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Press release

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UK tech sector can be a gateway to secure growth amid trade challenges, says techUK report

 New techUK report outlines key policy recommendations to boost the UK's growth through the tech sector amid global challenges, emphasising resilience, trade leadership, and strategic investment

LONDON, 29 January 2025: The Government needs to ensure the tech sector is resilient to global challenges and well-equipped to continue to power UK growth, says techUK in a new report published today.

Amid increased geopolitical challenges and concerning long-term trends impacting the global economy, the UK is in a difficult position as a trade-dependent economy. The country is vulnerable to disruptions in global supply chains. Despite these challenges, the UK has substantial strengths – including the resilience of its tech sector. In fact, the UK's tech sector has continued to develop, growing by 81.3% in GVA terms since 2010¹.

If the Government is to succeed in its growth mission, then it must put advancing the UK's technology sector at the heart of its approach.

techUK's report – 'Enabling Growth and Resilience: the UK Tech Sector in an Uncertain World' – makes policy recommendations on how the UK government can ensure that the tech sector thrives. These fall into four pillars:

1. Building policy coherence and longevity

• The Government must ensure it has the capacity and expertise to understand the rapidly evolving tech sector, that its various policies are coordinated, and that they avoid contradictions that undermine their intent.

2. Enabling security and resilience

- The Government should coordinate economic security and industrial policies with its allies to avoid a harmful subsidy race and maintain a level playing field.
- Additionally, it should utilise its procurement power and consider strategic investments in key firms to protect critical technologies.
- The report further calls for a pragmatic and streamlined approach to investment screening and for the Government to account for the impact on businesses when imposing export controls and sanctions.

3. Accelerating growth through trade

¹ https://www.gov.uk/government/statistics/economic-estimates-digital-sector-monthly-gva-to-march-2024/using-annual-estimates-from-summed-monthly-gva-data-digital-sector



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- The UK should step up as a leader in support of multilateralism and free and fair trade. This should include improving the negotiation and implementation of Free Trade Agreements, as well as working to reestablish a better trading relationship with the EU.
- Additionally, the UK should continue its fight against digital protectionism, particularly through the WTO, and negotiate more digital trade agreements with high-value and like-minded international partners.
- The UK should further build on its regulatory strengths and influence in international standards-setting bodies and push for including AI and quantum technologies in trade agreements.

4. Strengthening international development and cooperation

 The UK should recognise the value of digital technologies to its international development agenda and enhance its leadership in international technology policy. It should also strengthen its research cooperation with partners globally and look to negotiate technology cooperation agreements with key allies.

The scale of challenges and the types of opportunities that exist are significant. By acting on these recommendations, the UK Government can navigate today's uncertain geopolitical ecosystem and equip the UK's tech sector to be a powerful driver for a resilient and growing UK economy.

Sabina Ciofu, Associate Director for International Trade and Policy, techUK said:

"We are navigating an era of profound uncertainty. Trade tensions, geopolitical instability and climate change are just some of the challenges that disproportionately impact a trade-dependent economy like the UK. To ensure resilience and sustained growth, the UK must leverage its key strengths, with the tech sector at the forefront.

"The UK Government has the opportunity to invest strategically in an already flourishing sector to further support the growth of the UK economy. But to do that, the Government has to think long term, pick up the mantle of trade leadership, build on its regulatory strengths and coordinate economic security policies with its allies."

-ENDS-

Notes to Editors

The full report can be downloaded here.

techUK International Trade and Policy hub

The full list of recommendations is as follows:

Pillar	Recommendation	Tier
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Building Policy Coherence and Longevity	1. Build Government Capacity in Key Areas	Tier 1
	2. Create Mechanisms to Ensure Transparency and Communication Across Government on Complex International Technology Issues and Avoid Policy Contradictions	Tier 2
	3. Commit to Long-Term Strategic Planning and Policy Continuity	Tier 2
	4. Ensure Policy Interventions are Well-targeted	Tier 3
Enabling Security and Resilience	5. Coordinate Economic Security & Industrial Policies with Allies to Maintain a Level Playing Field	Tier 1
	6. Utilise Procurement and Invest in Strategic Firms in Distress	Tier 2
	7. Partner with Industry and Leverage Technology to Identify, Manage, and Mitigate Threats	Tier 2
	8. Mitigate Business Impacts when Imposing Export Controls and Sanctions	Tier 3
	9. Ensure a Pragmatic, Practical and Streamlined Approach to Investment Screening	Tier 3
Accelerating Growth Through Trade	10. Pick Up the Mantle of Trade Leadership	Tier 1



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	11. Reestablish a Better Trading Relationship with the EU	Tier 1
	12. Continue the Fight Against Digital Protectionism	Tier 1
	13. Lead in International Regulatory Innovation and Standards	Tier 1
	14. Lead The Charge for Al and Quantum in Trade	Tier 1
	15. Negotiate and Sign More Digital Trade Agreements	Tier 2
	16. Improve the Process of Negotiating and Implementing FTAs & Better Promote Trade	Tier 3
Strengthening International Development and Cooperation	17. Increase the UK's Attractiveness to Global Talent by Reforming the Visa System	Tier 2
	18. Enhance Research & Skills Cooperation to Maintain the UK's Science & Technology Leadership	Tier 2
	19. Recognise the Value of Digital and Tech to International Development	Tier 3
	20. Grow the UK's Leadership in Other Areas of International Technology Policy	Tier 3
	21. Negotiate and Sign other Technology Cooperation Agreements	Tier 3

About techUK



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techUK is the technology trade association that brings together people, companies and organisations to realise the positive outcomes of what digital technology can achieve.

With over 1,000 members (the majority of which are SMEs) across the UK, techUK creates a network for innovation and collaboration across business, government and stakeholders to provide a better future for people, society, the economy and the planet.

By providing expertise and insight, we support members, partners and stakeholders as they prepare the UK for what comes next in a constantly changing world.