports from the UK.

As a top ten economy and industrial powerhouse, South Korea offers UK businesses fantastic export and investment opportunities. The country also forms part of the UK's strategic tilt to trade more with the Indo-Pacific region.

In the year since the UK-Korea Continuity FTA came into force, the Department for International Trade (DIT) has supported a range of UK firms, such as Ceres Power and Oxford Instruments, to secure export wins in South Korea.

Caroline Hargrove, Chief Technical Officer, Ceres Power, said:

We are pleased to host the Secretary of State at our Redhill fuel cell manufacturing site. From here, we transfer technology under licence to global partners to embed in next generation clean energy applications, helping to address climate change and achieve net zero.

Ceres is proud to be a UK high growth technology success story, collaborating with global partners such as Doosan in South Korea, to deliver clean energy technology at scale and pace.

Goods exporters are also profiting from a growing market for high quality UK-made products. From iconic brands like Whittards, Denby Pottery and Brompton Bikes to more technical goods like Survitec's medical equipment and life jackets, South Korean consumers are increasingly buying British.

The UK has become a top destination for South Korean green investment. DIT recently signed an agreement with the Korean Investment Corporation (KIC) aimed at increasing Korean investment into green and sustainable projects in the UK.

South Korean firm SeAH is also investing £260 million to boost the UK's offshore wind capacity in the North East, which will create hundreds of new jobs and help the UK build back greener.

Sebastian Lazell, CEO of Denby Pottery, said:

We are proud that Denby's Derbyshire-made ceramics have contributed to the impressive growth of British exports to the South Korean market, and the current post-Brexit transitional trade agreement has undoubtedly helped Denby's progress.

We look forward to a future trade agreement with South Korea that can ensure the continuation of the Denby success story to benefit British Design, British Manufacturing and British Exports for many years to come.

Will Butler Adams, CEO of Brompton Bikes, said:

South Korea has become one of Brompton's top and most valuable export markets thanks to consistent support from DIT. Our Ambassador has cheered on hundreds of Brompton racers, flying round a circuit in Seoul, we have had strategic advice on the appointment of our distributor and are always welcome in the embassy.

This support has helped us nurture an incredibly passionate Brompton community that continues to inspire more and more people to enjoy the freedom of cycling in cities across South Korea.

The pandemic has amplified the demand for Bromptons, as people have looked for a better way to commute and explore their city, and we expect to continue to see significant growth and development of our partnerships.

Gerard Grech, CEO of Tech Nation, said:

There is high demand in South Korea for cutting-edge technologies – especially those in which the UK is world-leading. Building an even stronger trading relationship with South Korea will further connect our thriving innovation ecosystems.

As part of the UK Government's Digital Trade Network in Asia Pacific, Tech Nation will continue to support the UK's high growth tech scale-ups win new business.