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## **The United Kingdom has formally signed its accession to the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP)**

### **What is CPTPP?**

The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) is a modern and ambitious free trade agreement between Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam. It covers nearly 500 million people, 14 percent of global GDP and 15 percent of global trade. As such, it is one of the largest and most significant free trade agreements in the region. CPTPP was signed in March 2018. CPTPP entered into force in December 2018.

CPTPP is a modern and ambitious FTA. The agreement achieves duty-free treatment for nearly 97 percent of all goods. CPTPP has led to a comprehensive opening of the services sectors. All relevant protection standards apply to investments. In addition, CPTPP is particularly convincing by the fact that it also addresses a number of non-tariff issues.

### **CPTPP on the way to expansion**

Article 30.4 of the chapter "Institutional Provisions and General Definitions" outlines the accession procedure of the Trans-Pacific Partnership and also ensures the accession of countries that are geographically outside the Asia-Pacific region.

New partner countries must submit a formal application. If the application is approved, accession negotiations can begin. During accession negotiations, only market access concessions of the applicant country are negotiated. The market access concessions of the CPTPP members must be accepted by the new members. Regulatory issues, such as intellectual property protection, digital trade and the sector-specific rulebooks, are not renegotiated.

Since entry into force, there have been several countries besides the United Kingdom who have submitted their formal application: namely: Ecuador, China, Costa Rica, Taiwan, Uruguay, and Ukraine. Furthermore, Colombia, Indonesia, the Philippines, South Korea and Thailand have expressed their interest.

### **Membership of the United Kingdom**

On February 1, 2021, the British government submitted a formal application for membership. On June 2, 2021, the CPTPP members approved the UK's application. As a result, negotiations began in September 2021. In March 2023, the parties announced that the UK will join the trade pact.

### **UK signed the CPTPP**

The UK has formally signed its accession to the CPTPP, becoming the first new member since the agreement entered into force in 2018. The UK's membership in the agreement is significant as it is the first European country to join and the twelfth overall. The UK government believes that joining the CPTPP will open up trade opportunities in a region with a GDP of USD 15.7 trillion). The agreement will need to be ratified by the British government, including a parliamentary stage, before it takes effect.

The signing ceremony took place in New Zealand during a meeting of the CPTPP committee. The UK's Business and Trade Minister, Kemi Badenoch, described the agreement as ambitious and forward-looking, emphasizing that it demonstrates the UK's openness for business and its desire to deepen relations in the Pacific region. The agreement is expected to benefit various sectors, including goods exports such as cheese, cars, chocolate, and machinery, as well as the services sector. The UK government estimates that the CPTPP could contribute GBP 1.8 billion to the British economy.

**Are German businesses able to profit from CPTPP?**

German companies that have a subsidiary in the CPTPP region or produce in the territory of the contracting parties can benefit from the CPTPP concessions. This is particularly desirable for companies that want to achieve improved market access to markets with which the EU has not yet negotiated FTAs.

**Benefit from free trade agreements**

If you have any questions about the usage of Free Trade Agreements in the Asia-Pacific region, you can contact Mrs. Annika Huck, Divisional Head for Trade Policies (Asia/ASEAN). E-Mail: [annika.huck@sgc.org.sg](mailto:annika.huck@sgc.org.sg)

**Resources**

<https://www.dfat.gov.au/trade/agreements/in-force/cptpp/comprehensive-and-progressive-agreement-for-trans-pacific-partnership>

<https://www.gov.uk/government/news/uk-welcomes-cptpp-nations-invitation-to-begin-accession>

<https://www.scmp.com/news/china/diplomacy/article/3215485/britain-reaches-agreement-join-trans-pacific-trade-pact>

[Britain signs its accession to the Trans-Pacific Free Trade Partnership - Globe Echo](#)

[Trans-Pacific free-trade pact: No progress on new countries wanting to join | RNZ News](#)

[UK joins CPTPP Asia Pacific trade deal in NZ signing ceremony, China and Ukraine on waiting list - NZ Herald](#)

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