Department for
Business & Trade

Information Note on Deepening the UK's Trade Relationship with the United Arab Emirates

July 2026

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1 Introduction

1.1 Consultation on UK Trade Relationships

This consultation is to inform UK priorities in potential trade negotiations with

- Indonesia
- The Philippines
- United Arab Emirates (UAE)
- Uruguay

The UK is exploring how its trading relationships with these economies could be deepened.

CPTPP Parties, including the UK, established an Accession Working Group with Uruguay in 2025, and on 26 June 2026, CPTPP Parties announced the start of preparatory discussions on accession with Indonesia, The Philippines and the UAE. Uruguay's Accession Working Group is now well underway, with meetings scheduled throughout 2026.

The Government therefore wants to hear respondents' views on the opportunities, priorities and considerations associated with deepening the UK's trading relationships with these economies. CPTPP accession represents the most initial route to deepening trading relationships with the majority of them, but the consultation does not assume a single route and also invites views on other appropriate trade policy mechanisms, including bilateral free trade agreements where applicable and relevant.

1.2 Trade with the UAE

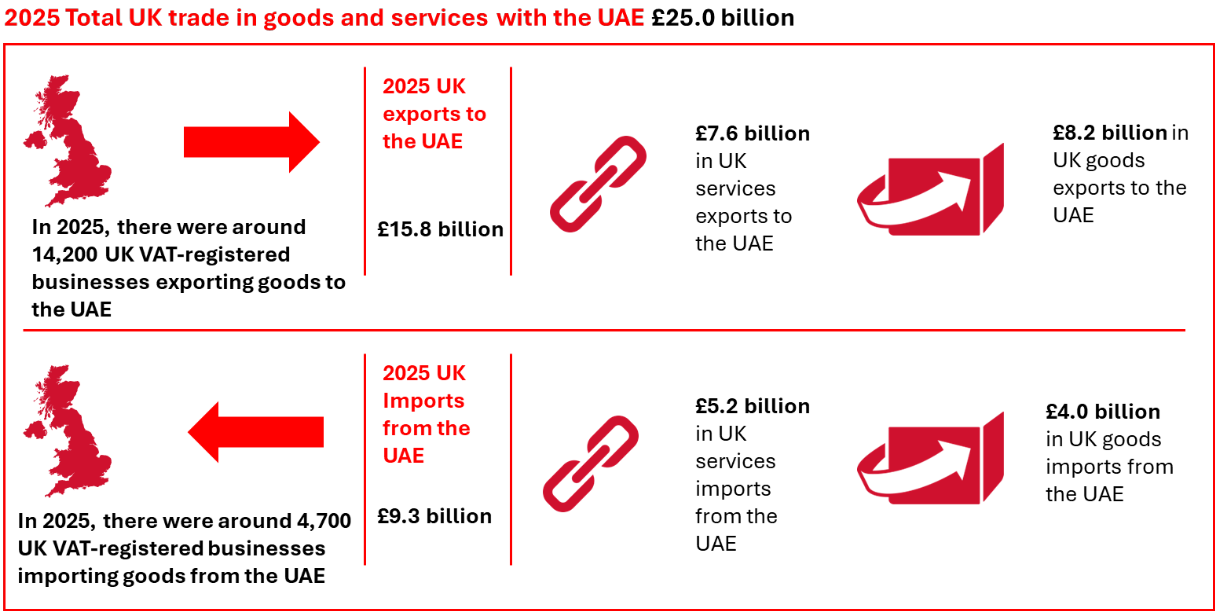
The purpose of this Information Note is to provide information and data related to **the UK's trade relationship with the UAE**. It is intended to be used by the public to help inform any consultation responses that they may have to the questions posed as part of the upcoming call for input on the future of the UK's trade relationships, which will open on 14th July 2026

The UAE is a member of the Gulf Cooperation Council (GCC), a regional economic union, alongside Bahrain, Kuwait, Oman, Qatar and Saudi Arabia. The UK and the GCC have recently concluded FTA negotiations and will now undergo processes towards signature and Entry Into Force. You can read more about the recently concluded negotiations here: UK-GCC FTA: Conclusion Summary.

On 26th June 2026, CPTPP Parties agreed to launch preparatory discussions with the UAE.

The UK is party to CPTPP alongside Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam.

Figure 1: Goods and services trade between the UK and the UAE, 2025



Sources: ONS, UK total trade: all countries seasonally adjusted data (Apr 2026). HMRC data source for Regional Trade Statistics business counts data: UK trade in goods statistics (Mar 2026). Note: Number of VAT registered business exports/imports only relates to businesses trading in goods, and therefore excludes any businesses that only trade in services. Trade figures have been rounded to the nearest £5 million.

1.3 Executive Summary

This Information Note brings together data to support informed and evidence–based submissions to the call for input regarding the future of the UK's trade relationship with the United Arab Emirates.

The information presented summarises the current trade and investment relationship between the UK and the UAE. It outlines economic profiles and trade flows between the UK and the UAE detailing goods, services, imports and exports. It includes analysis about trade and investment restrictions alongside a high-level breakdown of goods tariffs from the UK's Most-Favoured-Nation (MFN) schedule.

Feedback submitted will inform the UK's approach to trade with the UAE and it is the aim of this call for input to encourage as wide a range of participants as possible.

A response can be submitted here: Call for Input on Deepening the UK's Trade Relationships and the questionnaire closes on 14th September 2026.

2. UK-UAE Trade Relationship

2.1 Overview of Economic Profiles

In 2025, the UAE had a gross domestic product (GDP) of £433 billion.[1] Total trade with the world (imports plus exports) is equal to 250% of GDP for the UAE and 59% of GDP for the UK.[2]

Table 1: Headline economic indicators for the UK, the UAE and CPTPP, 2025

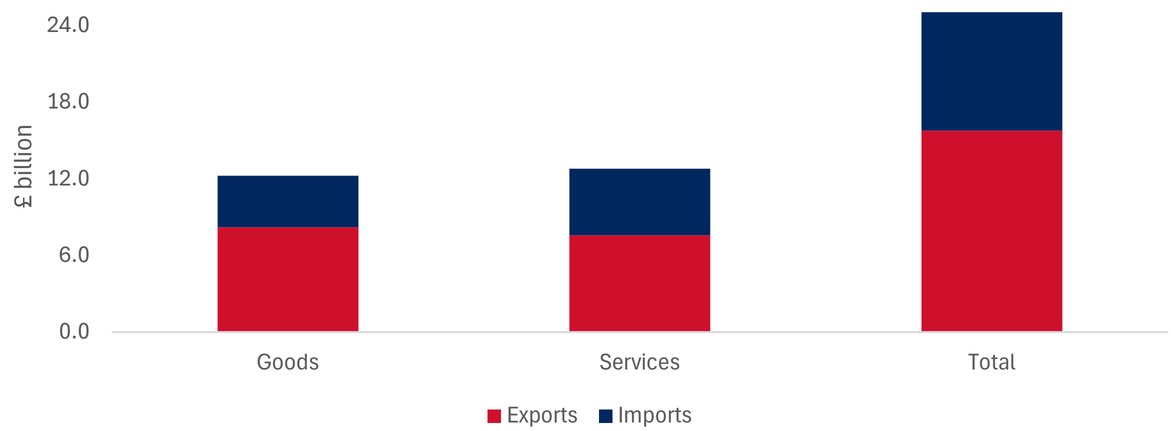
Economic indicator	GDP (£billion)	GDP per capita (£)	Population (millions)	Trade (% of GDP)
The UAE	433	38,098	11	250
UK	3,036	43,692	69	59

Source: IMF, World Economic Outlook Database (April 2026). UNCTAD, Goods and Services (BPM6): Exports and imports of goods and services, annual (April 2026).

2.2 Trade Flows between the UK and the UAE

The UAE is the UK's 20th largest trading partner, accounting for 1.3% of total UK trade in 2025. Total trade in goods and services between the UK and the UAE was £25.0 billion in 2025. As seen in Figure 2, UK exports to the UAE were £15.8 billion in 2025, accounting for 1.7% of all UK exports. UK imports from the UAE were around £9.3 billion over the same period, accounting for 1.0% of all UK imports.[3]

Figure 2: Trade between the UK and the UAE, 2025 (£ billion)

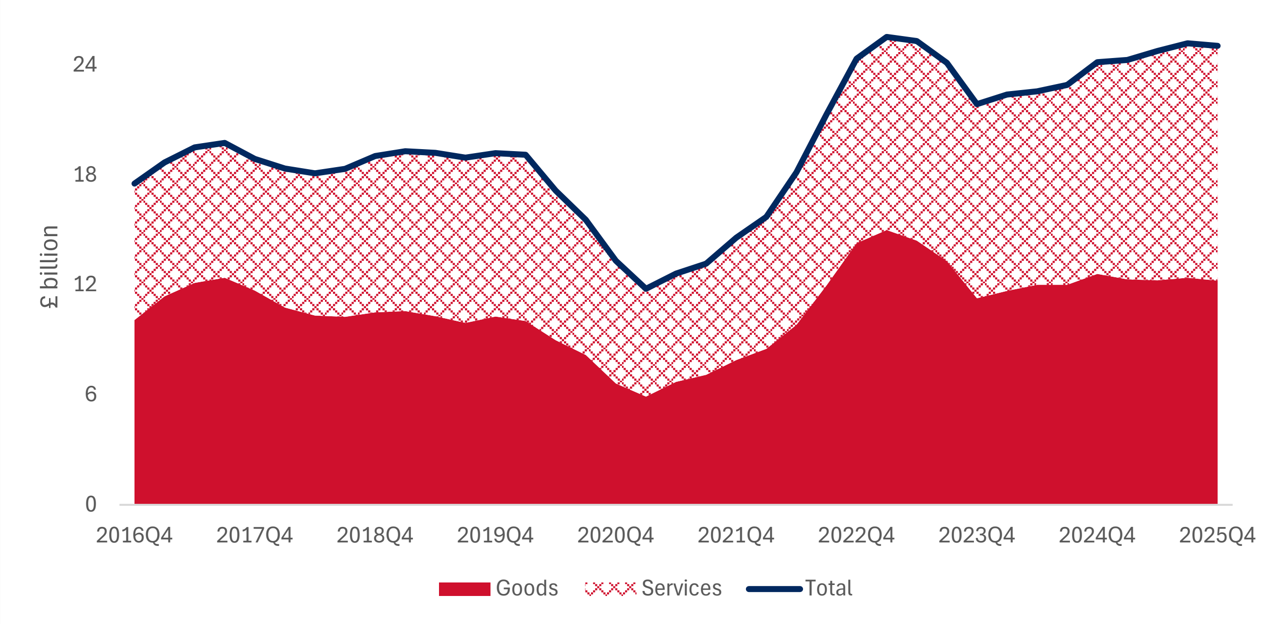


Source: ONS, UK total trade: all countries seasonally adjusted data (Apr 2026).

[1] IMF, World Economic Outlook Database (Oct 2025). Bank of England, Average annual spot exchange rates (Dec 2025).
[2] UNCTAD, Goods and Services (BPM6): Exports and imports of goods and services – 2024 annual (Aug 2025).
[3] ONS, UK total trade: all countries seasonally adjusted data (Jan 2026).

Figure 3 shows how UK trade with the UAE has evolved since 2016, broken down by goods and services. UK trade with the UAE has doubled in current prices from 2016-2025, from around £17.5 billion to £25 billion and has been predominantly focused on services trade over the last two years.

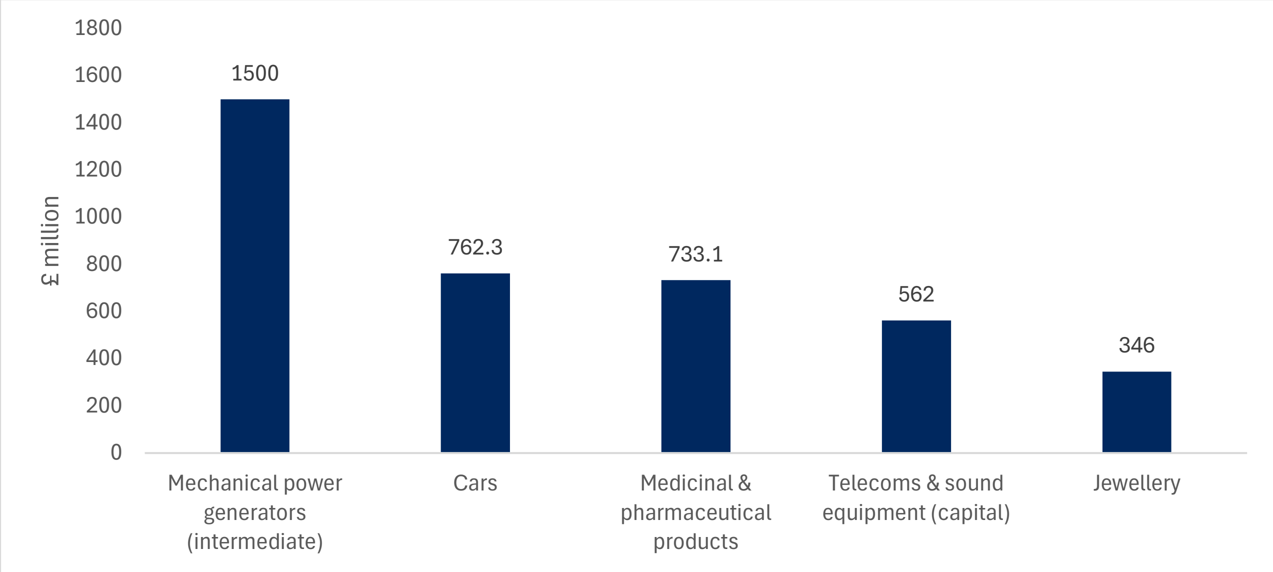
Figure 3: UK trade with the UAE over time (£ billion)



Source: ONS, [UK total trade: all countries seasonally adjusted data](#) (Apr 2026).

The UK's top three goods exported to the UAE in 2025 were mechanical power generators – intermediate, e.g., internal combustion engines and rotary converters) (£1.5 billion), cars (£762.3 million), and medicinal & pharmaceutical products (£733.1 million). These categories account for 37% of all UK goods exports to the UAE. The top five UK goods exported to the UAE in 2025 are shown in Figure 4.

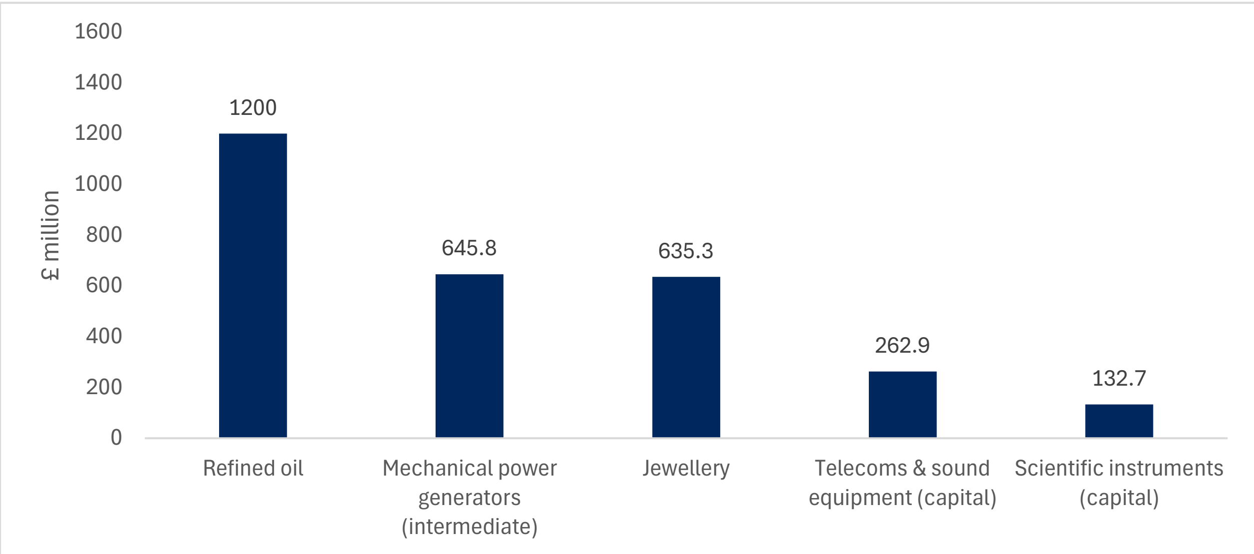
Figure 4: Top 5 UK goods exports to the UAE, 2025 (£ million)



Source: ONS, [Trade in goods: country-by-commodity, non-seasonally adjusted]() (Mar 2026). The commodities are categorised based on SITC codes using level 2 and 3 codes.

The UK's top three goods imported from the UAE in 2025 were refined oil (£1.2 billion), power generators – intermediate, e.g., internal combustion engines and rotary converters (£645.8 million) and jewellery (£635.3 million). These categories account for 61% of all UK goods imports from the UAE.[4]

Figure 5: Top 5 UK goods imports from the UAE, 2025 (£ million)



Source: ONS, [Trade in goods: country-by-commodity, non-seasonally adjusted]() (Mar 2026). The commodities are categorised based on SITC codes using level 2 and 3 codes.

[4] ONS, [Trade in goods: country-by-commodity, non-seasonally adjusted]() (Mar 2026). The commodities are categorised based on SITC codes using level 2 and 3 codes.

Figure 6: UK regional trade in goods with the UAE, 2025

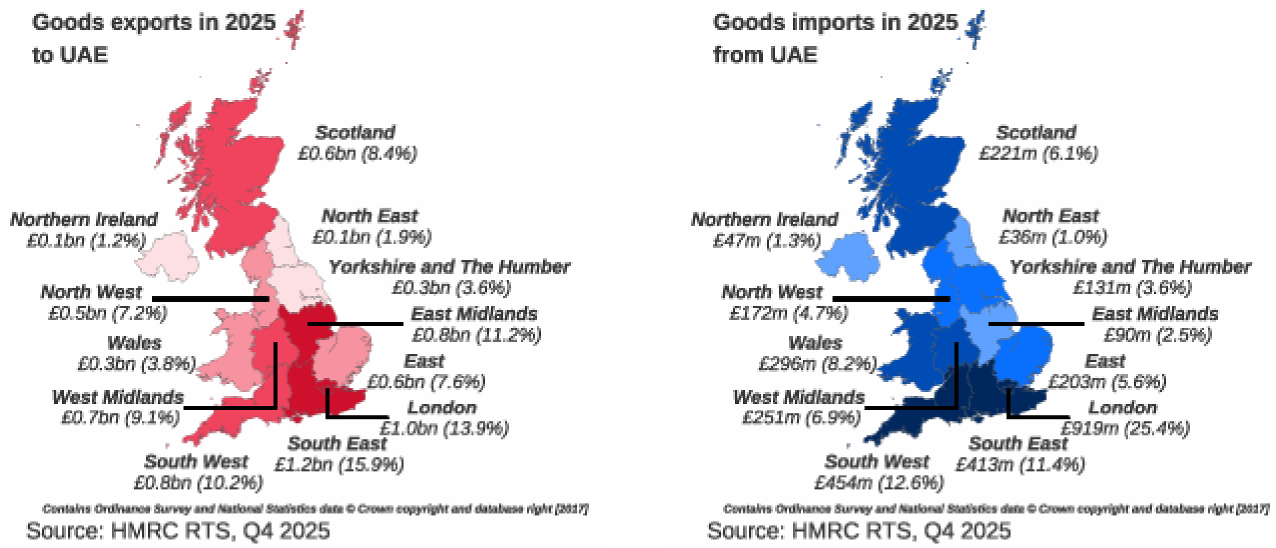


Figure 6 shows the value of UK goods exports and imports between each UK region and the UAE in 2025. The South East (£1.2 billion or 15.9%), London (£1.0 billion or 13.9%) and the East Midlands (£0.8 billion or 11.2%) accounted for the largest shares goods exports destined for the UAE. For goods imported from the UAE, London (£919 million or 25.4%), the South West (£454 million or 12.6%), and the South East (£413 million or 11.4%) accounted for the largest shares.[5]

2.3 Basis of the Current Trade Relationship

The analysis below is based on the current trading terms between the UK and the UAE, as the recently concluded UK-GCC FTA has not yet Entered into Force.

2.3.1 Goods Market Access Between the UK and the UAE

In 2025, the UAE was the UK's 19th largest goods trading partner and the 13th largest goods export market.[6]

The UK and the UAE currently trade under MFN terms. A simple average applied tariff is a numerical average of all tariff rates applied by a partner country. A trade

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[5] HMRC data source for regional UK trade data: [HMRC Regional Trade Statistics – 2025 annual]() (Mar 2026, data extracted from the spreadsheet download using the HMRC interactive tables). Totals presented will differ from overall HMRC trade figures due to the exclusion of trade in non-monetary gold and non-response estimates and the exclusion of data not allocated to a UK country or region. Figures from HMRC were reported on a physical movement basis and are not directly comparable to trade data from ONS which are reported on a change of ownership basis. Percentages will not total 100% as data not allocated to a single UK country or English region are not presented.
[6] DBT, [United Arab Emirates - UK Trade and Investment Factsheet]() (May 2026).

weighted average tariff averages the tariffs whilst accounting for the proportion of trade on those tariff lines.

Under the UAE's MFN tariff schedule, the simple average tariff applied is 4.7%, with a trade weighted average tariff of 3.8% applied on imports from the UK in 2024.[7] The UAE applies the GCC common external tariff which predominantly applies tariffs up to 5%. The exception to this is on iron or steel bars and rods attracting tariffs of up to 10%, tobacco (100%) and special goods (products containing pork, alcohol and electronic cigarettes).[8]

In 2025, under the current UK Global Tariff (UKGT) schedule, 47% of tariff lines are already subjected to zero MFN tariff. The simple average applied tariff rate of the UKGT was 5.1% across all goods in 2025. UK imports from UAE faced a trade-weighted average tariff of 0.7% in 2025.[9] Top UK imports from UAE subjected to UKGT tariffs include aluminium (up to 10%), Plastics (up to 6.5%), & Electrical Machinery (up to 14%).

2.3.2 Services Relationship between UK and the UAE

In 2025, the UAE was the UK's 17th largest services trading partner and the 18th largest services export market. Although data on top export services sectors is not available for the same timeframe, World Trade Organisation (WTO) data highlights that the UK's top export services sectors to the UAE in 2024 were led by other business services, valued at £1.78 billion.[10] This was followed by telecommunications, computer, and information services (£1.16 billion), travel (£879 million), transport (£855 million), and insurance and pension services (£746 million).[11]

At present, trade in services between the UK and the UAE is governed by their respective commitments under the General Agreement on Trade in Services (GATS), which sets out the baseline level of access and treatment guaranteed to all members of the WTO.

Please note Services Trade Restrictiveness data is not available for the UAE.

2.3.3 Temporary Entry between the UK and the UAE

The UK and the UAE's trade relationship for Temporary Entry is currently governed by their respective commitments in GATS. The UAE's commitments on Temporary Entry within GATS cover two categories of business persons: Business Visitors and Intra-Corporate Transferees.

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[7] WTO, WTO Tariff & Trade Data (2024 data, accessed July 2026).
[8] WTO, Integrated Database and Consolidated Tariff Schedules (May 2025).
[9] DBT calculations using 2025 HMRC annual imports by preference (accessed July 2026) and DBT tariff estimates. This does not account for TRQs and may therefore differ from tariffs faced where reduced in-quota MFN rates apply.
[10] WTO, STATS – 2024 services export data from the UK to the UAE (Apr 2025).
[11] DBT, Trade and Investment Factsheet: United Arab Emirates (Feb 2026).

2.3.4 Investment between the UK and the UAE

Commitments on commercial presence (mode 3 services) with the UAE are governed by GATS, which sets out the baseline level of access and treatment guaranteed to all WTO members.

The UK has a Bilateral Investment Treaty in force with the UAE which helps ensure fair treatment for investors, including rules to prevent unlawful expropriation.

In 2024 the stock of Foreign Direct Investment (FDI) from the UK in the UAE was £4.2 billion. This accounted for 0.2% of the UK's total outward FDI stock.[12]

The OECD does not currently publish FDI regulatory restrictiveness index scores for UAE.

Investment liberalisation provisions set out rules that seek to prevent discriminatory treatment and limit restrictions and requirements on foreign investors and their investments. Commitments on commercial presence (mode 3 services) with the UAE are governed by commitments under GATS, which sets out the baseline level of access and treatment guaranteed to all WTO members.

2.3.5 Government Procurement in the UAE

The UAE is neither a member of the WTO Agreement on Government Procurement nor an observer to the Government Procurement Committee. The UK also has no existing bilateral trade commitments on government procurement with the UAE.

In the UAE, most public procurement is carried out at the level of the Emirates. In 2020, total government expenditure on goods and services amounted to AED 101.1 billion (£25.3bn), to which the Federal Government contributed AED 24.4 billion (£6.1bn) and the Emirates' Governments AED 76.7 billion (£19.2bn).[13] According to the authorities, federal government purchases from foreign suppliers are mostly related to strategic goods (such as medical equipment and medicines) and single-source products in cases where contractors do not have a local distributor in the UAE.[14]

2.3.6 Labour Commitments in the UK and the UAE

There are currently no legally binding bilateral arrangements in place between the UK and the UAE relating to labour standards.

Through their membership of the International Labour Organisation (ILO), the UK and the UAE have committed to uphold internationally-recognised labour rights in

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[12] ONS, Data related to Foreign direct investment involving UK companies (Jan 2026).
[13] WTO, Trade Policy Review: United Arab Emirates (Feb 2022). GBP figures calculated by DBT using HMRC annual average exchange rates and HMT GDP deflators at market prices (Dec 2025).
[14] WTO, Trade Policy Review: United Arab Emirates (Feb 2022).

their domestic laws, including relating to the elimination of forced and child labour and the elimination of discrimination in employment. The UAE has ratified six of the ten ILO Fundamental Conventions; the UK has ratified eight.

2.3.7 Environmental Commitments in the UK and the UAE

There are currently no legally binding bilateral arrangements in place between the UK and UAE relating to environment. The UK-UAE Strategic Dialogue includes climate and renewable energy as possible areas of focus for collaboration.

The UK and the UAE both participate in the WTO's environment-related plurilaterals on the Trade and Environmental Sustainability Structured Discussions (TESSD). The UK and the UAE are both party to key Multilateral Environmental Agreements including the Paris Agreement on climate change, the Convention on Biological Diversity, the Basel Convention on hazardous waste and the Stockholm Convention on Persistent Organic Pollutants. The UAE is in the process of acceding to the Montreal Protocol on ozone-depleting substances and the Convention on International Trade in Endangered Flora and Fauna, both of which the UK is already party to.

3. Questions for Stakeholders

This call for input forms part of the Department for Business and Trade's work to consider its approach to future trade policy. It asks for views on deepening the UK's trade relationships with the UAE plus three other economies – Indonesia, the Philippines and Uruguay.

Respondents will have the option to choose which economies from the above list they would like to submit views on.

For each economy the respondent chooses to submit views on, the survey asks two main questions:

1. What issues would you like us to consider regarding deepening the UK's trade relationship with this economy?

2. Based on your selection(s) in the previous question, please provide further detail on why you think the UK Government should consider these issues, regarding deepening the UK's trade relationship with this economy?

With this in mind, responses to this call for input could highlight:

- Challenges or constraints when trading or investing in the UAE, and if so, what are these challenges and constraints, and how significant is the impact on your business activity?

- How would you expect your business to respond if restrictions were removed on trade or investment with the UAE? For example, might you look to increase trade and investment or attract increased trade and investment from the UAE?

- Are there any areas where you see opportunities from increased liberalisation of trade between the UK and the UAE?

- Are there any areas where you would have concerns about increased liberalisation of trade between the UK and the UAE?

4. Drafting a Response to the Questions

The Department for Business and Trade (DBT) is committed to delivering benefits across the UK.

The responses to this call for input will help inform the UK's strategy and positions for engaging with the UAE and so it is important that you set out your priorities in your response.
Prior to submitting your response, we encourage you to talk to a range of experts in your organisation to understand the full picture of current trading priorities.

Where it is relevant, we welcome the inclusion of figures, data and evidence to illustrate the examples you give in your response. More detailed answers will help the UK to best understand your needs. Further, we are keen to ensure consideration is given to those with characteristics under the Equality Act 2010 as part of this questionnaire.

Once you have answered several questions to tell us who you represent, this call for input provides the opportunity to provide information in three ways:

1. You will be able to answer the questionnaire
2. You may submit your own evidence directly.
3. You will also have the option to complete both the questionnaire and submit your own evidence.

Please follow the link to see the questions: Call for Input on Deepening the UK's Trade Relationships

The questionnaire should take no longer than 15 minutes to complete and closes on 14th September 2026.

5. Conclusion

This Information Note has presented data about the UK and the UAE's trade relationship. It does not interpret the data and is available for respondents to the call for input to use this in their analysis if they wish to do so.

Respondents can also refer to experiences and insights from other sources to support their submission. The more detail that can be provided the better as this enables a more informed UK approach to trade with the UAE. Ideas for what to include in a response have been provided in Section 4 of this document.

The UK Government encourages feedback from as wide a range of stakeholders as possible.

A response to the call for input can be submitted here: Call for Input on Deepening the UK's Trade Relationships and the questionnaire closes on 14th September 2026.

6. Glossary

Accession: Becoming party to CPTPP, signing on to its agreements.

Bilateral: Agreement between two parties.

CPTPP: Comprehensive and Progressive Agreement for Trans-Pacific Partnership. A trade agreement spanning 12 economies including the UK, which the UK officially acceded to on 15 December 2024. The other 11 Parties to the agreement are Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam.

Foreign Direct Investment (FDI): Investment by an entity in a foreign operation, or establishment of a new operation in another country.

Free Trade Agreement (FTA): A treaty among two or more countries to form a free trade area. This means having zero tariffs (or reduced tariffs) and reducing other regulatory restrictions on trade in substantially all goods and/or services.

GATS: The WTO's General Agreement on Trade in Services.

GCC: Gulf Cooperation Council. A regional economic union between Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates.

Gross Domestic Product (GDP): the standard measure of the value added created through the production of goods and services in a country during a certain period.

International Labour Organization (ILO): United Nations agency for promoting labour rights.

Market access: Conditions set by governments to control which goods or services can or cannot enter their domestic market.

Most-Favoured-Nation (MFN): A non-discrimination principle enshrined in many WTO rules that prohibits a WTO member from treating some WTO members more favourably than others. The MFN obligation requires each WTO member, in its trade with all other WTO members, to give the best ("most-favoured") treatment that it accords in trade with any other WTO member. If, for example, a country lowers tariffs on goods from the GCC, it must also do so on similar goods from Argentina. Exceptions to the MFN principle exist under WTO law, such as in the form of Customs Unions, Free Trade Agreements, Generalized System of Preferences and certain trade remedies. FTAs often contain their own MFN commitments between the treaty partners.

Multilateral: Agreement at global or near-global level.

Multilateral Environment Agreement: Binding international agreements for promoting cooperation on environmental issues.

National Treatment: A non-discrimination principle enshrined in many WTO rules that prohibits a WTO member from treating imported goods or foreign services and services suppliers less favourably than domestic goods or services and services suppliers in its domestic market. The national treatment obligation helps ensure imported goods and services are not unfairly disadvantaged compared with their domestic counterparts. Such obligations may also be included in FTAs between the country parties.

OECD: Organisation for Economic Co-operation and Development. An intergovernmental organisation which provides a forum for the promotion of policies which improve economic outcomes.

Party (plural Parties): An economy that has entered into a legally binding agreement.

Plurilateral: Agreement between more than two member states of the World Trade Organization.

Tariff Rate Quota (TRQ): The application of a higher tariff or tax on certain goods once an agreed quota (amount) of imports is reached.

Tariffs: Refers to customs duties on imports of goods, levied either as a percentage of value or on the basis of a formula (e.g. 10 per cent or £7 per 100 kg).

Trade liberalisation: The removal or reduction of restrictions or barriers to trade.

UAE: The United Arab Emirates.

World Trade Organization (WTO): International organization dealing with the rules of trade between nations.

Department for Business and Trade

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