



UK signs free trade agreement with Turkey

The UK has signed a free trade deal with Turkey, its first since agreeing a Brexit deal to leave the EU – a development that will strengthen ties between the two European outliers.

The continuity agreement, signed by both trade ministers on Tuesday in a video conference call, takes effect on 1 January and ensures that the existing flow of goods will not be affected when the UK formally leaves the EU at the end of the year.

Trade between London and Ankara was worth £18.6bn in 2019, and the UK is Turkey's second-biggest export market, mostly for precious metals, vehicles, textiles and electrical equipment. While Turkey is not an EU member, it does have a customs union with the EU, meaning that the new UK-Turkey deal could not be struck until after the Brexit deal was finalised.

“Today's deal delivers vital certainty for business and supports thousands of jobs across the UK in the manufacturing, automotive and steel industries,” said the international trade secretary, Liz Truss.

“It paves the way for a new, more ambitious deal with Turkey in the near future, and is part of our plan to put the UK at the centre of a network of modern agreements with dynamic economies.”

Turkey's trade minister, Ruhsar Pekcan, called the deal a landmark in UK-Turkish relations. “Without a deal, about 75% of Turkish exports to the UK would be subject to tariffs, causing the loss of some \$2.4bn (£1.78bn); this risk is now gone,” he said.





The deal has been met with relief by the struggling Turkish lira, which rose for a fifth straight day before the signing.

According to the Department for International Trade, the new deal will secure existing preferential tariffs for 7,600 UK businesses exporting machinery, iron and steel to Turkey, and protect automotive and manufacturing supply chains.

The accord also commits both countries to discussions aimed at expanding the scope of the agreement to include services and agriculture within the next two years.

Turkey launched membership talks with the EU in 2005, but the accession process as well as efforts to expand its customs agreement with the bloc have so far come to nothing: member states have made clear their disapproval of the country's democratic backsliding. The EU is also considering sanctions over Turkey's increasingly aggressive foreign policy.

The UK-Turkey agreement will come into force from next month despite the fact that there was not enough time to ratify it in either of the two countries' parliaments before the year's end.

The deal with Turkey is the fifth-biggest free trade agreement the UK has negotiated after deals with Japan, Canada, Switzerland and Norway. Trade agreements with 62 countries have now been signed in preparation for the UK's formal exit from the EU single market on 1 January.

Lien rapport :

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