<u>'Bonfire of the barriers' to unlock</u> <u>new export markets worth tens of</u> <u>billions</u>

- International Trade Secretary announces ambition to unlock export opportunities worth more than £20 billion by resolving around 100 priority trade barriers.
- New drive aims to allow British farmers to sell beef in South Korea and lamb in China, opening up markets worth £4 billion a year.
- Cutting trade barriers would allow world-leading UK products and services to reach hundreds of millions of new customers around the world.

The UK is launching a new drive to demolish bureaucratic barriers to international trade, opening up markets worth tens of billions for businesses across the UK, the International Trade Secretary will say today (Thursday 30 June).

Anne-Marie Trevelyan has drawn up a hit list of around 100 priority issues around the world currently blocking British trade, which are being targeted for resolution by teams of specialists in her department.

These range from restrictions on UK-qualified lawyers from operating in Japan, to rules that delay British medical devices from entering South Africa, to restrictions on meat exports to countries in Asia.

The work will allow our world-leading products and services to reach hundreds of millions of new customers globally, benefitting all regions of the UK, Secretary Trevelyan will tell the British Chambers of Commerce's annual conference.

International Trade Secretary Anne-Marie Trevelyan said:

Every week we remove trade barriers somewhere around the world, helping more and more businesses all over the country.

We know that businesses who export pay higher wages and are more productive than businesses who do not, but too often, complex trade rules and practical obstacles prevent them selling overseas.

This bonfire of the barriers will grow our economy by allowing our brilliant businesses to satisfy the enormous global appetite for their goods and services.

Unlocking new markets and global customers means more opportunities for UK firms to grow their businesses and support local jobs. That is why we are

working hard on getting rid of barriers, including:

- Opening the Chinese market for UK lamb for the first time, unlocking markets worth £1.5bn which would help businesses such as Pilgrims Lamb UK.
- South Korea removing restrictions on UK beef for the first time, opening up markets worth £2.5bn this is expected to be resolved within the next five years and could benefit businesses such as Northern Ireland based Foyle Food Group.
- Removing delays in registering new medicines and medical devices in South Africa helping to increase the UK's exports as well as improving healthcare availability and quality.

The UK gained greater freedom to remove trade barriers, along with the ability to negotiate its own Free Trade Agreements (FTAs), when it left the European Union. FTAs are securing new and substantial opportunities for UK businesses, and the work goes hand in hand with tackling trade barriers facing our firms today.

The department has supported the resolution of around 400 barriers, across more than 70 countries, in the last two years.

These included:

- Working with Chinese authorities to remove animal testing requirements for many beauty products in China, opening up a market worth £500m and helping brands such as Unilever's cruelty-free REN brand to import into China for the first time.
- Overcoming bureaucratic issues to allow the export of pet supplements to India worth £1.4m to Lancashire-based VetPlus over five years.
- A simplified process for certifying UK cosmetics to Indonesia.
- Unblocking difficult processes in Mongolia which prevented the export of UK poultry and fish, opening up a market worth £10m, helping Moy Park, a poultry exporter, to supply chicken to KFC Mongolia.

DIT has local offices in every region of the UK, and so when a business hits a barrier to trade, we can step in to help them.

Dr Carl Westmoreland, from Unilever's Safety and Environmental Assurance Centre, said:

Unilever has been partnering with the Chinese authorities, government laboratories and leading academics since 2011 to build non-animal safety science capability. The regulatory change in China was a significant step forward for cruelty-free cosmetics in the country, and we commend the Department for International Trade for its role in driving forward this important opportunity for cruelty-free brands.

Anthony Sewart, VetPlus Regional Manager, Eastern Europe, the Middle East & Africa, said:

Being able to meet the different compliance requirements across the markets we operate in is extremely important to ensure the availability of our products for vets and pet owners.

Recently, we ran into a challenge in exporting our products to India and the support from the DIT was fantastic. They were able to put us in touch with the right people to help us liaise with the Indian authorities and facilitate the appropriate documentation to enable us to re-start the export of our products to India.

Background

- The Digital Market Access Service (DMAS) is the internal government database of trade barriers facing UK businesses that enables closer collaboration across government in Whitehall and at overseas Posts to analyse and progress action to try and resolve them where feasible.
- DMAS is not a comprehensive repository of all market access issues facing UK exporters, and reporting rates vary widely across countries and regions. As such, aggregate figures should be interpreted as an indicative estimate based on a selective sample.
- Full publication of the "hit list" of barriers is not possible due to commercial sensitivities, and the likelihood that publicising specific UK asks will impede our negotiations with host Governments. These barriers have been identified as offering significant economic value to UK businesses and strong alignment with the UK's broader strategic priorities, such as Levelling Up the United Kingdom and tackling climate change at home and abroad.
- Barriers have been identified from each of DIT's nine HM Trade Commissioner-led regions around the world, with a particular focus (around half) in the Indo-Pacific region, in line with the Government's Integrated Review. All major economic sectors are represented, with a particular emphasis on tackling barriers in the Agri, Food and Drink; Financial & Professional Services; and Healthcare & Lifesciences sectors.
- Figures on the number of barriers resolved have been published in the Official Statistics series: <u>Market Access barrier statistics</u>. The latest outturns are due to be published at 09:30 on 30/06.
- Figures on the value of UK exports and the value of partner country imports are based on existing published UK and International Statistic series drawn from ONS and UN Comtrade datasets using the latest available data. Further details on methodology for these are available in the <u>DIT statistical publication</u>.
- Opening up markets to sell £4bn worth of beef in South Korea and lamb in China is not the total size of the import market but is based on South Korea and China's import of £4bn of lamb and beef combined from the world.
- Aggregate figures on the value of export opportunities represented by a selection of barriers are based on DIT analysis of specific market access barriers using the methodologies set out in the DIT statistical publication (link to Nov 21). To calculate the aggregate figures, the mid-point for each valuation range is added to provide a central

estimate. Further details on the methodology for the aggregate valuation figures are published in a DIT analytical working paper.

• This report contains analysis illustrating the potential value of export opportunities associated with the removal of a selection of market access barriers. This analysis draws upon the methodological approaches developed in DIT to produce indicative estimates of the value associated with a barrier to inform decision making[such as which barriers should be prioritised for government action. These methodological approaches were set out in more detail in the publication: <u>Market Access barrier</u> <u>statistics: Financial year 2020 to 2021.</u>