

International trade monitoring report

July 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:

- The UK Government’s Trade Strategy;
- UK Government trade negotiations; and
- Welsh Government trade policy.

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



1. UK Government: Trade Strategy

The UK Government published [its Trade Strategy](#) in June. The Strategy describes the global trade environment in the following terms:

As confidence in global security and prosperity has weakened, nations have responded with protectionist and distortionary policies.

In response to the changing global trade environment and protectionist policies, the Strategy outlines plans to “upgrade” the UK’s “trade defence toolkit”. This entails progressing more focused agreements, with the Strategy explaining:

There is a whole spectrum of bilateral and multi-party deals that can support trade but are less time consuming to agree than full FTAs — some formal, some less so, some general, and some highly specific.

The Strategy also discusses how the UK Government intends to engage with the world’s three big economies (EU, US and China) but notes the importance of developing economies, saying they “offer new opportunities for long-term growth and security, and the UK will be proactive in seeking them”.

1.1. Devolved governments

The Strategy states that “special attention” will be given to the economic plans of the devolved governments when deciding what trading arrangements to pursue. It also commits to engaging with the devolved governments “on relevant trade issues through intergovernmental relations structures, including the Inter-ministerial Group for Trade”.

Further information from the Strategy is included in the relevant sections of this report.

2. UK trade negotiations

This section outlines updates on UK trade negotiations with:

- India;
- South Korea;
- Switzerland;

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- Gulf Cooperation Council;
 - Israel; and
 - 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 was to begin initially with the Gulf Cooperation Council (GCC), India, Israel, South Korea, Switzerland and Türkiye. The sections below provide updates on the talks between the UK and these six partners. It also provides information on the latest UK-EU agreement.

2.1.1. European Union

- On 19 May 2025, the UK and EU announced their latest agreement, [Common Understanding](#), which provides for increased cooperation and the negotiation of additional UK-EU agreements in future. A [summary is available](#) from Senedd Research.

2.1.2. India

- On 6 May, the [UK Government announced](#) that it had concluded a free trade agreement (FTA) with India. The full text is not yet available and the FTA will need ratification in both countries before coming into force. The deal is [expected to be signed](#) by the end of July, after which the text will be published. It is expected to come into force by early 2026.

2.1.3. South Korea

- In April, the UK Government [published an update](#) following the fourth round of negotiations with South Korea on an upgraded FTA. The negotiations took place between 10-21 March.
- Negotiations are centred around three objectives:
 - i. **Securing and future proofing existing arrangements:** The UK Government said there had been progress in rules of origin discussions;

- ii. **Capturing advances in Trade Policy:** The UK Government said negotiations on a Digital Trade chapter had “progressed positively”; and
 - iii. **Supporting strategic relationship with the Republic of Korea:** The UK Government said progress had been around “new cooperation commitments covering areas such as the Environment, Trade and Gender Equality and Supply Chains”.
- The fifth round of negotiations is expected to take place in Seoul during the Summer.

2.1.4. Switzerland

- In June, the UK Government published an update on the seventh round of negotiations on an enhanced FTA with Switzerland. Talks took place between 5-13 June. The UK Government said provisional agreement was reached around rules of origin, dispute settlement, development, consumer protection, anti-corruption, and animal welfare.
- The next round of negotiations is expected to take place in Switzerland in the Autumn.

2.1.5. Gulf Cooperation Council (GCC)

- Negotiations with the GCC restarted in September 2024. In a statement made in December 2024, Minister of State for Trade Policy and Economic Security, Douglas Alexander MP, said talks were “progressing at pace”.
- The Foreign Secretary, David Lammy MP, discussed progress on the Free Trade Agreement during his visit to Oman and Qatar in April.
- There have been reports that the two parties are close to concluding the deal, with concerns being expressed by trade unions and human rights organisations, who are calling for legal commitments to human rights to be included.

2.1.6. Israel

- In May, the UK Government suspended its negotiations with Israel, in response to Israel’s 11-week blockade and ground operation in Gaza. In a statement, Foreign Secretary, David Lammy MP, said “we will be reviewing cooperation with them under the 2030 Bilateral Roadmap”.

2.1.7. Türkiye

- In May, Secretary of State for Business and Trade, Jonathan Reynolds MP and Minister of State for Trade Policy and Economic Security, Douglas Alexander MP, met with their Turkish counterparts. During discussions, they confirmed the first round of Free Trade Agreement negotiations will take place by the end of July.

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

- The UK Government's Trade Strategy proposes to "strengthen the rules-based trading system" through its membership of the CPTPP and states it will pursue the following objectives:
 - i. use the CPTPP General Review process to seek timely upgrades to the agreement that support the Government's Missions and bolster UK business;
 - ii. pursue the expeditious expansion of CPTPP to additional economies; and
 - iii. use CPTPP as a platform to support the wider multilateral and plurilateral system, and to encourage deeper trading relationships between countries and groupings committed to liberal rules-based trade.
- The CPTPP entered into force on 15 December between the UK and members who ratified its accession, Brunei, Chile, Japan, Malaysia, New Zealand, Peru, Singapore, and Vietnam. It came into force with Australia on 24 December.
- In June, Prime Minister, Keir Starmer MP, met with Canadian Prime Minister Mark Carney. During the meeting, Mark Carney confirmed that Canada would ratify the UK's accession, with legislation to be introduced in the Canadian Parliament in the Autumn.
- A joint taskforce has also been established to consider "other areas of mutual benefit", including technology and artificial intelligence. The taskforce will also look to make progress on the wider UK-Canada Free Trade Agreement.

- Following Canada's ratification, this will leave Mexico as the only member not to ratify UK accession. For further background, see Senedd Research's [Wales and CPTPP article](#).

2.3. US: Economic Prosperity Deal

- The [Economic Prosperity Deal \(EPD\) between the UK and US](#) was agreed on 8 May. The general terms state that it is "does not constitute a legally binding agreement" and that the UK and US "are immediately beginning negotiations of the EPD to develop and formalize the proposals made in this document".
- The UK Government's Trade Strategy states that the UK-US are "progressing discussions" on the EPD and are also pursuing a technology partnership.
- The UK Government [confirmed that the lower tariffs](#) on auto and auto parts, alongside zero tariffs on certain aerospace products came into force on 30 June.
- The US' [50% steel and aluminium tariff](#) has been decreased to 25% for the UK. This [25% tariff remains in place until 9 July](#), after which it could increase to 50% if "the United Kingdom has not complied with relevant aspects of the EPD". It has been reported that talks are still ongoing but there has been no further update on the tariff rate.
- Giving evidence to the [House of Lords International Agreements Committee](#) on 1 July, Tom Bradshaw, President of the National Farmers Union, spoke on the EPD's proposals in relation to beef, stating:

we (the UK) do not get access to the US market until at the earliest 1 January 2026 because their tariff rate quota is already full [...] There will be zero tariffs on the US beef; we will still have between 4% and 10% tariffs on our exports to the US, so again it is not completely reciprocal.

- In April, Sam Kurtz MS [tabled a written question](#) on the impact of US tariffs on the Welsh economy. In response, First Minister, Eluned Morgan MS, said:

initial analysis of the latest data (2022) by the Welsh Government shows that Wales' trade with the US is largely focused on goods (67% of total trade), much higher than at the

UK level (32% of total trade). Therefore, there is a possibility of a disproportionate impact on Wales should blanket tariffs be applied.

- Also in April, Peter Fox MS questioned the impact of the UK-US agreement on agriculture, with the Cabinet Secretary for Climate Change and Rural Affairs, Huw Irranca-Davies MS, responding:

The Cabinet Secretary for Economy, Energy and Planning directly raised the agriculture sector as part of a potential deal with the US at a ministerial meeting with the UK government last week.

2.4. Other updates

- In June, the UK Government held the 27th round of annual UK-Taiwan trade talks. These annual trade talks are an element of the “unofficial relationship” with Taiwan, which also includes Enhanced Trade Partnership Pillars (investment, digital trade, energy and net zero).
- In June, the UK Government signed a series of agreements with Morocco, including arrangements which will “progress UK-Morocco collaboration” on infrastructure ahead of the World Cup. The UK also announced it would change its policy position on the Western Sahara territorial dispute between Morocco and the Polisario Front and has agreed to support Morocco’s 2007 autonomy proposal.
- In June, the UK Government announced it had signed a partnership agreement with Bahrain. The Investment and Collaboration Partnership will focus on investment in financial services, technology and decarbonisation.
- The UK and New Zealand governments issued a joint statement in May, following a meeting of their respective trade ministers. At the meeting, they opened the second Joint Committee of the New Zealand-United Kingdom Free Trade Agreement. The Committee was established under the FTA to oversee its implementation.
- In May, the UK Trade Envoy for Southern Cone, Fabian Hamilton MP, visited Paraguay, where he met with Paraguayan authorities to “explore new partnership opportunities in sectors including trade, investment, sports, clean energy, and sustainable development”. The

Trade Envoy programme is a network of parliamentarians who provide additional support around trade and investment.

- In April, the UK Government announced that Vietnam has granted market access for British live seafood products.
- In March, the UK and Japanese Government held the first Japan-UK Economic 2+2 Ministers' Meeting. The dialogue was established to “promote dialogue on how trade and economic security converges with foreign policy”. Both governments confirmed that they will work closely together in relation to both WTO discussions and to ensure that CPTPP remains “a modern, high-standards agreement”.
- In March, the UK and the Philippines held inaugural Joint Economic and Trade Committee talks aimed at boosting trade and investment. Both governments agreed to “pursue closer cooperation and increased trade across sectors including infrastructure, renewable energy, agriculture and technology”.
- In March, the UK Government announced a new Board of Trade, which “will advocate for UK businesses, in particular the country’s 5.5 million SMEs, at home and overseas, ensuring they realise their full export potential”. A list of board advisors has been published by the UK Government. The board held its first meeting in May.

3. Welsh Government

- In June, the Cabinet Secretary for Economy, Energy and Planning, Rebecca Evans MS, issued a Plenary statement on free ports and investment zones. The Cabinet Secretary said she agreed the full business cases for the Celtic and Ynys Môn free ports, with the final agreement with the UK Government and memorandums of understanding “close to completion”.
- In April, the Cabinet Secretary for Economy, Energy and Planning, Rebecca Evans MS, announced the establishment of a new Tariff Intelligence and Response Group to monitor the impact of US tariffs on Welsh businesses.
- The Welsh Government held a meeting of its Trade Policy Advisory Group on 13 March. The meeting included items on UK trade negotiations and it was highlighted that the Welsh Government is

engaging with the UK Government and inputting into discussions on international trade policy and trade negotiations. An update was also provided on engagement with the UK Government on “where we think improvements could be sought from the TCA, and which of these areas are a priority for the Welsh Government”.

3.1. Upcoming overseas trade events

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

Event	Date	Location
Export Market Visit to Australia <i>Multi-Sector</i>	26 September 2025 to 4 October 2025	Sydney & Melbourne, Australia
Anuga <i>Food and drink</i>	4 October 2025 to 8 October 2025	Cologne, Germany
ADIPEC <i>Energy transition, renewables and low carbon</i>	1 November 2025 to 7 November 2025	Abu Dhabi, UAE
World Nuclear Exhibition (WNE) 2025 <i>Nuclear</i>	3 November 2025 to 6 November 2025	Paris, France
MEDICA <i>Life Science and MedTech</i>	16 November 2025 to 20 November 2025	Dusseldorf, Germany
Space Tech Expo 2025 <i>Space Tech</i>	17 November 2025 to 21 November 2025	Bremen, Germany
New Exporter Programme: Export Market Visit to The Netherlands <i>Multi-sector</i>	24 November 2025 to 27 November 2025	Amsterdam, The Netherlands