

UK and Ukraine launch talks on digital trade deal to support Ukrainian businesses

- New agreement will remove barriers to digital trade, providing much needed support for Ukrainian jobs and livelihoods following Russia's invasion
- Announcement follows a direct request from Ukraine's government and comes on Ukrainian Independence Day [Wednesday 24 August]
- Move follows UK's decision to cut tariffs on all goods from Ukraine to zero under existing UK-Ukraine free trade agreement

The UK and Ukraine have announced their intention to pursue a new digital trade agreement to help Ukraine rebuild its economy and protect livelihoods following Russia's invasion.

International Trade Secretary Anne-Marie Trevelyan met with First Deputy Prime Minister and Minister of Economy of Ukraine Yuliia Svyrydenko and Vice Prime Minister and Minister of Digital Transformation of Ukraine Mykhailo Fedorov virtually and Ukrainian Ambassador to the UK Vadym Prystaiko in person in London [on Tuesday 23 August] to reiterate the UK's unwavering support for Ukraine and begin talks.

The digital trade agreement will aim to support Ukrainian businesses by cutting red tape and helping them to trade with the UK more efficiently through technology such as electronic transactions, e-signatures, and e-contracts.

It will also make it easier for UK companies to work with Ukrainian businesses and support with their economic recovery. Total trade between the UK and Ukraine was worth £1.9 billion in 2021 and UK exports of digitally delivered services accounted for 73% of all UK services exports to Ukraine in 2020.

International Trade Secretary Anne-Marie Trevelyan said:

Putin's brutal and unprovoked invasion of Ukraine has had devastating human consequences. The UK stands shoulder to shoulder with Ukraine and will use trade as a force for good to help the country rebuild its modern economy after this barbaric war.

Our partnership with Ukraine will help them seize the brighter days ahead, and we will continue to do everything in our power to protect Ukrainian jobs, livelihoods and families.

Vadym Prystaiko, Ambassador of Ukraine to the United Kingdom said:

The United Kingdom has shown unwavering support throughout this illegal invasion and the ties between our governments have never been closer.

While we fight fearlessly for the freedom of our nation, many Ukrainians also look ahead to how we will rebuild our country. Strengthening our economic ties through this landmark digital trade agreement will support our IT industry, which is set to become a major driver of economic growth for our businesses and cities.

Today's announcement comes following a direct request from President Zelenskyy's government. The Ukrainian government has identified supporting the digital economy as one of its areas of focus for the recovery and reconstruction of the country. The UK, as a global leader in digital trade, is well placed to help with that.

It follows the UK's removal of all tariffs under the existing UK-Ukraine free trade agreement in May, supporting Ukrainian businesses and producers to export goods and rebuild their economy. A new digital trade agreement would further strengthen our trading relationship, providing additional and much-needed economic support for businesses in Ukraine.

In July the Trade Secretary also launched a new UK-Ukraine Infrastructure Taskforce, which is building partnerships between UK and Ukrainian businesses to help repair damaged and destroyed infrastructure including bridges and homes in and around Kyiv.

The UK has also introduced one of the largest and most severe packages of economic sanctions against Russia. Measures cover over £18 billion worth of products that were traded with Russia in 2021, as well as over 1,000 individuals and over 100 entities in key sectors such as defence.