

Nigel Huddleston MP Minister for International Trade Department for Business and Trade

Old Admiralty Building Admiralty Place London SW1A 2DY United Kingdom

T: +44 (0) 020 4551 0011

E: <u>Huddleston.Correspondence@businessandtrade.gov.uk</u>

W: www.gov.uk

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Paul Davies MS
Chair of the Economy, Trade and Rural Affairs Committee
Welsh Parliament

By email: SeneddEconomy@senedd.wales

9 October 2023

Dear Paul,

Thank you for your letter of 19 September, regarding the UK's accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and what this will mean for Wales. I am delighted that Wales and the UK as a whole will enjoy numerous benefits from our accession to this agreement.

I am particularly pleased to inform you that the Welsh economy may benefit from a potential boost of £110m in the long run as a result of the agreement, according to our published impact assessment. Joining CPTPP means over 99% of current UK goods exports to CPTPP will be eligible for zero tariffs. Reduced tariffs on imported goods will benefit consumers across the UK as well – meaning consumers in Wales could receive better choice, quality, and affordability.

CPTTP is also particularly advanced in both digital and services trade, which plays to Britain's strengths as one of the world's largest service exporters. This agreement will make it simpler for the UK to sell services digitally and cheaper and easier for tech firms to expand abroad. For example, joining CPTPP will help companies like Wales-based AI company, AMPLYFI, reach new markets through CPTPP's ambitious services and digital provisions.

Moreover, joining CPTPP means the UK will have a trade deal with Malaysia and Brunei, both CPTPP members, for the first time. This will give UK businesses in every part of the UK much better access to economies worth a total of over £340 billion in GDP in 2022. CPTPP is also designed to expand – and expansion is set to bring new opportunities for UK businesses and consumers. I have attached some detail on further benefits Wales may enjoy from the UK's accession to CPTPP.

Over the course of talks we have ensured that we have protected key domestic interests, such as agriculture. We have negotiated a balanced agreement, with significant benefits for agri-food businesses across the whole of the UK and which also has strong protections for the UK's sensitive agricultural products.

These include some permanent protections reflecting the Prime Minister's commitment to protecting the UK's sensitive agricultural sectors. We have also ensured that joining will not compromise our high animal and plant health, food safety or animal welfare standards.

Entry into force will now take place once both the UK and CPTPP Parties have finished their legal procedures which we expect to happen in the second half of 2024. My officials will continue to engage with colleagues in the devolved nations as we work towards this milestone.

Thank you again for your letter. I hope this response is helpful to you.

Yours sincerely,

Nigel Huddleston MP

Minister for International Trade Department for Business and Trade