

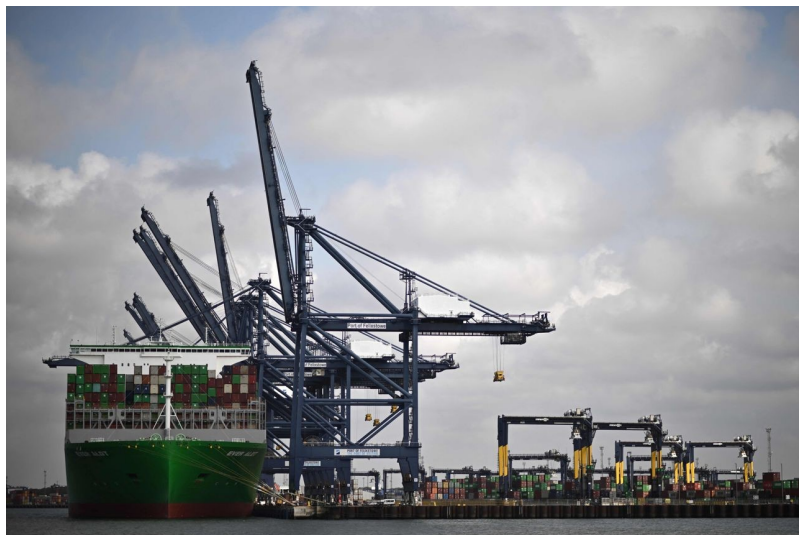
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WORLD

U.K. Joins Trans-Pacific Partnership as It Seeks to Diversify International Commerce

Britain becomes first European power to join trade alliance that U.S. exited under Trump



Being able to set the nation's own trade policy was a key economic draw for many who supported the U.K. leaving the European Union.

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By *Max Colchester* [Follow](#) in London and *Peter Landers* [Follow](#) in Tokyo

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The U.K. government said it had struck a deal to join the Pacific trade alliance the U.S. exited under former President Donald Trump, as Britain looks to diversify trade away from Europe after Brexit.

The U.K. will become the first European country to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, known as the TPP. The club of 11 countries largely spans the Indo-Pacific region and includes nations such as Japan, Canada, Chile and Vietnam.

The agreement, which aims to cut trade barriers between members, is unlikely to have an immediate transformative effect on the British economy as the country already has trade deals with most of the TPP's members.

The U.K. government estimates it will boost the economy by 0.08% over the next 15 years. However, trade officials have pointed out that other countries may soon join the TPP.

Furthermore, it plays into a wider U.K. government strategy of bolstering its soft power in the Pacific region. The U.K. said it expected to formally enter the trade partnership this year after final legal steps are taken.

“As the first new nation and first European country to join. British businesses will now enjoy unparalleled access to markets from Europe to the South Pacific,” said Prime Minister Rishi Sunak in a statement.

Britain’s entry into the TPP makes more notable the absence of the U.S. The trading group was initially viewed by the Obama administration as a way to bind the U.S. closer to Asian economies while leaving China outside of the club.

In the 2016 presidential campaign, Mr. Trump and Hillary Clinton both opposed U.S. membership in the TPP, with Mr. Trump denouncing it as a destroyer of American jobs. One of his first acts as president was to pull the U.S. out.

President Biden has stuck by the Trump decision on TPP and instead promoted the Indo-Pacific Economic Framework, a looser association that includes Japan and some other TPP members. However, the framework doesn’t include lowering tariffs for nations eager to get access to the U.S. market.

Some current and former officials have suggested that the U.S. needs to offer more economic carrots to wavering nations as it tries to build alliances resisting China’s military expansionism in Asia. In 2021 China applied to join the TPP.

In the absence of the U.S., Japan has served as the de facto first among equals in the TPP. The U.K.’s membership “has great significance in advancing free trade, open competitive markets and a rules-based trading system,” said Japan’s economy minister, Shigeyuki Goto, on Friday.

The addition of the U.K. also provides advantages for the TPP. Notably, it could give the trade group more heft in future negotiations with China or even the U.S., says Sam Lowe, a trade expert at Flint Global, a consulting firm.

While a member of the EU, the U.K. couldn’t negotiate its own trade deals. Being

able to set the nation's own trade policy was a key economic draw for many who supported leaving the EU.

“We are at our heart an open and free-trading nation, and this deal demonstrates the real economic benefits of our post-Brexit freedoms,” said Mr. Sunak.

However, trade experts say that deals with far-flung countries are unlikely to offset the impact of Brexit. Both U.K. exports and imports will be around 15% lower in the long run than if the U.K. had remained in the EU, according to the Office for Budget Responsibility, a U.K. government finances watchdog.

—*Chieko Tsuneoka contributed to this article.*

Write to Max Colchester at Max.Colchester@wsj.com and Peter Landers at Peter.Landers@wsj.com

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