

# International trade monitoring report

March 2025

## Introduction

This monitoring report provides an update on recent key policy developments related to the trade remit of the Economy, Trade and Rural Affairs Committee (“the Committee”). This includes updates on:

- UK Government trade negotiations;
- Welsh Government trade policy;
- UK Government’s ongoing EU reset; and
- The upcoming Trade and Cooperation Agreement implementation review.

The Committee held a general scrutiny session with the Cabinet Secretary for Economy, Energy and Planning, Rebecca Evans MS, in November 2024. Her evidence related to trade is included in the relevant sections of this report.

The information contained in this report was accurate at the time of writing.



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# 1. US trade

This section outlines some recent developments in UK-US trade. The Committee has requested updates on this specific trade partnership. For further information, Senedd Research [published an article](#) on Wales-US trade, which includes the latest Welsh Government view on the US as a trading partner and potential tariffs.

- In February 2025, Prime Minister Keir Starmer MP, [met with President Trump](#). President Trump suggested the possibility of a “real trade deal” with the UK where “tariffs wouldn’t be necessary”. The Prime Minister said the UK and US would begin work on an agreement centred on the potential of artificial intelligence.
- During the Committee’s [general scrutiny session](#) with the Cabinet Secretary for Economy, Energy and Planning, Rebecca Evans MS, Jenny Rathbone MS asked if business could be redirected to Europe “if the pathways to the United States become very difficult”. Whilst the Cabinet Secretary said it was “early days”, she added:

*I know it's very firmly on our minds in terms of being able to provide the right information, advice and support to our businesses, because America is a really important market for us.*

- Russell George MS [tabled five written questions](#) on Wales-US trade and Welsh Government’s US international offices. Responses have not yet been provided, but will be answered by the First Minister.

# 2. UK Government

This section outlines updates on UK trade negotiations with:

1. India;
2. South Korea;
3. Switzerland;
4. Gulf Cooperation Council;
5. Israel; and

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## 6. Türkiye

It also includes implementation updates on the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (“CPTPP”) and other areas of UK trade policy.

### 2.1. Ongoing trade negotiations

In July 2024, Secretary of State for Business and Trade, Jonathan Reynolds MP, announced his intention to restart a number of trade negotiations. This is to begin initially with the Gulf Cooperation Council (GCC), India, Israel, South Korea, Switzerland and Turkey. The sections below provide updates on the talks between the UK and these six partners .

#### 2.1.1. India

- The UK Government announced the relaunch of trade talks with India in February 2025, the Secretary of State met with Commerce Minister Piyush Goyal. The UK Government said both sides had resumed negotiations “towards a balanced, mutually beneficial and a forward-looking deal”.

#### 2.1.2. South Korea

- In November 2024, the UK Government announced that negotiators had met to resume UK-South Korea trade talks.
- The UK Government issued a response following the impeachment of President Yoon, who attempted to declare martial law. The UK response stated “South Korea is a global strategic partner for the UK, and we look forward to close cooperation with the Acting President and administration”.

#### 2.1.3. Switzerland

- The UK Government issued an update on round 5 of negotiations on an enhanced Free Trade Agreement with Switzerland. Talks were held between 14-18 October 2024, where UK negotiators “made good progress”. Round 6 is expected to take place in early 2025.
- In January 2025, the UK Government announced the UK-Switzerland Recognition of Professional Qualifications Agreement. The agreement replaces the expired Citizens’ Rights Agreement.

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#### 2.1.4. GCC

- The UK Government [restarted talks](#) with the GCC in September 2024. In the same month, the Secretary of State for Trade and Minister for Trade Policy and Economic Security, Douglas Alexander MP [visited the Gulf](#) on a joint visit.

#### 2.1.5. Israel

- There has been no UK Government update on the status of trade negotiations with Israel since July 2024. For further information on updates from the Senedd, see Senedd Research’s timeline, [Israel and Gaza at the Senedd: the story so far](#).
- A [written question](#) was tabled by Sam Rowlands MS which asked:

*What discussions is the Welsh Government having with UK Government counterparts regarding a free trade agreement between the United Kingdom and Israel?*

A response has not yet been provided but will be answered by the Cabinet Secretary for Economy, Energy and Planning, Rebecca Evans MS.

#### 2.1.6. Türkiye

- There has been no UK Government update on the status of trade negotiations with Türkiye since July 2024.

### 2.2. Implementation update: Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

- On 15 December 2024, the UK officially joined the CPTPP. In a [press release](#), the UK Government said the CPTPP could potentially increase the UK economy by £2bn a year “in the long run”. It also [published a press release](#) which highlights the impact of the agreement on Wales, saying it could potentially increase the Welsh economy by £110m. For background, see Senedd Research’s [Wales and CPTPP article](#).
- The Welsh Government [published its perspective](#) on the UK’s accession to the CPTPP in 2023. The document stated the CPTPP should not be a priority given the importance of the EU as a trading partner. It also argued the “potential benefits” would be limited due to the number of

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existing bilateral Free Trade Agreements with individual CPTPP members.

- In January 2025, the UK and Malaysian Governments conducted the inaugural meeting of the ministerial-led Joint Economic and Trade Committee. They welcomed the “first ever free trade agreement” between the UK and Malaysia, through the UK’s accession to the CPTPP. Both governments endorsed a work plan to further bilateral cooperation in areas such as legal services, education and agriculture.
- On 17 December 2024, the Welsh Government issued a Welsh Procurement Policy Note (WPPN), which explains that membership of the CPTPP has necessitated some “minor” procurement process changes to the publication of contract award notices. It says:

*Welsh Contracting Authorities (WCAs) currently have the option to list in a contract award notice the value of the highest and lowest tenders received, instead of the actual contract value. In order to comply with the terms of the CPTPP, this option will be withdrawn in relation to higher value regulated procurements from 15 December 2024 and WCAs will be required to list the actual estimated contract value.*

*From 15 December 2024, when publishing a contract award notice, WCAs are also required to make a note highlighting that their tender is covered by the CPTPP.*

### **2.3. Other updates**

- In September 2024, the UK Government signed an Enhanced Trade Partnership with Thailand. The Pact commits both parties to identifying opportunities that could be delivered through a potential UK-Thailand Free Trade Agreement.
- In December 2024, the UK Government announced a further 39 British food and drink products have secured special protected status in Japan. This follows on from the 37 products which gained protected status in the country in February 2024.
- The UK Government appointed a group of Trade Envoys which have been assigned target markets and will be “identifying trade and investment opportunities”. The group is comprised of 32

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parliamentarians. There are two Welsh MPs with Carolyn Harris MP appointed to New Zealand and Jessica Morden MP appointed to Central America.

- The [press release above](#) mentions the new Trade Strategy will be published in spring 2025 and will “prioritise rebuilding our relationship with the EU and seizing opportunities to access new markets further afield”.
- In January 2025, the Minister for Trade Policy and Economic Security, Douglas Alexander MP, [visited Botswana and South Africa](#). The UK Government is looking to make “progress on removing barriers to trade”. The Trade Policy Minister also co-chaired the first Southern African Custom Union and Mozambique – UK Economic Partnership Agreement Joint Council.

## 3. Welsh Government

### 3.1. Investment summit and exports

- In January 2025, the Welsh Government issued [a press release](#) which states over £320m in export deals have been secured as a “direct result of Welsh Government support since the launch of the [Export Action Plan](#) in December 2020”.
- The First Minister, Eluned Morgan MS, announced that [an investment summit](#) will be held in Wales. She made the announcement during the annual CBI Wales dinner. Although the Welsh Government states that the summit will be held in 2025, it has not given a specific date.
- The First Minister attended [the UK Government’s International Investment Summit](#) in October 2024. It was stated that she was to meet “current and prospective investors to Wales”.
- The First Minister launched [‘Wales and Japan 2025’](#), which aims to “stimulate new economic and cultural partnerships between the two nations”. Wales will also be represented at the World Expo 2025 in Osaka between April and October 2025.
- In November 2024, Cabinet Secretary for Economy, Energy and Planning, Rebecca Evans MS, [attended MEDICA](#), an annual medical trade fair, in Düsseldorf.

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- In January 2025, Cabinet Secretary for Economy, Energy and Planning, Rebecca Evans MS announced that the tax sites in the Anglesey Freeport are live. Tax sites went live in Port Talbot and Milford Haven in November 2024. The Welsh Government also said it is working with the UK Government to finalise the full business cases.
  - The Welsh Government announced Vishay Intertechnology, a semiconductor manufacturer, is investing £51m in Newport Wafer Fab. It has been supported by £5m of Welsh Government funding.
  - The Cabinet Secretary for Economy, Energy and Planning, Rebecca Evans MS, issued a written statement, following her attendance at the Interministerial Group for Trade on the 22 January. Discussions included engagement between UK government and the devolved governments, the UK trade strategy, and updates on active trade negotiations.

### 3.2. Trade Policy Advisory Group

- During the general scrutiny session with the Cabinet Secretary for Economy, Energy and Planning, Rebecca Evans MS, the Committee asked for an explanation for comments made during a meeting of the Trade Policy Advisory Group in October 2024. During the October meeting, the Cabinet Secretary said she was “increasingly focused on the trading relationship with the EU”. Luke Fletcher MS voiced concerns the Welsh Government “hadn't been focusing enough” on the relationship with the EU. She responded with assurances that the Welsh Government had a “laser-like focus on trade with the EU”, offering the following explanation of the comments:

*So, over the summer, the work relating to the EU and trade co-operation agreement [EU TCA] was moved to sit within the international relations and trade directorate—they also run the trade policy group that I referred to—and, given its membership, the remit of the trade policy advisory group is now extending to focus on the EU TCA as well as other trade policy matters. So, it is more of a way in which we're pivoting operations within the Welsh Government and the advice that we get from experts outside towards the EU TCA.*

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### 3.3. Upcoming overseas trade events

The following table provides details on Business Wales' upcoming overseas market events, including exhibitions and trade shows.

<b>Event</b>	<b>Date</b>	<b>Location</b>
<u>Foodex 2025</u> <i>Food and Drink</i>	11 March-14 March 2025	Tokyo, Japan
<u>Games Developer Conference 2025</u> <i>Game Developer</i>	16 March-22 March 2025	San Francisco, USA
<u>Export Market Visit</u> <i>Multi-sector</i>	16 March-22 March 2025	San Francisco, USA
<u>Wind Europe</u> <i>Renewables and Clean Energy</i>	19 May-22 May 2025	Rotterdam, Netherlands
<u>Money 20/20 Europe</u> <i>Fintech and tech</i>	2 June-5 June 2025	Amsterdam, Netherlands
<u>Export Market Visit</u> <i>Multi-Sector</i>	14 June-20 June 2025	Boston, United States
<u>Bio International Convention 2025</u> <i>Biotechnology</i>	14 June-20 June 2025	Boston, United States
<u>Paris Airshow</u> <i>Aerospace</i>	16 June-20 June 2025	Paris, France
<u>Export Market Visit</u> <i>Multi-sector</i>	21 June -28 June 2025	Tokyo, Japan
<u>Japan Health</u> <i>Health</i>	25 June-27 June 2025	Japan

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## 4. European Union

### 4.1. UK-EU Reset

This section outlines recent developments in the UK-EU reset.

- In November 2024, the UK Government advertised for a Second Permanent Secretary post in the Cabinet Office who will be “leading the Government’s relationship with the European Union”. In January 2025, Michael Ellam was appointed to the post.
- Politico reported that the UK will host a summit on 19 May 2025 to discuss plans to reset Britain’s relationship with the EU bloc. European Council President, António Costa, was quoted as saying the summit would focus on devising “the closest relationship it will be possible to build together.”

### 4.2. Trade and Co-operation Agreement (TCA) implementation review

- On 28 to 30 January 2025, the UK and EU took part in an arbitration hearing in a dispute over a UK ban on sandeel fishing. This is the first time a dispute under the TCA has reached arbitration stage. The arbitration panel was established on 19 November 2024, and both parties agreed to use the services of the Permanent Court of Arbitration in The Hague. The decision is still pending but a final ruling is expected within 130 days of the establishment of the arbitration tribunal. In this case, it is due by the end of March 2025.
- The UK Government and the EU concluded technical negotiations on the UK-EU Competition Cooperation Agreement in October 2024. The Agreement aims to improve cooperation between the UK’s and EU’s competition authorities and allow for “greater dialogue” between the Competition and Markets Authority, the European Commission and the competition authorities of EU member states. The Agreement has been negotiated with a view to signature in the coming year.

#### 4.2.1. Wales-Ireland trade

- The trading relationship with Ireland was raised during the Committee’s general scrutiny session with the Cabinet Secretary for Economy, Energy and Planning, Rebecca Evans MS. The Committee

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questioned why trade had seen a sharp reduction since 2022. The Cabinet Secretary explained the reduction in trade was largely due to the “fall of value of petroleum and petroleum products and related materials”. A Welsh Government official accompanying the Cabinet Secretary went onto to say:

*but what we track is [...] the work that we do with Welsh businesses exporting to Ireland, and the goods exports in general, where we're seeing very strong interest in Ireland. We've had a new exporter programme visit to Ireland during the cohorts, we've also had significant interest from businesses in terms of trading with Ireland.*

- Since December, there has been a series of updates in relation to the temporary closure of Holyhead port which followed the damage sustained during Storm Darragh. Cabinet Secretary for Transport and North Wales announced the port was operating at full capacity on 16 January and has a new multi-stakeholder task force to help deliver a new strategy for the future of Holyhead Port. The Committee held an inquiry into Holyhead port storm damage and closure on 6 March.