

UK takes first steps towards new trade deal with Israel

- International Trade Secretary Anne-Marie Trevelyan launches consultation today (2 February) for a new UK-Israel trade deal, during a 3-day visit to Israel and the Occupied Palestinian Territories
- 8-week consultation will seek the views of the public and business on an enhanced trade deal
- UK confirms plans for a UK-Israel Innovation Summit this spring, with Israeli PM and a trade delegation set to attend

International Trade Secretary Anne-Marie Trevelyan will today meet with Israel Minister of Economy Orna Barbivai to kickstart preparations for a new trade deal that will deepen economic ties between long-standing allies.

The UK government will launch an eight-week consultation to seek the views of business and the public, ahead of negotiations starting later this year, as is standard. The UK is Israel's third largest trading partner, with £2.7 billion worth of British exports going there in 2020 and an overall trade relationship worth £4.8 billion.

Last year, Israeli investment into the UK was worth over £200m and secured hundreds of jobs across the UK. A new agreement will aim to play to our strengths as fellow tech superpowers, boosting our strong trade and investment relationship in industries of the future like digital, services and life sciences and creating high-paying jobs across the country.

While services account for 70% of both our economies, they currently only represent 35% of our bilateral trade. An updated trade agreement could address this imbalance by cutting red tape and overhauling the very limited provisions on services and innovation in the current agreement inherited from the EU.

During her three-day visit, the Secretary of State will encourage greater collaboration between UK and Israeli tech industries. She will meet key Israeli investors in the UK, host a reception of leading technology businesses and visit Tel Aviv's new light rail metro project to identify opportunities for UK firms to be involved in the project.

She will also visit the Hebrew University of Jerusalem, where she will discuss UK and Israeli agri-tech expertise.

UK businesses are also expected to be able to seize new opportunities in areas like education, healthcare, and food and drink exports, benefiting from

lower tariffs and better market access in a country that has a high regard for British products and expertise.

The Secretary of State will also travel to Ramallah to meet with PNA Minister of National Economy Khalid Osaily and visit the UK-Palestinian Tech Hub to strengthen links between UK and Palestinian tech enterprises.

International Trade Secretary Anne-Marie Trevelyan said:

We're using our independent trade policy to revitalise old agreements we inherited from the EU. Unlike in the past, we can now work with friends and allies like Israel to strike deals that are truly tailored to our strengths in areas like digital trade, services, and life sciences.

This new trade agreement is part of our commitment to build a stronger relationship with Israel and is a huge opportunity to deepen ties with a fellow democracy and tech superpower so together we can create well-paid, high value jobs in both countries.

Chris Southworth, Secretary-General of the International Chambers of Commerce, says:

Israel and the UK are two highly innovation focused economies with deep cultural affinity between both nations so this is a fantastic opportunity for both governments to set new standards in trade in services and mirror the success of the Singapore agreement on digital trade. It's really important industry input into the consultation – this is vital if we are to get the kind of agreement that is optimal for trading businesses.

Mark Samuels, Chief Executive of the British Generic Manufacturers Association (BGMA), said:

The UK generics industry has long enjoyed a close relationship with Israel, and it is undoubtedly a centre of excellence for life sciences. We welcome the UK Government's initiative to strengthen this relationship further and provide more opportunities for partnership between our two countries.

As part of her visit, the International Trade Secretary will also confirm plans to host a UK-Israel Innovation Summit this spring.

The UK and Israel have long shared a culture of entrepreneurial, tech-savvy and innovative businesses, and the summit will showcase the shared talents and skills of world-leading British and Israeli companies and galvanise greater collaboration in sectors such as AI, cyber security and life

sciences.

The one-day summit will take place in the UK and will see influential entrepreneurs, investors and leading businesses attend, alongside the UK and Israeli prime ministers.

Further information

Please see [here](#) for the consultation.