Benefits of UK Accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

The CPTPP spans the Asia Pacific and the Americas and includes some of the world's biggest current and future economies: Japan, Australia, Canada, Singapore, Mexico, Vietnam, Malaysia, Chile, Peru, Brunei and Vietnam. These countries had a combined GDP of around £9 trillion in 2021. CPTPP can also act as a gateway to the wider Indo-Pacific region, which is expected to account for the majority (56%) of global economic growth between 2019 and 2050.

Immediate benefits

- Accession could see over 99% of UK exports being eligible for tariff-free trade with CPTPP members.
- Joining CPTPP will secure enhanced market access, predictability, and transparency for UK service suppliers who exported more than £24bn worth of services to CPTPP countries in 2020. Joining will ensure UK firms are treated no less favourably than local firms in many areas.
- Joining CPTPP will make it easier for UK businesspeople to work in member countries, facilitate digital trade through for example modern rules on data, and enable more professional services markets to be opened up.
- CPTPP opens up financial services markets between members, while ensuring CPTPP members can regulate their own markets appropriately.
- Such rules particularly benefit the UK as the world's second-largest services exporter, and will help UK companies looking to grow their businesses across the Asia-Pacific.
- All these benefits will increase as more countries join CPTPP, and a number of countries in the region have applied or are considering doing so. If countries where the UK does not have a free trade agreement like the Philippines and Indonesia were to join, this would give British businesses better access to these fast-growing markets.

Relation between CPTPP and existing UK free trade agreements (FTA)

- CPTPP membership will complement and reinforce our existing and planned bilateral FTAs. When the UK joins CPTPP, businesses will be able to trade goods with CPTPP members using provisions in either CPTPP or the bilateral agreement. CPTPP rules of origin allow content from any CPTPP member to count as 'originating' which will make it easier for some UK exports and imports to qualify for lower tariffs.

- The UK does not currently have an FTA with Malaysia, and so joining CPTPP will greatly improve our access to this market, and cut tariffs on their exports to us.

Geostrategic benefits

- There are wider geo-strategic benefits to joining CPTPP. When we are in, we will be part of an influential bloc spanning four continents, helping to shape the rules of global trade for the future. That's why we want a seat at the table now, as the first new member. Then we can help shape its future development as it grows to include further economies.
- Joining will also strengthen our relationships with likeminded countries such as Japan, Australia and Canada, with whom we have deep economic ties and shared priorities such as the green economy, digital standards and supply chain resilience.