May 2020

Thank you for contacting me about future trade agreements.

Free trade agreements (FTAs) can generate new trading opportunities for businesses of all sizes, in particular small and medium sized firms, by removing and reducing red tape. FTAs can also bring about lower prices and greater choice for consumers and help create new and better jobs.

Indeed, FTAs will play an important role in levelling up the UK, ensuring that companies of all sizes benefit from trade and investment in all parts of the UK.

I welcome that negotiations on a UK-US FTA are now underway. The US is our largest single trading partner, and analysis by the Department of International Trade shows that UK-US FTA could benefit every region of the UK and almost every sector. For example, the agricultural sector would benefit with lower input costs and a bigger export market. Moreover, the 30,000 Small and Medium Sized Enterprises who export to the US from all parts of the UK would benefit from the cutting of tariffs, trade barriers and red tape.  It could also deliver benefits to UK workers by driving higher productivity and higher wages.

An FTA with Australia could also be beneficial for the approximately 15,000 UK businesses who export their goods there, so I welcome the Government’s commitment to negotiating and securing an ambitious FTA with Australia as soon as is practical.

In addition, accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) could have a positive impact on our country’s economy. CPTPP is a trade agreement between 11 countries in the Pacific region, which together constitute a market of 500 million people, covering over 13 per cent of world GDP. Access to this market and regional supply chains would be of huge benefit to UK firms.

Thank you again for taking the time to contact me.

Yours faithfully,



**CHRIS HEATON-HARRIS MP**

**MEMBER OF PARLIAMENT FOR DAVENTRY**