Chair, may I warmly welcome the EU’s delegation, led by Director-General for Trade Sabine Weyand, to their 15th Trade Policy Review and thank the Secretariat for their report and our discussant, Ambassador Pimchanok Pitfield, for her ever-insightful comments.

Chair, let me acknowledge the uniqueness of this moment. It won’t escape the notice of my ever-observant colleagues that for the first time, the UK is participating in this Trade Policy Review not as a Member State of the EU, but as an independent WTO Member. And although we may no longer sit next to each other in this chamber, we remain close allies not just at the WTO, but indeed on the wider global stage, fostering a relationship built on shared values, and cooperation across our shared interests.

Despite the change in our relationship, and some of the challenges we have worked on together in that process, we are fully committed to maintaining a strong partnership that benefits both our citizens and the global community.

The trade relationship between the EU and UK is one of the world’s great economic partnerships. Total trade between the UK and the EU was worth more than £730 billion last year. Member States of the EU are still the largest overseas investors in the British economy, and Britain is one of the biggest investors in Member States of the EU, with thousands of British and continental European companies and millions of jobs relying on close ties between our markets.

Challenges to trade exist of course, but together we can – and must – overcome them. And we are making progress. Our Trade and Cooperation Agreement (TCA) is the EU’s biggest and broadest FTA to date, and a cornerstone of our bilateral relationship. And the recently agreed Windsor Framework marks a turning point in how the UK and the EU will work together collaboratively to fully exploit the potential of this agreement and maximise the relationship between us.

This close partnership is what allows us to tackle shared priorities including trade, energy, security, migration, and climate. And it has of course underpinned our consistent collaboration against President Putin’s brutal invasion of Ukraine. Together, we sanctioned the Russian economy by delivering bans on goods and services trade to restrict the funding of the Russian war machine. We welcome our close co-ordination of sanctions packages with the EU, including through the new Enforcement Coordination Mechanism. As the DG said, we will stand with Ukraine for as long as it takes.

Chair, the EU’s leadership and influence within the WTO are instrumental to shaping the future of global trade. We are committed to working with our EU allies and partners to address the challenges we face and harness fresh opportunities for global growth.

And we have already seen the fruits of our close collaboration. We worked together throughout the pandemic and more recently the global food security crisis, promoting the widely supported Trade and Health Initiative and the Declaration on Food Insecurity at MC12, and in the WTO Committee on Market Access, which has created a rich resource for future policy makers addressing crises in the future. We appreciate the EU’s promotion of open trade principles in negotiations on Fisheries subsidies and e-Commerce and we welcome the EU’s recent proposal for WTO dialogues on state intervention in the economy. We must carry this spirit of collaboration into all our shared challenges, such as strengthening trade resilience through diversifying supply chains, for which both the WTO Director-General and the G7 have called.

However, as we set our sights on the future, we must not lose sight of the pressing need to reform this Organisation. We all know that this institution has faced significant challenges in recent years. Its ability to address emerging trade issues and disputes has, sadly, been called into question. To safeguard the benefits of free trade and ensure that it remains an enabler of global growth and prosperity, we must reinvigorate the WTO and adapt it to the realities of the third decade of the 21st century.

In this endeavour, we look to the EU as a key partner. EU leadership and influence within the WTO are instrumental in shaping the future of global trade. We encourage the EU to continue its efforts to promote transparency, inclusivity, and effectiveness within the Organisation, and its deep and valuable engagement on dispute settlement reform.

On this, World Environment Day, we welcome the EU’s ambition on climate and the emphasis placed on open trade through its Green Deal Industrial Plan. However, the global challenges we face cannot be resolved through unilateral action alone, and we must ensure that the green transition does not come through acting at each other’s expense or at the expense of our rules-based international system. The UK and EU have mutual trade obligations under the TCA and WTO. We must work together to avoid a subsidy race that could distort trade or negatively impact emerging sectors.

The UK shares the EU’s concerns about carbon leakage risks, which could undermine our joint efforts to reduce global emissions. The UK has strongly advocated and supported international solutions to carbon leakage risk. We have an ambitious Emissions Trading Scheme and Carbon Price Support mechanism which we expect the EU to take into account when implementing its own Carbon Border Adjustment Mechanism.

Chair, the UK shares the EU’s ambition of identifying effective approaches to shortage management in future crises, however we have questions over the trade impacts of the EU’s Single Market Emergency Instrument (SMEI). The framework seems to be an overly inward-looking response to managing supply chains in a crisis, which risks trade with third countries at a time of potential global shortage. We submitted written questions about the SMEI, and we encourage the EU to pursue closer coordination with third countries as part of planning for future crises.

The UK recognises that the complexity and variety of semiconductors makes it impossible for any country to address the challenges of semiconductor supply chain resilience alone. We also submitted written questions to understand the trade implications of the EU’s approach. We want to work with the EU and other partners to pursue a coordinated, multilateral approach to this issue. Our vision is that a coordinated approach will work in tandem with industry to increase the resilience in key sectors.

We also encourage the EU to ensure its digital sovereignty agenda maintains fair market access for British businesses, in keeping with the UK’s high data protection standards and upholding our shared interests in digital trade and competitiveness.

Chair, as we navigate the uncharted waters of the green transition and the digital revolution, it is imperative that we reinforce our commitment to one another. We must collaborate to leverage our collective strengths, and work tirelessly together to reform the WTO. Together, we can protect and promote free and open trade, ensuring a prosperous future for all. In that critical endeavour, we look to the EU as a formidable and crucial ally.