

Negotiations on the UK's future trading relationship with Australia: Update

News story

Trade negotiators from the UK and Australia held the first round of negotiations for a UK-Australia Free Trade Agreement (FTA) between 29 June and 10 July 2020.



We are now one step closer to an ambitious, wide-ranging free trade agreement with one of our oldest friends. An FTA with Australia can bring investment, better jobs, higher wages and lower prices just when we need them the most.

Both teams of negotiators recognised the unprecedented circumstances we find ourselves in and reiterated that more global trade is essential to support post-Covid economic recovery.

Negotiations were conducted virtually and covered discussions on all areas of a comprehensive trade agreement. The discussions covered the following areas:

- Anti-Corruption and Transparency
- Competition
- Cross-cutting general provisions
- Customs
- Digital/e-commerce
- Environment
- Financial Services
- Trade in Goods and Trade Remedies
- Good Regulatory Practice
- Intellectual Property
- Investment
- Labour
- Procurement
- Rules of Origin
- Services, including Movement of Natural Persons and Professional

Business Services

- Small and Medium-sized Enterprises
- State Owned Enterprises
- Sanitary and Phytosanitary Measures
- State to State Dispute Settlement
- Technical Barriers to Trade
- Telecommunications

We also had positive exploratory discussions on Clean Growth, Development, Women's Economic Empowerment, and Innovation.

Discussions between negotiators were productive and reflected our shared ambition to secure a comprehensive deal to boost trade and investment between our like-minded economies.

Teams discussed their respective objectives and agreed a forward plan for future talks. Our positive discussions in round one have laid the groundwork for the UK and Australia to achieve high-quality outcomes across the agreement.

The UK and Australia are aligned in many areas which will enable us to make quick progress across many chapters. In discussions, both countries emphasised a desire to be particularly ambitious in areas including services, digital trade and in supporting Small and Medium-sized Enterprises to benefit from the opportunities that increased trade provide.

The Government is committed to negotiating a comprehensive agreement with Australia and we look forward to making further progress. We will explore the option of face-to-face negotiations when it is safe to do so. The Government will make its next statement on progress following the second round of talks, currently planned for September.

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£11 billion boost for taxpayers facing difficulty due to coronavirus (COVID-19)

Anyone who has difficulty paying their second 2019 to 2020 Self Assessment payment on account can take advantage of automatically deferring the payment until 31 January 2021, HMRC is reminding taxpayers.

The second Self Assessment payment on account for 2019 to 2020 is ordinarily due at the end of July, but the government previously announced it is

supporting the self-employed and others by allowing them to defer this payment.

This option to defer is on top of additional support for the self-employed through £7.8 billion in grants paid through the Self Employment Income Support Scheme.

The payment on account deferral will give immediate support to businesses and individuals by keeping cash at their disposal during this extraordinary time of uncertainty.

To make this as hassle-free as possible customers will not need to contact HMRC to defer their payment on account – they opt into the deferral by simply not paying their tax bill due by 31 July 2020.

If no payment is received, HMRC will automatically update their systems to show payment has been deferred and no interest or penalties will be incurred, providing it is paid in full by 31 January 2021.

The only action customers may need to take is to cancel their direct debit if they have one set up for their payments on account.

Angela MacDonald, HMRC's Director General of Customer Services, said:

We want to support taxpayers as much as possible as they face uncertainty and difficult circumstances. That's why we want to remind those who may struggle to pay a tax bill right now that they have the option to defer their Self Assessment payment.

They don't need to do anything to take advantage of this deferral. By simply not paying, HMRC will know they have deferred and we will do the rest.

A projected estimate based on 2019 to 2020 Self Assessment receipts suggests that the July payment deferral will provide up to a £11.8 billion cash flow boost to taxpayers. Around 2.7 million taxpayers are eligible for deferral.

Self Assessment taxpayers should think carefully about whether deferral is right for them. It's important to remember that the deferred amount will be due on 31 January 2021, the same date that any 2019 to 2020 balancing payment and first 2020 to 2021 payment on account will be due. This could mean 3 separate payments are due all at once.

They may wish to contact HMRC about paying these combined amounts in installments if they have difficulty in paying them all in full at once.

Payments on account are payable by Self Assessment taxpayers by 31 January and 31 July each year, unless:

- their last Self Assessment tax bill was less than £1,000
- they have already paid more than 80% of all the tax they owe at source,

for example through their [tax code](#).

Each payment on account is estimated, based on 50% of the previous year's Self Assessment tax bill and they are advance payments towards the current year's tax bill.

[Guidance on deferring your Self Assessment payment on account](#) is available on GOV.UK.

Payments on account include Income Tax, Class 4 National Insurance contributions where applicable, but not student loan repayments or Capital Gains Tax.

The July 2020 payment on account deferral applies to all those businesses and individuals who have registered for Self Assessment and who make payments on account – no sectors or businesses are excluded from applying the deferral.

[Battery storage boost to power greener electricity grid](#)

- Government changes planning rules to maximise UK's renewable energy storage and create hundreds of new green jobs
- changes will make it easier to build larger batteries – ensuring renewable energy can be stored and used all year round
- over 100 large-scale batteries could now be built, trebling the amount already in operation

The government today [announced it will relax planning legislation](#) to make it easier to construct large batteries to store renewable energy from solar and wind farms across the UK.

Removing barriers for energy storage projects, which are discouraging bolder investment decisions in larger battery facilities, could treble the number of batteries serving the electricity grid. It will help bring about storage cells that are 5 times bigger than those currently available.

The UK has the largest installed capacity of offshore wind in the world, however because the availability and speed of wind is not constant, energy can sometimes be produced when it is not needed and then lost.

Today's move will see ministers introduce secondary legislation to remove barriers for storage projects above 50 MW in England and 350 MW in Wales, meaning more clean energy can be stored and used all year round.

Energy storage has played a key role in balancing the UK's electricity system during the 20% drop in demand during the COVID-19 pandemic, ensuring what was

produced was used efficiently.

Minister for Energy and Clean Growth Kwasi Kwarteng said:

The key to capturing the full value of renewables is in ensuring homes and businesses can still be powered by green energy even when the sun is not shining, or the wind has stopped blowing.

Removing barriers in the planning system will help us build bigger and more powerful batteries, creating more green-collar jobs and a smarter electricity network.

Flexible technologies like batteries will form part of the UK's smarter electricity grid, supporting the integration of more low-carbon power, heat and transport technologies, which it is estimated could save the UK energy system up to £40 billion by 2050.

Last month ministers invested £10 million in the world's largest and first liquid air battery facility in Manchester. The 50 MW project, to be built in Trafford, will be able to store energy for longer than a lithium battery – helping power 200,000 homes. But today's announcement could usher in batteries that are even bigger.

Head of Markets at National Grid Electricity System Operator, Kayte O'Neill, said:

How we operate Great Britain's grid is changing, with record levels of renewable sources generating our power. Storage can help us make the most of this green energy, using it to manage peaks and troughs in demand and operate the electricity system as efficiently as possible – keeping costs down for consumers too.

The government is investing more than £3 billion in low-carbon innovation, as the UK aims to end its contribution to climate change entirely by 2050.

There is currently 4 GW of storage projects in planning which could power a combined 6 million homes, in addition to the 1 GW of battery storage already in operation.

View the government response to the [Planning system for electricity storage: follow up consultation](#)

UK Government doubles public donations to tackle coronavirus in vulnerable countries

Press release

The Disaster Emergency Committee has launched an appeal for donations to help the world's most vulnerable through the coronavirus pandemic.



Years of conflict have forced many families to flee from their homes in countries such as Syria, Yemen and South Sudan, leaving them more exposed to the virus in crowded camps. Photo credit: Islamic Relief

The UK Government will match the first £5 million of donations from the British public to the Disasters Emergency Committee's (DEC) Coronavirus Appeal, International Development Secretary Anne-Marie Trevelyan announced today (Tuesday 14 July).

Money raised from the appeal will boost the work of 14 leading British charities, helping some of the world's most vulnerable people deal with the pandemic, especially those living in refugee camps who have escaped from warzones.

Years of conflict have forced many families to flee from their homes in countries such as Syria, Yemen and South Sudan, leaving them more exposed to the virus in crowded camps. Millions of people around the world have little or no access to healthcare or sanitation and washing facilities, increasing the risk of coronavirus spreading.

The DEC will use donations from the British public and UK aid to tackle coronavirus in refugee camps and save lives in developing countries by:

- providing frontline doctors and aid workers with equipment and supplies to care for the vulnerable and sick;
- ensuring families get enough food to prevent malnutrition, particularly amongst children; and

- giving families clean water and soap, as well as information about the dangers of the disease.

Today's announcement takes the total amount of UK aid pledged to end the pandemic globally to £769 million. This new support will double the impact of the public's own donations and ensure that charities working on the ground can reach even more people in need.

International Development Secretary Anne-Marie Trevelyan said:

"We are matching generous donations from the British people to the emergency appeal pound for pound, meaning your money will go twice as far in helping to protect millions of the world's most vulnerable people from the deadly effects of coronavirus.

"Clean water and healthcare in refugee camps are essential in containing coronavirus in the developing world – helping stop the spread of the pandemic and protecting the UK from further waves of infection."

- Donations can be made at www.dec.org.uk or by calling 0370 60 60 900.
- £30 could provide six displaced families with enough soap for a month, to keep themselves clean and safe.
- £50 could provide essential hygiene kits to two displaced families.
- £100 could provide enough basic PPE for one frontline health worker for four months.
- Donations to the Coronavirus Appeal will be matched through the UK Aid Match scheme.
- Through UK Aid Match, DFID gives the British public the opportunity to decide how the UK aid budget is spent and support people in desperate need by matching their donations pound-for-pound to £5 million.
- The DEC brings together 14 leading UK aid agencies to raise money at times of humanitarian crisis in poorer countries. By working together we can raise more money to save lives and rebuild shattered communities.
- Since the launch of the DEC in 1963, they have run 72 appeals and raised more than £1.5 billion.
- The last appeal, launched by DEC on 21st March 2019, to raise funds for those affected by Cyclone Idai in Mozambique, Malawi, and Zimbabwe, raised £43 million, including £4 million in matched donations from the UK Government through UK Aid Match.
- The DEC's 14 member charities are: Action Against Hunger, ActionAid UK, Age International, British Red Cross, CAFOD, CARE International UK, Christian Aid, Concern Worldwide UK, Islamic Relief Worldwide, Oxfam GB, Plan International UK, Save the Children UK, Tearfund and World Vision UK.

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Flood and coastal erosion: letter from Environment Secretary to National Infrastructure Commission

The Secretary of State for the Environment has written to Sir John Armitt, Chair of the National Infrastructure Commission, about the government's policies to create a nation that is more resilient to future flood and coastal erosion risk.

The government has published a [flood and coastal erosion risk management policy statement](#) which outlines over 40 actions that will help increase flood resilience across the country.