

Press release: Government pledges to help improve access to UK markets for world's poorest countries post-Brexit

The Government will use Brexit to cement Britain's standing in the world and meet our commitments to the world's poorest by securing their existing duty-free access to UK markets and providing new opportunities to increase trade links.

The commitment means that around 48 countries across the globe, from Bangladesh to Sierra Leone, Haiti and Ethiopia will continue to benefit from duty-free exports into the UK on all goods other than arms and ammunition, known as 'everything but arms'.

On leaving the EU, the UK Government will also explore options to expand on relationships with developing countries such as Jamaica, Pakistan and Ghana – all of which currently benefit from a mixture of reduced or zero tariffs on the goods they export to the UK – as well as maintaining existing trading arrangements and avoiding costly tariffs.

The Government continues to deliver improved support to these countries by helping them break down the barriers to trade, supporting critical trade infrastructure like ports and roads, and building trade skills in those countries, so that they can take better advantage of trading opportunities.

International Trade Secretary Liam Fox said:

Our departure from the EU is an opportunity to step up to our commitments to the rest of the world, not step away from them.

Free and fair trade has been the greatest liberator of the world's poor, and today's announcement shows our commitment to helping developing countries grow their economies and reduce poverty through trade.

Behind the 'duty-free exports' are countless stories of people in developing countries working hard to provide for themselves and their families by exporting everyday goods such as cocoa, bananas and roses, resulting in lower prices and greater choice for consumers.

International Development Secretary Priti Patel said:

The UK is using its position as a great, global trading nation to seize opportunities to lift countries out of grinding poverty. This will generate the wealth, prosperity and investment needed to

create millions of jobs and help the world's poorest people stand on their own two feet.

Helping developing countries harness the formidable power of trade means we are not only creating trading partners of the future for UK businesses, but supporting jobs at home too. Building a more prosperous world and supporting our own long-term economic security is firmly in all our interests.

Around £20 billion a year of goods are shipped to the UK from these developing countries, accounting for around half of our clothing, a quarter of our coffee and other everyday goods such as cocoa, bananas and roses.

Without these trading arrangements, clothing, for example, from some of the poorest countries could face tariffs of over 10% – which could be passed on to UK consumers through higher prices at the till.

Access to the markets of developed countries also provides vital trading opportunities for the world's poorest people and creates jobs. For example, 2 million women work in Bangladesh's garment sector, which is a significant exporter of clothing to the UK. These opportunities help people to work their way out of poverty and build our trading partners of the future.

In 2015, the UK imported the following from developing countries:

- £19.2 billion of goods
- 79% (or £186 million) of all tea imports – enough for 34.9 billion cups of tea
- Over 22% of all the UK's coffee imports, valued at around £131 million. Both Indonesia and Vietnam exported more than £30 million into the UK, and Ethiopia exported over £15 million
- £7.8 billion in textiles – accounting for 45% of all the UK's textile and apparel imports
- Bangladesh, India, Indonesia, Sri Lanka and Vietnam combined exported 34 million dresses – one dress for every woman in the UK.

None of these countries can defeat poverty without sustained economic growth – jobs and investment opportunities are vital to helping the world's poorest people stand on their own two feet. Without these jobs, a whole generation could be consigned to a future where opportunities are out of reach; potentially fuelling instability and mass migration, which could in turn have direct consequences for the UK.

Further information

The world's Least Developed Countries are calculated by the UN using criteria which is based on income criterion, the Human Assets Index and the Economic Vulnerability Index. [Further information can be found here.](#)

Under current EU arrangements, the UK offers Duty Free Quota Free access for Least Developed Countries on all goods which they are exporting to the UK,

other than arms and ammunition. For the next tier of developing countries, largely classed as lower middle income, the EU offers a mix of reductions on tariffs.

DFID's first [Economic Development Strategy](#), launched by Ms Patel earlier this year, sets out how private sector investment will help developing nations speed up their rate of economic growth, trade more and industrialise faster, and ultimately lift themselves out of poverty.

The UK is committed to ensuring that when companies source from developing countries, they do so in a way which protects the human rights of workers and their health and safety.

Case studies

Textiles, preferences and development

The UK imported £7.8 billion in textiles and apparel from countries which benefit from preferential access to UK markets in 2015, 45% of all the UK's textiles and apparel imports. Preferential trade arrangements not only created jobs for people in developing countries, but also benefitted customers and businesses in the UK by keeping prices lower and offering greater choice of goods.

The UK imported 34 million dresses from Bangladesh, India, Indonesia, Sri Lanka and Vietnam in 2015 – enough for one dress for every woman in the UK. Women in Bangladesh often lack opportunities to work outside the home. The growth of the ready-made garment industry is changing this.

Vast numbers of young Bangladeshi women are leaving their villages to work in garment factories where, in earlier generations, young women were rarely seen outside their homes. In Bangladesh, women make up the majority of workers in the ready-made garment sector as a whole, with around 2 million women currently working in this sector. Women in garment factories are pushing back the social limits on their life options by redefining the norms of female propriety.

The textile industry often has wider spill overs to industries other than textiles. For example, India's textiles sector uses 7% of India's agricultural products, chemical and computer related services sectors, whilst nearly 8% of the transport and storage output goes to the textile industry. Therefore one industry creates multiple demands in others.

Tea and coffee exports supporting jobs in developing economies

Promoting agricultural exports from developing economies supports DFID's agricultural programme which by 2018 could help over 900,000 people to earn better livings from agriculture.

In 2015, 79% of tea in the UK came from beneficiary countries of trade preferences (£186 million). £129 million of this came from African economies – £111 million from Kenya. In total the UK imported 103,000 tonnes of tea

from beneficiary economies; enough for 34.9 billion cups of tea.

In 2015 countries which benefit from preferential access to the UK imported over 22% of all the UK coffee imports. These countries imported nearly £131 million worth of coffee into the UK in 2015. Both Indonesia and Vietnam imported more than £30 million into the UK and Ethiopia imported over £15 million.

Bananas

The UK imports 6% of the world's dried and fresh banana exports, and we eat around six billion bananas every year. Countries such as the Dominican Republic, Cote d'Ivoire, Cameroon and Ghana are an important source of this trade to the UK, contributing to 30% of total banana imports.

DFID is a committed Fairtrade partner and is providing £18 million over six years to help Fairtrade International have a greater impact in their work and make the global Fairtrade system stronger.

The Fairtrade Foundation highlight that one in three bananas bought in the UK is Fairtrade. Fairtrade plays an important role in helping to improve the lives of poor people, such as by ensuring farmers receive fair prices for their products, workers receive better wages to help them support their families and agricultural practices are made more sustainable.

The UK imported over 105,000 tonnes of bananas from Sub-Saharan Africa in 2015. The amount of bananas the UK imports from Sub-Saharan beneficiary economies has almost doubled since the start of the millennium.