

MULTI-BRITISH CHAMBER STATEMENT IN RESPONSE TO THE UK'S RATIFICATION OF CPTPP

Friday, 17th May, Singapore

Background

The UK has ratified the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). In June 2020, the government confirmed it intended to join the CPTPP. The formal request to join the CPTPP was made in February 2021, and the CPTPP commission agreed to start negotiations with the UK later that year. The UK government signed an accession protocol to the CPTPP on 16 July 2023, and has today announced its ratification. Only six economies, in addition to the UK, need to ratify by October for the deal to enter into force by the end of the year. Singapore, Japan, and Chile have already ratified, with other countries in the works. The government has confirmed it expects the protocol to come into force in the second half of 2024.

With the UK's eventual accession to the agreement, the collective GDP of the CPTPP is anticipated to grow from £9 trillion to £11 trillion, reaching 15.4% of global gross domestic product. The anticipated benefits for the UK to joining CPTPP include:

- strengthening ties with some of the world's most dynamic economies
- opening new markets for services providers
- modern and ambitious digital and data provisions
- cutting tariffs on goods exports
- new opportunities to diversify supply chains
- providing the whole of the UK with new export opportunities
- a trade deal with Malaysia and Brunei for the first time
- more access to high-quality imported goods
- strengthening economic security
- encouraging investment

Statement Begins:

The British Chambers of Commerce and related organisations below, who operate within the countries of the CPTPP trading bloc, welcome today's announcement as a continuing commitment of the UK Government's interests in the Indo-Pacific region. We are dedicated to using our combined expertise and ecosystems to support and encourage British businesses looking to expand into markets within the region. The opportunity to extend existing trade agreements with countries in the bloc, and in the cases of Malaysia and Brunei to establish the first bilateral trade agreements, are significant for the UK's position as a major trading partner both globally and in the region.

British Chamber of Commerce Singapore Executive Director, David Kelly, stated: *"We see today's announced progress towards the UK joining CPTPP as a positive step in the right direction. Being "on the ground", we see every day how vibrant and alive with opportunity the British business community is within Southeast Asia, and we look forward to championing the UK's interests alongside our colleagues throughout the CPTPP trading bloc."*

The British Chambers of Commerce's Head of Trade Policy, William Bain, said: *"There are few multi-national trade agreements like this one. The UK's addition to this bloc will open up new opportunities for both inward and outward 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."*

British Chamber of Commerce in Japan Executive Director, Sarah Backley, stated: *"The UK's ratification of the CPTPP signifies an important achievement for the business world, presenting a valuable opportunity for the UK, Japan, and the other 11 member countries to come together in setting the benchmarks for global trade standards. We look forward to the avenues for fresh opportunities and collaborations this will unlock, paving the way for enhanced economic partnerships and growth opportunities for our members in the UK-Japan, and wider regional ecosystem."*

British Chamber of Commerce Vietnam Executive Director, Matt Ryland, stated: *"After the final agreement was signed in Vietnam for the UK to join CPTPP, it is fantastic to hear that this has now been ratified. BritCham Vietnam looks forward to supporting British business in making the most of this opportunity and the positive impact on trade & investment."*

Australian British Chamber of Commerce CEO, Ticky Fullerton, stated: *"Our Chamber welcomes news of the UK's ratification of the CPTPP. With its respected position in global affairs the UK is a valuable addition to this very important partnership in our region. We look forward to the strengthening ties of CPTPP members in trade, investment and in regional security."*

British Malaysian Chamber of Commerce CEO, Jennifer Lopez, said: *"The ratification of the CPTPP is a pivotal milestone as it symbolises the first free trade agreement between the UK and Malaysia. This historic agreement not only fosters trade liberalisation but also offers expanded market access, boosts to GDP, and strategic influence, particularly benefiting sectors such as services and digital trade for both British and Malaysian enterprises. This also promises enhanced options and affordability for consumers and businesses alike, heralding a new era of economic dynamism and collaboration."*

British Canadian Chamber of Trade and Commerce Board Director, and British Chamber of Commerce Shanghai Advisor to the Board, James Dunn, stated: *"The impending ratification of the CPTPP by the UK underscores a significant stride towards cementing the Indo-Pacific trade pact. This milestone heralds a wealth of opportunities for businesses in both the UK and Canada. As we edge closer to the agreement's enactment by the end of 2024, we urge businesses to prepare to leverage the upcoming benefits. We are here to support businesses every step of the way."*

British New Zealand Business Association President, Phil Wood, stated: *"The Parliamentary ratification of the UK joining CPTPP is another major step towards deepening the UK's access to a group of countries that represent one of the most dynamic and rapidly growing free trade areas in the world. We look forward to helping businesses take advantage of the Agreement's entry into force later this year."*

END

About the CPTPP

The 11 original member countries signed the treaty establishing the CPTPP in March 2018. The CPTPP initially entered into force for six of the countries in December 2018 (Australia, Canada, Japan, Mexico, New Zealand and Singapore). It subsequently entered into force for Vietnam in 2019, Peru in 2021, Malaysia in 2022, and Chile and Brunei in 2023.

The areas covered by the treaty fall under two categories:

Market access: The treaty covers trade in both goods and services. It includes provisions on preferential tariff and quota arrangements; customs, sanitary and phytosanitary measures; technical barriers to trade; financial services; and mobility and telecoms. Each member has its own schedule of commitments. There are some tariff protections retained in sensitive areas.

Rules: It covers rules on international investments, government procurement, intellectual property, the environment, small and medium-sized enterprises, and development. The treaty provides a single set of rules of origin and product-specific rules. It also allows content from all CPTPP countries to be 'cumulated'. For example, if a good must have at least 70% CPTPP content to qualify for preferential tariffs, that 70% can come from any combination of CPTPP countries.

About the British Chamber of Commerce Singapore (BritCham):

The British Chamber of Commerce Singapore is an outstanding business eco-system, connected to the most exciting and interesting brands from the UK and Singapore. We celebrate our 70th anniversary of support for the British business community in 2024. Our mission is to drive British business growth in Singapore, create opportunities for our members, facilitate industry knowledge sharing, and support exporters from the UK. This is achieved by working alongside Government, our partners and our engaged members to deliver services, committee participation, activities and opportunities throughout the year.

We support approximately 3,600 members from 300 member organisations, are part of the British Chambers of Commerce Global Network and a member of the [Britain in South East Asia network \(BiSEA\)](#) network. Our members vary from startups and SMEs to global MNCs, spanning all sectors and industries. Approximately two-thirds of the network in Singapore are British nationals or those employed by an organisation headquartered in the UK. We have strong connections across the Singapore Government and have been/are involved with dialogues around Free Trade Agreements, the UK-Singapore Digital Economy Agreement, the sustainability agenda, and Singapore's Industry Transformation Roadmaps.

We operate within the SG-UK Strategic Partnership, a partnership between the two countries covering economic cooperation; defence, security, intelligence and foreign policy cooperation; climate, sustainability, green economy and energy cooperation; research, science, innovation, and technology cooperation; and public sector cooperation. For more information on the Chamber, our advocacy and our areas of focus, visit www.britcham.org.sg.

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