

The British Chamber of Commerce Singapore and Regional Counterparts Welcome the UK's Membership in the CPTPP

Monday, December 16th, 2024: The British Chamber of Commerce Singapore (BritCham), along with British Chambers across Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) member countries, celebrates the UK's accession to the CPTPP, marking a significant milestone in international trade. The UK's membership takes the CPTPP from a regional to a truly global agreement, further enhancing its stature as a cornerstone of rules-based trade and economic cooperation.

"The UK's accession to the CPTPP underscores its commitment to strengthening international trade frameworks and its role as a proactive and collaborative partner within the global trading system," said David Kelly, Executive Director of the British Chamber of Commerce Singapore. *"This development opens new opportunities for businesses across the CPTPP bloc to diversify supply chains, advance trade in services, and embrace digital and green economy initiatives. The British Chamber of Commerce Singapore remains committed to supporting businesses in navigating new opportunities presented by the UK's CPTPP membership and advancing the shared ambitions of this transformative trade agreement."*

"This is a red-letter day for our traders. There are few multi-national trade agreements like this one. It connects us to a fast-growing region of the global economy and will create new opportunities for both inward and outbound investment. Trade rules will be more favourable for manufacturers looking to sell products to other member countries and data transfers for firms in the services sector will also be more straightforward. Crucially, it will also give the UK a say in the bloc's future development, making it a deal that will work for our traders both now and in the future," commented William Bain, Head of Trade Policy at the British Chambers of Commerce in the UK.

A Global Agreement with Increased Influence

The UK's entry into the CPTPP adds significant weight to the agreement, increasing the GDP of the bloc to just over £12 trillion. As one of the largest member countries, the UK will play a pivotal role in shaping the rules and standards of international trade. This strategic move elevates the CPTPP's global profile and serves as a beacon for prospective future members.

"The entry-into-force of the UK's membership into the CPTPP marks a groundbreaking achievement, transforming trade relationship and unlocking exciting opportunities for businesses in the UK and Malaysia. As this is the first ever free trade agreement between Malaysia and the UK, it is a historic moment in elevating the longstanding partnership between our nations. It paves the way for collaboration in emerging sectors like digital trade, green technology, and advanced manufacturing," noted Jennifer Lopez, CEO of the British Malaysian Chamber of Commerce Berhad.

Advancing Ambitions and Modern Partnerships

The UK is poised to work closely with existing members to deepen the agreement's benefits and modernise global trade systems. Areas of focus include digital trade, trade in services, and environmental standards. Through its membership, the UK reinforces its commitment to promoting high standards and the rules-based international system, setting a benchmark for other nations seeking to join the CPTPP.

"With CPTPP coming into force, this gives UK exporters more options, increased tariff reductions and more viable markets. With an expected GDP of 7% in 2024, a target for 8% in 2025 and a fast growing middle class, Vietnam is one market I am sure will garner huge interest from UK companies and we are here to drive and support that growth," noted Matt Ryland, Executive Director of the British Chamber of Commerce Vietnam.

Strengthening UK-Singapore Trade Relations

Singapore, a key partner within the CPTPP, stands to benefit significantly from the UK's membership. Existing agreements such as the UK-Singapore Free Trade Agreement, the Digital Economy Agreement, and the UK-Singapore Green Economy Framework will be complemented by the CPTPP, creating seamless opportunities for businesses in both markets.

British High Commissioner to Singapore, Nik Mehta, said, *"CPTPP membership enhances our already strong trade and investment partnership with Singapore, while also creating new opportunities and access to new markets for businesses. We look forward to working with our CPTPP partners to drive innovation, create jobs and shape the future of global trade."*

A Commitment to the Indo-Pacific Region

As the world's sixth-largest economy, the UK's membership underscores its long-term commitment to the Indo-Pacific region. The CPTPP now connects millions of UK consumers with dynamic economies in the Indo-Pacific, reinforcing shared ambitions for free and open trade, environmental sustainability, and economic security.

His Majesty's Trade Commissioner for Asia Pacific Martin Kent said, *"With the UK's accession, CPTPP now accounts for almost 15% of global GDP, or over £12 trillion according to 2023 data. This agreement will make it easier for UK businesses to trade with CPTPP Parties, and will potentially boost the UK economy by £2 billion a year in the long run. The UK Government will work closely with the British Chambers of Commerce to maximise benefits for exporters and support companies looking to expand into the whole CPTPP market."*

In further comments from British member organisations in CPTPP member countries, Ticky Fullerton, CEO of the Australian British Chamber of Commerce said, *"The United Kingdom's membership of the CPTPP is great news for all who support free trade and economic security in our region. At a time of some uncertainty in global trade, the UK's reputation and influence is a powerful endorsement of the CPTPP and its aspiration to facilitate prosperity and security through new trade opportunities and increasingly high standards. The CPTPP's UK membership is a strong fillip for our Chamber's work supporting the UK and Australian Governments and our members on trade and investment."*

“The UK joining the CPTPP is another positive development in its trade relationship with New Zealand, following the entry into force of the UK-New Zealand Free Trade Agreement in May 2023. The Indo-Pacific region is a key area for New Zealand and the increased focus of the UK on this area of the world is very welcome in terms of the increased economic activity that it will create and also in terms of facing up to some of the major challenges in the region such as climate change,” commented Philip Wood, President of the British New Zealand Business Association.

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About the British Chamber of Commerce Singapore (BritCham):

The British Chamber of Commerce Singapore is a leading business network that supports British businesses and fosters collaboration between the UK and Singapore. With a focus on sustainability, innovation, and trade, the Chamber is dedicated to driving success and creating value for its members.

For more information on the Chamber, our advocacy and our areas of focus, visit www.britcham.org.sg.

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