

International Trade Monitoring Report

October 2022 - Issue 1

Contents

Introduction	2
1. International Trade.....	2
1.1. Key developments	2
1.1.1. Welsh food and drink exports hit record high in 2021.....	2
1.1.2. The UK's free trade agreement negotiations	2
1.1.3. Welsh and UK governments agree to establish freeports in Wales.....	3
1.2. Other updates.....	3



Introduction

The Economy, Trade and Rural Affairs has a broad remit covering a wide range of areas. This monitoring report is intended to provide Members of the Committee with an update on key policy developments related to the Committee's international trade remit. This includes relevant statements made by the Welsh and UK governments, as well as public bodies, delivery partners and stakeholders. Relevant publications from Senedd Research will also be included in the report.

The Committee is considering these issues and any actions that it wishes to take in response. The report covers the period May-September 2022.

1. International Trade

This section summarises the latest trade developments and lists important updates.

1.1. Key developments

1.1.1. Welsh food and drink exports hit record high in 2021

The [Welsh Government has published new export data](#) showing Welsh food and drink exports hit record high in 2021, reaching £641m. The highest value export categories for 2021 were meat and meat products, cereal and cereal preparations, and dairy and birds. Eight of the top ten Welsh food and drink export destinations were within the EU, with the two non-EU countries being the USA and Saudi Arabia. Ireland remained the highest value destination for Welsh food and drink exports at £113m. Other top destinations included France (£100m), Netherlands (£49m) and Germany (£44m).

1.1.2. The UK's free trade agreement negotiations

The UK Government is currently negotiating a number of free trade agreements with countries around the world. These include building on or replacing existing 'rollover' agreements with countries the UK had deals with when it was a member of the EU, such as with [Mexico](#) and [Israel](#). The UK Government is also negotiating new agreements from scratch which include the [Gulf Cooperation Council](#) and [India](#).

The UK signed its first new free trade agreements with Australia and New Zealand in December 2021 and February 2022 respectively. The Welsh Government published an assessment of the [Australia](#) deal in May and [New Zealand](#) agreement in July. Both assessments state that the agreements provide opportunities for Welsh businesses in services and mobility. However they also raise concerns about the potential impact on Welsh agriculture.

1.1.3. Welsh and UK governments agree to establish freeports in Wales

The [announcement was made in May](#) after an agreement between both governments that the UK Government would provide at least £26 million of non-repayable starter funding for any freeport in Wales. Both governments will also act on the basis of a ‘partnership of equals’ by working together to co-design the process for freeport site selection, and both will have an equal say in all decisions throughout the implementation process, including the final decision on site selection.

On 1 September, the UK and Welsh governments jointly published the [Freeports Prospectus for Wales](#). The prospectus sets out the governments’ expectations for a Welsh freeport and encourages ports, businesses, local government, and other local partners to come together to bid for Freeport status.

1.2. Other updates

May	Welsh Government	UK-Australia Free Trade Agreement: A Welsh Government perspective
		Written statement : UK trade negotiations with Mexico
		Barry company secures major export deal to supply breathalysers to Finland
	UK Government	Joint outcome statement: India-UK round three Free Trade Agreement negotiations
		UK launches negotiations on a new UK-Mexico Free Trade Agreement
		UK and Vietnam hold a meeting of their Joint Economic and Trade Committee
UK Prime Minister appoints new UK trade envoys to Canada, Republic of Korea and Turkey.		

June	Welsh Government	<u>Trade negotiations with the Gulf Cooperation Council</u>
	UK Government	<u>Joint statement on UK-U.S. dialogue on future of Atlantic trade in Aberdeen</u>
		<u>UK appoints new trade commissioner to lead UK-Africa trade and investment relationship</u>
		<u>UK launches trade negotiations with the Gulf Cooperation Council</u>
		<u>Joint outcome statement: India-UK round four FTA negotiations</u>
July	Welsh Government	<u>Trade Negotiations with Israel</u>
		<u>UK-New Zealand Free Trade Agreement: A Welsh Government perspective</u>
	UK Government	<u>Welsh Translation Agency Awarded For International Trade</u>
		<u>UK launches trade negotiations with Israel</u>
August	Welsh Government	<u>Ministerial Forum for Trade</u>
		<u>Post-EU exit border control posts and infrastructure update</u>
		<u>Trade Policy Advisory Group meeting minutes</u>
	Senedd Research	<u>The UK's trade deals with Australia and New Zealand: what do they mean for Wales?</u>
September	Welsh Government	<u>Freeports prospectus published for Wales</u>
	UK Government	<u>The UK and Welsh Governments jointly open bidding for a new freeport in Wales</u>
	Global Welsh	<u>Trade mission - Exporting to Canada call out</u>

For more information contact:

Rhun Davies



0300 200 6259



Rhun.Davies@senedd.wales