



The future of international trade

Digital event

—
25 March 2021



Department for
International Trade



Free Trade Agreement Negotiations

Crawford Falconer, Chief Trade Negotiation Adviser for the Department for International Trade (DIT), explored the UK Government's priorities in pursuing Free Trade Agreements (FTAs) with countries around the world.

Stabilising and furthering the UK trade profile

- Crawford began by highlighting that the UK has agreed trade deals with 66 countries plus the EU so far, accounting for £890bn of UK bilateral trade.
- Now having left the EU, Crawford outlined the UK government's FTA programme which aims to secure agreements with countries accounting for 80% of UK total trade within three years.
- Crawford pointed to the FTA with Japan as a good example and harbinger of the type of agreements we can now pursue independently. It goes beyond the previous EU-Japan deal, most notably in the case of digital.
- Significant progress has been made in negotiations with the US, Australia and New Zealand. The new United States Trade Representative (USTR) is reviewing the progress on UK-US Free Trade Agreement negotiations made so far.

Diversification of trading opportunities

- As the second largest services exporter in the world, after the US, Crawford emphasised the importance that that is reflected in our trade policies with economies around the world.
- A key part of the Government's trade strategy is to link more closely with growth areas across the world – evidenced by its application for membership of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership – the group of 11 nations including Japan, Australia and Singapore.
- In line with this, the Government is also looking to deepen trade co-operation with India. Final decisions are still to be made, but the government is looking closely at a potential FTA.
- Beyond these markets, Crawford highlighted the importance of trade links with East and South Asia, where a growing middle class provides significant potential benefit to UK exporters, nor would we be forgetting growth prospects elsewhere, whether in Africa, the Middle East or Latin America.
- Crawford finished with emphasising the strategic rationale for these linkages. These FTAs are not static; they grow in scope and membership over time. Coming out of COVID it is more than ever important to embed and expand trade arrangements embedding the rule of law, and free movement of ideas, goods and services and protection of property rights. The grand game is, over time to link those up across the world.

Practical support available

Duncan Adams, Deputy Director, UK Regions for the Department for International Trade explored the practical support and resources available to UK businesses.



Export support is available to UK companies from the DIT's 275 International Trade Advisers (ITAs) and nine regional offices across England, and the equivalent organisations in Northern Ireland, Scotland and Wales. This includes a community of over 400 Regional Export Champions – current exporters who have volunteered to encourage and assist businesses to export.



With a mission to ensure no viable export deal fails for lack of finance, businesses can reach out to [UK Export Finance \(UKEF\)](#), the Government agency offering a broad range of support, from credit insurance to supply chain finance and export facilities with Government-backed guarantees.



The DIT ERDF Internationalisation Fund may be able to assist SMEs in England with high-growth potential to co-investment funding of up to £9k for services such as market research, web translation and legal advice, to enhance their capability to export. SMEs should enquire through their ITAs.



Further advice on becoming a successful exporter is available at the Government's dedicated export website, [GREAT.gov.uk](#). You can also find out about the Government's Export Academy, a pilot scheme for SMEs below £500k T/O in the North, Midlands and South West England to help build future capability to export.

How we can help

David Slater, Director of Trade at KPMG, outlines EDGE, a model designed to help you think through all aspects of international trade and expanding overseas.



Explore

- By answering the why, where and how questions to help develop the optimum market entry strategy.
- By explaining how legal, tax and structure questions are crucial to future success.
- By performing confidential vetting procedures on overseas agents and providing contractual support for JVs, alliances or overseas acquisitions.
- Through advice from our network of member firms in 154 countries to provide expert local support.



Develop

- Managing an international business brings new challenges for management teams e.g. workforce mobility - tracking and compliance; optimum transfer pricing arrangements, appropriate funding options, optimum cash management and treasury arrangements, and supply chain resilience.



Govern

- An overseas presence creates exposure to new regulatory regimes thus managing risk and compliance is vital. Our Global Entity Management service was established specifically to deal with these issues.



Evaluate

- By assisting companies to transform under-performing businesses (or business units) by assessing strategic options and providing clarity about balancing risks and reward



Bina Mehta
Chair
KPMG in the UK

“ With a new set of trading partnerships, businesses have a fantastic opportunity to increase their own activity overseas. These new relationships will also provide a foundation to attract investment – together powering growth for our economy.”

For support and guidance on maximising your international trade opportunities, please get in touch to schedule a meeting.



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