

UK launches Israel talks to boost trade between services superpowers

- Negotiations launched in London to upgrade trading relationship already worth £5 billion and supporting 6,600 UK businesses.
- UK services and digital sectors in line to reap the rewards of a fresh, modern agreement.
- Deal will put innovation at its heart, creating new opportunities for tech firms and professional services.

UK tech firms and services companies are set to benefit from a [future UK-Israel trade deal](#), that will seek to establish a modern, revamped trading relationship between two of the world's services superpowers.

International Trade Secretary Anne-Marie Trevelyan will launch negotiations today [20 July] between the UK and Israel for a new, innovation-focused Free Trade Agreement (FTA).

Israel has one of the fastest growing economies in the world and their demand for digital products and services is expected to grow rapidly. The UK's existing bilateral FTA with Israel contains no specific provisions on services, creating a huge opportunity to enhance the agreement.

This includes boosting UK services exports to Israel by up to £78 million, from insurance to computer and technology services, supporting jobs and growing high-tech industries by reducing barriers to trade.

A new upgraded deal would expand a trading relationship already worth £5 billion a year. It could benefit 6,600 UK businesses, including 5,600 small and medium-sized enterprises, employing over 1.7 million people in 2020, who are exporting their goods to Israel by reducing trade barriers.

International Trade Secretary, Anne-Marie Trevelyan said:

The UK and Israel are both modern, hi-tech services superpowers, but our current trading relationship is based on an agreement from 1995, before smartphones, the internet, and digitally delivered services transformed the global economy.

We want a deal that will play to British strengths, while stimulating innovation and increasing opportunities for small and medium-sized enterprises across the UK. Combining the power of our economies in a revamped trade deal will boost trade, support jobs and help take our economic relationship to the next level.

The Secretary of State will meet Israel's Ambassador to the UK Tzipi Hotovely to launch the talks in London.

A bold new modernised deal could also provide greater economic opportunities for exporters across the UK regions and nations, including LEVC's iconic electric black cabs in Coventry, Tomatin Distillery in Scotland, and Concrete Canvas in Wales.

Trade Strategy Partner for EY, Sally Jones said:

EY welcomes the intention to upgrade the Free Trade Agreement between the UK and Israel. This is an opportunity to put services, digital technology and innovation at the heart of the UK and Israel's already-strong trading relationship. Both the UK and Israel are known for their vibrant tech and fintech sectors, which will both benefit from this new deal.

The UK's world leading professional and business services sector is an unrivalled ecosystem which boosts competitiveness and facilitates international trade. With the opening-up of new trade and investment opportunities, businesses need to be looking at their trade strategies now to be able to seize these opportunities and drive economic prosperity.

Head of Tax and Trade Policy for Deloitte UK, Amanda Tickel said:

We welcome negotiations between the UK and Israel on an enhanced FTA, which could take our bilateral trade and investment relationship to a new level.

Both the UK and Israel are services-led economies with highly successful tech sectors, yet the existing terms of trade contain only limited provisions in these areas. This negotiation represents an exciting opportunity for UK services exporters, making it easier to trade across borders, to travel and work in each economy and support our digital innovators.

UK Managing Director at eToro, Daniel Moczulski said:

We are immensely proud of the journey that eToro has been on over the past 15 years, from an ambitious start-up in Tel Aviv to a thriving global brand and the world leading social investment network, with over 27 million registered users in more than 100 countries. A crucial part of this journey was eToro's arrival in the UK, a market which has always encouraged innovation in the financial sector.

The UK market has become incredibly important to eToro's business, and we are lucky to have a very talented team in London serving a large number of UK retail investors – we welcome the launch of UK-Israel trade talks to create more opportunities for innovators in

both the UK and Israel.

Notes to editors

- In 2020, around 325 Israeli-owned businesses operating in the UK employed more than 7,000 people across the country. Its services sector has grown by over 45% in the last decade, and Israel's total imports are expected to double by 2035.
 - In the Northwest alone, over 1,300 businesses exported goods to Israel in 2020, with regional exports totalling £125 million in 2021. London exported goods to Israel worth £265 million in the same year, while Scotland, Wales and Northern Ireland exported £92 million, £66 million, and £24 million of goods respectively.
 - In 2020 the size of Foreign Direct Investment (FDI) from the UK in Israel was £1bn. Over the past 10 years 80% of UK outward FDI projects in Israel were in financial services, professional services and ICT & electronics.
 - The FTA will complement the new UK-Israel Bilateral Roadmap, which promises to transform our relationship in the years ahead. We have agreed to work together on a new strategic plan spanning many areas of mutual interest such as science, innovation, defence, health, development, and climate change.
 - Israel is also the global leader in R&D expenditure as a proportion of national income, spending almost 5% of GDP on it. And more international money than ever is flowing into UK tech – £29 billion in 2021.
 - By the end of last year, the UK boasted no fewer than 115 tech unicorns, while Israel's 53 tech unicorns and start-ups secured £18.5 billion of new funding in 2021. This has helped companies such as tech unicorn eToro to thrive in British markets.
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Independent review of UKRI published

The Department for Business Energy & Industrial Strategy (BEIS) has today (Wednesday 20 July) published an independent review of UK Research and Innovation (UKRI), led by Sir David Grant.

Launched in April 2018, UKRI is the government's primary funder of research and innovation. It is composed of:

- the 7 disciplinary research councils
- Research England, which is responsible for supporting research and knowledge exchange at higher education institutions in England
- Innovate UK, the UK's innovation agency

This is the first review of UKRI since its creation. The report comes following the publication of UKRI's first [5-year strategy](#). Ministers and UKRI

leadership have expressed their support for the review's 18 recommendations, which include investment in harmonising IT systems, clarifying roles and responsibilities within UKRI and with BEIS, and further focus on demonstrating outcomes from their funding.

Business Secretary Kwasi Kwarteng said:

I welcome Sir David's recommendations. To support our ambition to establish the UK as a true Science Superpower, we have given UKRI its largest funding settlement ever, with over £25 billion across the next 3 years.

Our ambitions for a world-class research and innovation system require a world-class funder, which is why we will work closely with UKRI to deliver these recommendations and ensure they are equipped and ready to support those goals.

CEO of UKRI Professor Dame Ottoline Leyser said:

UKRI's 5-year strategy sets out our clear ambition to be more effective, more efficient and to work in new and different ways to realise our full potential.

I warmly welcome the momentum that Sir David's timely review adds to these efforts. His expert advice and careful recommendations will help us continue to strengthen UKRI in our work to fuel the UK's outstanding research and innovation system.

I would like to thank Sir David and the review team that supported him for their tireless efforts and collaborative approach.

UKRI Chair Sir Andrew Mackenzie said:

David Grant's review has offered valuable and timely support and challenge to the UKRI Board, highlighting opportunities for us to better steer UKRI to capitalise on the extraordinary research and innovation talent and creativity that will put the UK at the forefront of solutions to national and global challenges.

The review was led by Sir David Grant, supported by a secretariat in BEIS. Sir David was Chair of the National Physical Laboratory from 2015-2021, and Vice Chancellor of Cardiff University from 2001-2012.

The review forms part of the government's Public Bodies Review Programme. These reviews are intended to ensure that arms-length bodies are contributing effectively to government objectives and operating in an efficient manner.

Read the [full report and recommendations](#).

UK and US launch innovation prize challenges in privacy-enhancing technologies to tackle financial crime and public health emergencies

Today, the UK and US governments launched a set of prize challenges to unleash the potential of privacy-enhancing technologies (PETs) to combat global societal challenges. Announced at the Summit for Democracy last year, innovators from academia, industry, and the broader public will have the opportunity to participate in up to two separate tracks (improving detection of financial crime and forecasting an individual's risk of infection during a pandemic) as well as the option to design one generalised solution that works for both scenarios for broader applicability.

Competing for cash prizes from a combined UK-US prize pool of \$1.6 million (£1.3 million), innovators will develop privacy-preserving federated learning solutions that enable artificial intelligence models to be trained on sensitive data without organisations having to reveal, share, or combine their raw data. Winning challenge solutions will be showcased at the second Summit for Democracy, which President Biden plans to convene in the first half of 2023.

The first track – aimed at transforming financial crime prevention – will spur technological innovation to tackle the challenge of international money laundering. According to United Nations' (UN) [estimates](#), money laundering costs up to \$2 trillion each year, undermining economic prosperity and financing organised crime. PETs can be harnessed to facilitate privacy-preserving financial information sharing and collaborative analytics, allowing anomalous payments to be identified without compromising the privacy of individuals.

Innovators will work with synthetic global transaction data created by SWIFT, the global provider of secure financial messaging services. Registered challenge participants will receive access to data that is realistic, but artificial, and therefore does not run the risk of revealing private information.

To provide regulatory context important for understanding the potential of these maturing technologies to counter illicit financial activity, the prize challenges will provide opportunities for innovators to engage with regulators on both sides of the Atlantic, including the UK's Financial Conduct Authority (FCA) and Information Commissioner's Office (ICO), and the

U.S. Financial Crimes Enforcement Network (FinCEN). Innovators will also engage with the UK National Economic Crime Centre.

The second track of the challenges – aimed at bolstering pandemic response capabilities – will strengthen global readiness for ongoing and future public health emergencies by developing privacy-preserving solutions that can forecast an individual's risk of infection. Innovators will have access to a synthetic dataset created by the University of Virginia's Biocomplexity Institute, which represents a digital twin of a regional population. As with the financial dataset, the pandemic response dataset is synthetic and will not reveal private information. Challenge participants will be able to engage with staff from the U.S. Centers for Disease Control and Prevention (CDC), NHS England, and the UK Research and Innovation DARE UK (Data and Analytics Research Environments UK) programme.

Nadine Dorries, Secretary of State for the U.K. Department for Digital, Culture, Media and Sport, said:

I'm delighted that we are today launching joint UK-US prize challenges to accelerate the adoption of privacy-enhancing technologies (PETs). These cutting-edge technologies can help us to harness the power of data to tackle global challenges like international money laundering and to plan for subsequent public health emergencies, while respecting citizens' rights. This partnership demonstrates the UK and US' commitment to working together to address transnational challenges, as well as to ensuring that our vision of the tech revolution – one that is open and democratic – prevails.

Dr. Alondra Nelson, head of the White House Office of Science and Technology Policy, said:

These prize challenges will catalyze talent and ingenuity on both sides of the Atlantic to advance privacy-enhancing technology solutions and enable their potential to tackle global challenges like those of cross-border financial crime and pandemic response.

This important initiative reflects our common purpose of developing technologies and driving innovation in a manner that reinforces our commitment to and expression of democratic values and the fundamental right to privacy.

Dr. Sethuraman Panchanathan, Director of the National Science Foundation (NSF), said:

Building on decades of NSF research investment in the field, these prize challenges will accelerate the translation of game-changing privacy-enhancing technologies. In this way, these prize challenges

– supported by NSF’s Directorate for Computer and Information Science and Engineering and the new Directorate for Technology, Innovation and Partnerships – illustrate the synergy of foundational research and translational activities in moving research to practice. By harnessing innovation across national lines and strengthening a transatlantic community of innovation, the US-UK prize challenges will demonstrate the value of international collaboration to develop technologies in ways that uphold our shared values.

U.S. Secretary of Commerce Gina Raimondo said:

We are on the cusp of solving some of the world’s most intractable problems and improving our quality of life with the power of artificial intelligence, but we must do it responsibly by upholding our shared values around privacy,

I’m thrilled that we’re launching these joint UK-US privacy-enhancing technology prize challenges and motivating our best researchers in industry and academia to innovate on protecting privacy so that we can all reap the benefits.

John Edwards, UK Information Commissioner, said:

Bringing the Information Commissioner’s Office (ICO) into the start of these prize challenges ensures peoples’ privacy and trust are at the heart of the design process. People can have confidence in the power of personal data to save lives and stop financial crime.

Privacy-enhancing technologies allow for great innovation when used in the right way. We’re looking forward to supporting these solutions and the final outcomes that will ultimately help the public.

Planning for the challenges is being led by the U.K. Centre for Data Ethics and Innovation (CDEI) and Innovate UK, and the U.S. White House Office of Science and Technology Policy (OSTP), the U.S. National Institute of Standards and Technology (NIST), and the U.S. National Science Foundation (NSF). The U.S. challenge is funded and administered by the U.S. National Institute of Standards and Technology and the U.S. National Science Foundation.

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Notes to editors:

- The multi-stage competition involves a white paper submission, prototype development, and a red-teaming phase. Innovators have until Monday 19 September to enter the competition. More information about the prize challenges can be found at petsprizechallenges.com.
- The UK-US collaboration on the prize challenges was first [announced](#) at the first Summit for Democracy in December 2021.
- PETs allow sensitive personal or commercial data to be shared and/or analysed, while protecting individuals' privacy and proprietary information. PETs include maturing technologies, such as privacy-preserving federated learning, which allows machine learning models to be trained on high quality distributed datasets, without having to share the raw data.

The Sizewell C Project development consent decision announced

The application involves the construction of a new nuclear power station producing reliable, low-carbon electricity to help Britain achieve Net Zero. It is intended that Sizewell C will generate enough low-carbon electricity to supply six million homes.

The application was submitted to the Planning Inspectorate for consideration by NNB Nuclear Generation (SZC) Limited on 27 May 2020 and accepted for Examination on 24 June 2020.

Following an Examination during which the public, Statutory Consultees and Interested Parties were given the opportunity to give evidence to the Examining Authority, recommendations were made to the Secretary of State on 25 February 2022.

This is the 114th Nationally Significant Infrastructure Project and 69th energy application to have been examined by The Planning Inspectorate within the timescales laid down in the Planning Act 2008.

The Planning Inspectorate's Chief Executive, Sarah Richards said:

"The Planning Inspectorate has now examined more than 100 nationally

significant infrastructure projects since the Planning Act 2008 process was introduced, ensuring local communities have had the opportunity of being involved in the examination of projects that may affect them.

“This Examination took place during the COVID-19 pandemic and its associated restrictions and the Examining Authority worked hard to ensure that local people, the local authorities – East Suffolk District and Suffolk County Council – and other Interested Parties were able to fully participate.

“The Examining Authority listened and gave full consideration to local views and the evidence gathered during the Examination before making its recommendation.”

The decision, the recommendation made by the Examining Authority to the Secretary of State and the evidence considered by the Examining Authority in reaching its recommendation are publicly available on the project pages of the [National Infrastructure Planning website](#).

ENDS

Journalists wanting further information should contact the Planning Inspectorate Press Office, on 0303 444 5004 or 0303 444 5005 or email: Press.office@planninginspectorate.gov.uk

Notes to editors:

The Planning Inspectorate’s [National Infrastructure Programme of Projects](#) details the proposals which are anticipated to be submitted to the Planning Inspectorate as applications in the coming months.

Government to strengthen and modernise reservoir safety regime

The Government has today committed to improving reservoir safety through reforms to the regulatory regime and modernisation of the Reservoirs Act 1975 as it [accepted all of the recommendations](#) of the [second part of an independent review by Professor David Balmforth](#).

With the review recognising the strong safety track record of reservoirs in England, the reforms will help to ensure that the regulatory regime remains effective and robust in securing the ongoing safety of such critical infrastructure so that those living downstream of reservoirs are protected from flooding which could risk their lives and property.

They will build on action already being taken to improve reservoir safety following the incident at Toddbrook Reservoir in 2019, including the

[government's full implementation of the recommendations](#) of the first part of the independent review.

Environment Minister Steve Double said:

The safety of those living and working near reservoirs must always be a priority. By modernising and reforming legislation and regulation regimes, we will help to protect communities and provide them with increased peace of mind.

Professor Balmforth's review provided us with a comprehensive understanding of the strengths and weaknesses of the reservoir safety regime, and the progress that is needed to ensure it is fit for the future, with safety standards consistently applied across all our reservoirs.

Caroline Douglass, Environment Agency Executive Director for Flood and Coastal Risk Management, said:

England has a strong reservoir safety record, but we are always be looking for ways to improve our approach, especially in the face of a changing climate.

We look forward to working with Defra, reservoir owners, and engineers to implement these reforms and ensure that reservoirs are regulated using a modern risk-based approach.

Reform of the regulatory programme will be delivered in collaboration with reservoir owners and engineers over the coming years, with a timeline that will ensure that the changes can be managed by industry while maintaining ongoing reservoir safety management.

In 2022/23 and 2023/24, reforms will be made through existing powers, guidance and training, including:

- improving enforcement options and flexibility using civil sanctions;
- introducing review of engineers' reports by the Environment Agency;
- developing proposals for a proportionate charging scheme to improve recovery of regulatory costs; and
- introducing a free registration scheme for owners of small raised reservoirs during 2022/23.

In 2023/24, a consultation on the modernisation of the Reservoirs Act will look at:

- developing a new risk/hazard classification and how it could operate;
- developing proposals to make the future supply of reservoir engineers more sustainable;
- developing proposals for regulating small raised reservoirs within the

new safety regime, for consultation.

The reforms will build on actions which are already being taken to improve reservoir safety following the incident at Toddbrook Reservoir in 2019, including a Ministerial Direction requiring all large raised reservoirs to have on site emergency flood plans, new guidance on spillway inspection and management, new guidance for reservoir engineers about carrying out inspections and supervision, and research to improve the future supply of engineers.