Raw cane sugar autonomous tariff rate quota consultation now open

The Department for International Trade has today (Monday 14 September) opened a public consultation on the Government's raw cane sugar autonomous tariff rate quota (ATQ), used to import raw cane sugar into the UK.

As part of the new <u>UK Global Tariff</u>, announced in May 2020, the Government proposed an autonomous tariff rate quota to allow 260,000 tonnes of raw cane sugar to enter the UK tariff free. The Government made clear at the time that this ATQ would be reviewed.

The autonomous tariff rate quota would apply from Friday 1 January 2021, for 12 months, with an in-quota rate of 0%. Once the quota threshold is met, the out of quota tariff most favoured nation (MFN) rate of £28.00 /100kg, would apply.

The consultation will provide the opportunity for participants to provide:

- specific feedback on the proposed raw cane sugar autonomous tariff rate quota, including on the corresponding level; and
- information on interactions with the proposed raw cane sugar autonomous tariff rate quota and the importance of those interactions.

When announcing the Global Tariff Regime, the Government explained that this autonomous tariff rate quota would be reviewed.

International Trade Minister, Greg Hands, said:

For the first time in 50 years the UK is in control of our tariff policy. We get to choose which tariffs suit our economy best.

The government wants to ensure that every voice is heard and reflected in our policy, that's why we're honouring our commitment to consult on the government's ATQ for raw cane sugar.

Autonomous tariff rate quotas (ATQs) allow imports up to a given quantity of a good to be imported into the UK at a lower or zero tariff for a specified period of time. Once imports exceed this given quantity, the UKGT rate will apply. The consultation will be open from Monday 14 September to Monday 5 October at 11:59pm and can be accessed on a dedicated gov.uk page.

The Government will publish its decision on the quota alongside a summary of responses to the consultation once it has considered all the evidence, including the responses to the consultation.

These responses will be considered in light of the principles set out in the Taxation (Cross-border Trade) Act 2018, as well as the desire to deliver the Government's ambitious FTA agenda and the maintenance of the Government's commitment to developing countries to reduce poverty through trade.

The UK's Global Tariff was designed following widespread engagement with businesses across the UK. It will replace the EU's Common External Tariff on 1 January 2021, reduce cost pressures for businesses, increase choice for consumers and back UK industries to compete on the global stage.