

UK Trade Strategy

June 2025



UK Trade Strategy timeline - BCC

- January 2025 – BCC hosts online engagement events with BCC DG, Deputy Director of Trade Strategy at the Dept for Business and Trade (DBT), and nearly 70 Chamber Network companies and Business Council members.
- 17 January – deadline for submissions to UK Government Trade Strategy Consultation. Submission sent to DBT.
- 21 January - BCC publishes [Trade Strategy Manifesto](#) with 29 recommendations. These included - aligning trade and industrial strategies with economic diplomacy, trade agreements and delivering export growth, a growth strategy for green trade, imports and supply chains, building global alliances on digital trade, and enhancing UK export support.
- It also covered relationships with key markets, including the Americas, Asia-Pacific and Africa.
- 13 June – BCC spoke on panel on Trade Strategy with DBT at Trade and Public Policy (TaPP) Network Conference.
- 26 June – Strategy is launched by the Prime Minister at the BCC's Global Annual Conference. SoS for Business and Trade and Minister of State for Trade Policy and Economic Security were also in attendance.

Key points in UK Trade Strategy

- Geopolitical, geoeconomic and technological shocks are reshaping the international trade order.
- The UK must understand these forces and chart a pragmatic way forward for its traders.
- The UK is a services-based economy – 81% services. But in UK exports, 42% of trade is in goods and 58% in services. Services exports are seen as a core driver of export-led growth.
- Cannot divorce goods from services. There is an interdependency between the two, particularly in the new generation of smart goods and associated services contracts.
- As well as the largest export markets, the UK also needs to cultivate closer trade relationships and terms with middle sized economies around the world.
- A determined and agile approach is needed, requiring an updating of trade policy and available policy and trade defence instruments.
- There is a plan to tackle non-tariff barriers with the new Ricardo fund, focusing on regulatory and standards setting support.

Key points in UK Trade Strategy

- Government will establish a new Supply Chain Centre within DBT and an Economic Security Advisory Service.
- It will expand the credit envelope for UK Export Finance to £80bn.
- It will take a digital-first approach to export support services. With a step change in the shift to the Great.gov.uk platform for trading SMEs' seeking advice and guidance.
- It will pilot Digital Trade corridors in key European markets to leverage the potential of trade document digitalisation, where partners have enacted similar reforms (eg. Germany),
- There will be a review of global supply chains of companies trading in the UK.

UK Trade Strategy - Policy Actions

- 1) Join the Multi-Party Interim Appeal Arbitration Arrangement (MPIA), currently comprised of 55 countries. Demonstrating a commitment to a rules-based international trading order, and functioning dispute resolution processes with key trading partners.
- 2) Use the General Review process to deepen and broaden CPTPP and use it as a platform to support the wider global trade system, establishing dialogues with the EU and ASEAN nations.
- 3) Use a broader mix of trade policy tools beyond free trade agreements. Making use of digital economy agreements, mutual recognition agreements, climate and energy agreements with key trading partners. Aim to increase benefits, minimise risks and speed up results for business.
- 4) Open discussions with Brazil, Thailand, Kenya and Malaysia and others on improved bilateral digital trade arrangements with the UK.
- 5) Investigate basis for joining the Digital Economy Partnership Agreement (DEPA) – with current membership of New Zealand, Chile, Singapore, and South Korea.
- 6) Publish a Critical Minerals Strategy with further bilateral growth partnerships. Explore collaboration with the US, EU, South Korea on minerals strategy, as well as building upon existing partnerships with Australia, Canada, Japan and Saudi Arabia.

UK Trade Strategy – Policy Actions

- 7) Build on clean energy and green sectoral agreements with Norway, Japan and South Korea. Explore new and deeper clean energy agreements with Brazil, Philippines and Mexico, among others.
- 8) Pursue more mutual recognition agreements, focus on high growth countries and sectors, including Brazil and Thailand, in sectors of mutual interest, and an enhanced range of sectors with the USA.
- 9) Consult on UK rejoining the Pan-Euro Mediterranean (PEM) Convention on cumulation on rules of origin. There are more than 50 countries in the Convention.
- 10) Draw on international best practice and the full range of investment commitments in UK investment agreements to promote growth and clean energy.
- 11) Sign Memorandum of Understanding with Taiwan covering investment, digital trade, energy and Net Zero under the existing Enhanced Trade Partnership (Completed on 30 June 2025).
- 12) Continue discussions on a joint UK-Indonesia Economic Growth Partnership to be in place by end of 2025.
- 13) Conclude current free trade negotiations with the Gulf Co-operation Council, Türkiye, South Korea and Switzerland.
- 14) Leverage tariff and non-tariff barrier reviews to make best use of these with partner countries.
- 15) Support international regulatory co-operation initiatives to remove unnecessary non-tariff barriers.

UK Trade Strategy – Policy Actions

- 16) Publish, on an annual basis, the government's performance in breaking down priority market barriers.
- 17) Establish the Ricardo Fund, to provide increased support to standards setting organisations (e.g. BSI), regulators and overseas trade teams to unlock trade barriers. Funding is estimated at £5bn over 5 years. Pilot scheme generated an average of £135 in export growth for every £1 invested in regulatory barriers removed.
- 18) Develop a digital-first approach to export support through clearer, more customer-focused guidance and online advice for exporters, and simpler routes into UK Export Finance online support. SME export services will be integrated into a new Business Growth Service later in 2025.
- 19) Establish an EU Files Forum as a two-way dialogue between government and businesses on forthcoming and new EU legislation being implemented. This will consider regulatory compliance issues and horizon scanning across relevant dossiers in EU institutions affecting NI and GB traders alike.
- 20) Expand International Trade Week into a deeper national programme of free events to highlight export opportunities.

UK Trade Strategy – Policy Actions

- 21) Set a new direction for UK Trade Commissioners and teams, with a more flexible hub and spoke delivery model across government. This will prioritise UK businesses in the markets offering greatest economic return to the UK, shifting resources from export promotion into securing investment and focusing on the eight growth sectors in the Industrial Strategy (IS-8).
- 22) Broaden the remit of UK Ambassadors to give equal weight to business and work more closely with regional Trade Commissioners, oversee Strategic Economic Growth Plans with key deliverables in each market, establish Growth Mission Boards, and become honorary Presidents of their host British Chamber of Commerce.
- 23) Expand lending capacity of UKEF to £80bn to generate export-led growth across the UK.
- 24) Launch a more efficient and accessible version of the UKEF Export Insurance Product, allowing for faster and simpler cover for growing SMEs engaging in international trade.

UK Trade Strategy – Policy Actions

- 25) On imports, conduct a review of the de minimis threshold of £135 for the enforcement of customs duties on low value consignments.
- 26) Keep the aim of creating a UK Single Trade Window.
- 27) Establish model B2B Digital Trade corridors in main European markets. These will upscale use of electronic trade documentation in cross-border trade in goods, underpinned by an SME Capability Programme, and a new online information hub at Great.gov.uk in 2025.
- 28) Create a new Supply Chain Centre in DBT to lead government work on building resilience of supply chains critical to UK security and prosperity. SCC will conduct evidence-led reviews of critical supply chains.
- 29) Strengthen UK trade defence powers, potentially through adoption of new economic coercion instruments to respond to deliberate economic pressure on UK companies – equivalent to the EU Anti Coercion Instrument.
- 30) Legislate to upgrade the Trade Remedies Authority's operating framework and guidance, allowing for a more assertive role in relation to imports where market distortions are present, and making it more timely, responsive and cheaper for businesses to use.
- 31) Found an Economic Security Advisory Service, within DBT, allowing for partnership with business on economic security issues, with focus on IS-8 sectors.

UK Trade Strategy – Policy Actions

- 32) Launch a review on responsible business conduct, focusing on the global supply chains of businesses operating in the UK.
- 33) Simplify the Developing Countries Trading Scheme (DCTS) rules to support companies operating in African and Asian supply chains. And examine further opportunities to boost trade through UK Economic Partnership Agreements (EPAs).
- 34) Partner with developing countries to raise their export levels into the UK.
- 35) Expand services market access for Least Developed Countries and other developing nations in poorer global regions and consult on including services within EPAs.
- 36) Double the period in which Parliament can scrutinize free trade agreements from 10 to 20 days, between the publication of the section 42 report and the Constitutional Reform and Governance Act scrutiny period.
- 37) On UK-EU Trade, to make the most of the Trade and Co-operation Agreement while looking at new arrangements to make trade smoother.
- 38) Deepen the UK's trade and technology partnership with the USA.

UK Trade Strategy

What BCC recommendations were included?

ALIGN TRADE AND INDUSTRIAL STRATEGIES WITH ECONOMIC DIPLOMACY

- ✓ **ASK:** To reach the target of £1tn in exports by early in the next decade, align industrial and trade strategies - particularly with fast growing sectors of our export profile. This includes services, high-value manufacturing, defence, industrial and construction products, as well as food and drink. **OUTCOME: featured strongly in both strategies.**
- ✓ **ASK:** Use the government's economic diplomacy strategy to drive 'policy coordination' between the UK and its principal trading partners. This should combine permanent UK Mission diplomats and policy experts within government. FCDO and DBT officials should have an enhanced role in identifying and recommending market opportunities, based on local insights derived from their presence in overseas markets. **OUTCOME: New BCC-FCDO geopolitical hub announced by Foreign Secretary in March 2025 will provide best advice on developments to SME traders.**

UK Trade Strategy

What BCC recommendations were included?

✓ IMPORTS AND SUPPLY CHAINS

- ✓ **ASK:** On trade remedies, we propose close dialogue between the Trade Remedies Authority and industry as trade fragmentation increases globally in 2025. The economic interest test should be kept under review into how it best balances the interests of users and domestic producers in the UK in this challenging era for trade. **OUTCOME: Further resources for the TRA with closer links with business and stronger enforcement remit.**
- ? **ASK:** The UK should make critical import and minerals agreements with the EU, South American states, including Chile, and states in Africa, to guarantee long-term supply of critical inputs for advanced UK manufacturing. The General Review of CPTPP should prioritise the creation of critical minerals terms between contracting states. **OUTCOME: Not yet met but has not been rejected.**

UK Trade Strategy

What BCC recommendations were included

✓ IMPORTS AND SUPPLY CHAINS

- ? **ASK:** Would recommend that the TRA publishes regular data in terms of suspected trade diversion arising from tariff measures on imports applied by other states. **OUTCOME: Not yet met but has not been rejected.**
- ? **ASK:** WTO rules must be followed on subsidies, and other global conventions and norms on cyber-security, defence, human and labour rights must be complied with by our trading partners. Provided these are kept under surveillance, alongside implementation measures, by the UK government, it should adopt a pragmatic approach to trade with China. **OUTCOME: Not yet met but has not been rejected.**

UK Trade Strategy

What BCC recommendations were included?

- ✓ **TRADE AGREEMENTS AND DELIVERING EXPORT GROWTH**
- ✓ **ASK:** Ensure the Trade Strategy acknowledges the importance of open and fair trade for the UK economy and provides consistent and clear principles of policy on tariffs, quotas and subsidies. **OUTCOME: Commits to free and open trade in its policy analysis and recommendations.**
- ✓ **ASK:** Look to conclude a range of agreements on critical minerals, digital trade and other issues, without ruling out future FTAs where there are clear economic benefits from negotiating them – potential future FTA candidate countries would include Canada, Mexico, Indonesia, Thailand and the Philippines. **OUTCOME; Government commits to range of further mini-agreements on digital trade and mutual recognition, including on qualifications.**
- ✓ **ASK:** Conclude a series of agreements, alongside the UK-EU TCA, to reduce cross-border red tape, goods movement compliance costs, and the costs of doing trade with the EU. The UK should also propose (for agreement by the EU and other states) rejoining the Pan-Euro-Mediterranean (PEM) Convention to offer greater cumulation flexibility within rules of origin for manufacturers. **OUTCOME: Government agrees to consult on rejoining PEM Convention and 5/7 top priorities achieved or substantial progress upon in UK-EU negotiations.**

UK Trade Strategy

What BCC recommendations were included?

✓ **TRADE AGREEMENTS AND DELIVERING EXPORT GROWTH**

- ✓ **ASK:** Publish preference utilisation rates on key trade agreements. Use these, and HMRC data, to track progress of the use of FTAs by UK businesses in a highly targeted way to maximise trade opportunities from FTAs. Make the most of CPTPP accession to expand UK trade in the Asia-Pacific region over the coming decades to broaden its membership and deepen the trading terms within the Agreement. **OUTCOME: Government has commenced publishing data on utilisation rates on new trade agreements and commits to broadening membership of CPTPP.**
- ✓ **ASK:** Review business engagement, so industry can play a stronger role in getting trade deals done. **OUTCOME: Consultations on PEM and Trade Defence flowing from Trade Strategy, as well as dialogue on suite of future mini-deals.**
- ✓ **ASK:** Retain and develop the GREAT campaign. Ensure that exporters can obtain necessary guidance and communications on key trade opportunities and developments through the GREAT online platform, as a first port of call. Government should also flag key advice and services on exporting and regulatory compliance through trusted partners, such as the Chamber Network. **OUTCOME: New guidance making much stronger use of Great.gov.uk platform with more SME friendly advice.**

UK Trade Strategy

What BCC recommendations were included?

- ✓ **TRADE AGREEMENTS AND DELIVERING EXPORT GROWTH**
- ✓ **ASK:** Enhance the role of HM Trade Commissioners. Support a revitalised Trade Envoy programme, with particular focus on key export markets. These should include the EU, the Americas and LATAC regions, China, Switzerland, Türkiye, the Gulf Co-operation Council states and the CPTPP states. **OUTCOME: New Envoys appointed and new remit for UK Embassies agreed with SMEs and BCC-FCDO Geopolitical hub.**
- ✓ **ASK:** Work with business to ensure export support achieves growth in export volumes over the next five years. **OUTCOME: Revised approach on export support and online and diplomatic resources on exports.**
- ✓ **ASK:** Use the increased credit envelope for UKEF, and other modes of trade finance, to grow UK companies' access to key trading markets and supplies of key minerals and metals, particularly for exports in advanced manufacturing. **OUTCOME: UKEF credit facility limits raised to £80bn.**

UK Trade Strategy

What BCC recommendations were included?

- ✓ **A GROWTH STRATEGY FOR GREEN TRADE**
- ✓ **ASK:** Scale up green exports as a strategic driver of attaining the £1tn exports target in the next decade. **OUTCOME: Government commitment to sectoral deals on green trade including prospective new deal with Brazil.**
- ✓ **ASK:** Achieve stronger integration in government between industrial strategy, trade, subsidies and export finance policies affecting trade in green goods and services. **OUTCOME: Secured.**
- ✓ **ASK:** Earmark sufficient dedicated finance from UK Export Finance's credit lines, to boost exporters access to markets for climate friendly technologies and associated services. Work with the financial institutions to expand other trade finance opportunities to support green export growth. **OUTCOME: UKEF uplift secured.**

UK Trade Strategy

What BCC recommendations were included?

- ✓ **A GROWTH STRATEGY FOR GREEN TRADE**
- ✓ **ASK:** Look at upgrading free trade or economic partnership agreements, and opening new negotiations, to enhance market access and investment where green technologies are most needed. Including African, South American and Asia-Pacific regions. **OUTCOME: Commitment to enhanced green trade terms with partners through sectoral agreements.**
- ✓ **ASK:** Implement the UK CBAM in partnership with business and negotiate formal linkages with the EU ETS. This avoids the creation of new trade barriers with the EU and provides a stable environment in European energy investment. **OUTCOME: Agreed in Common Understandings document – negotiations forthcoming.**
- ? **ASK:** Build stronger plurilateral and multilateral coalitions through, for example, the Trade and Environmental Sustainability Structured Discussions (TESSD) at the WTO. These should seek to lower tariff and non-tariff barriers to trade in green technologies across the world. **OUTCOME: Not yet met but has not been rejected.**

UK Trade Strategy

What BCC recommendations were included?

- ✓ **BUILDING GLOBAL ALLIANCES ON DIGITAL TRADE**
- ✓ **ASK:** Build global alliances and step up at the WTO to influence its priorities for the coming years, including digital trade, Intellectual Property rights, data and trade in services. **OUTCOME: Strong UK commitment to rules-based trading order, and key WTO initiatives.**
- ✓ **ASK:** If the Appellate Body cannot be resuscitated as a functioning tribunal the UK should consider joining the EU and 22 other WTO members in the Multi-Party Interim Appeal Adjudication Arrangement (MPIA). **OUTCOME: UK to join MPIA.**
- ✓ **ASK:** Encourage more countries to adopt reforms on digitalisation from the UNCITRAL model law on electronic transferable records, to realise the full benefits of trade document digitalisation for global trade. **OUTCOME: UK to launch European Digital Trade Corridors to realise full benefits of Electronic Trade Documents Act and reciprocal measures in other countries, eg. Germany.**

UK Trade Strategy

What BCC recommendations were included?

- ✓ **BUILDING GLOBAL ALLIANCES ON DIGITAL TRADE**
- ✓ **ASK:** Reach bilateral digital trade agreements with key partners such as Brazil and the USA. **OUTCOME: Commitment to reach digital trade agreement with Brazil and other partners.**
- ✓ **ASK:** Develop the role of the Chamber Network as a trusted delivery partner in trade facilitation and digitalisation of trade documentation. **OUTCOME: New corridors plan creates opportunities for Chamber Network on digitalising goods trade.**
- ? **ASK:** The UK government should also work with the EU to put data flow arrangements on a permanent footing in the longer-term. **OUTCOME: EU extended adequacy assessment by six months until Autumn 2025, pending detailed consideration.**

UK Trade Strategy

What BCC recommendations were included?

✓ ENHANCING UK EXPORT SUPPORT

- ✓ We recommend a partnership between the Chamber Network and government, to focus on helping experienced exporters penetrate new markets or deepen access to existing ones. **OUTCOME: New FCDO-BCC geopolitical hub to provide SMEs with relevant, high quality advice affecting trade - from the overseas diplomatic network of the UK government.**
- ✓ This partnership should utilise the Chamber network's existing relationships and strengths – both UK and international. **OUTCOME: Unprecedented joint working on economic diplomacy involving Chamber Network in UK and British Chambers internationally.**

Conclusion

The government's Trade Strategy has taken a clear, evidence-based approach to raising the UK's export game.

It has adopted many of the [BCC's recommendations](#), and those of other policy experts, to put in place a framework which has enormous potential.

It rightly targets the country's strength in services, and vital high-growth goods sectors, while identifying key markets in the Indo-Pacific, Americas and European neighbourhood.

Its focus on sectoral and digital trade deals is also welcome, alongside a commitment to a functioning rules-based global trading system.

If it is effectively executed, then this strategy can generate economic growth in every nation and region of the UK, lowering tariffs and removing trade barriers.

But the hard work starts now. Businesses and Chambers must work with government to make the strategy a reality. This means leveraging the expertise, resource and place-based knowledge of our Global British Chamber Network to build, invest and deliver on international trade as an engine for economic growth.