

UK-South Korea free trade deal set to boost British food and drink exports

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The United Kingdom and South Korea have finalised a new free trade agreement that is expected to significantly strengthen UK food and drink exports to one of Asia's fastest-growing import markets.

Announced in London by UK Trade Minister Chris Bryant and South Korean Trade Minister Yeo Han-koo, the deal secures permanent preferential access for British exporters and protects key sectors that were facing imminent tariff hikes. Around £2 billion worth of UK exports, including food and drink products, had been weeks away from higher tariffs before the agreement was concluded.

The deal ensures continued tariff-free access across 98 per cent of tariff lines, matching the terms South Korea offers the European Union. This will help iconic British food and beverage products remain competitive in South Korea's import market, which is forecast to grow by 26 per cent by 2035.

Products such as Guinness canned in Runcorn and Scottish salmon are expected to be among the major beneficiaries, as demand from South Korean consumers for premium imported food and drink continues to rise. The agreement also simplifies rules of origin, making it easier for UK producers to qualify for tariff-free access and diversify their supply chains.

In addition, the deal streamlines customs procedures and reduces non-tariff barriers, which is expected to particularly benefit small and medium-sized food and drink businesses that make up the majority of UK exporters.

Nik Jhangiani, interim chief executive of Diageo, welcomed the agreement, saying it would support export growth for Guinness and help meet growing demand in South Korea for the world's best-selling stout.

Beyond tariffs, the agreement modernises trade rules by legitimising e-contracts and digital documentation, reducing costs and delays for exporters. These digital provisions are aligned with the UK's trade strategy to make it easier for businesses to sell overseas.

The UK government said the agreement would support jobs, strengthen supply chains and reinforce the UK's position as a leading exporter of high-quality food and drink, while deepening long-term trade ties with South Korea, the world's 12th-largest economy.