

UK consults on new approach to US tariffs

The UK is today (May 24th) launching a review of tariffs against the US in response to the ongoing trade conflict around steel and aluminium.

A public consultation has opened aimed at ensuring any future tariffs applied in response to the US' unjustified 'Section 232' duties on aluminium and steel imports are shaped to UK interests.

The UK currently has measures in place on products like whiskey, motorcycles and tobacco in response to US tariffs. Originally brought in by the EU, these measures were rolled over by the UK at the start of the year.

Today's announcement will help ensure these measures are tailored to the needs of the UK economy and shaped to defend industries across the UK, including steel and aluminium manufacturers.

The International Trade Secretary Liz Truss has held positive discussions with the US about the issue, and is pressing for the removal of the tariffs and an agreement that will deescalate the dispute.

International Trade Secretary Liz Truss said:

We now have the power to shape these tariffs so they reflect UK interests, and are tailored to our economy.

The UK will do whatever is necessary to protect our steel industry against illegal tariffs that could undermine British industry and damage our businesses.

Ultimately, however, we want to deescalate these disputes so we can move forward and work closely with the US on issues like WTO reform and tackling unfair trade practices by non-market economies.

The consultation launch is part of the government's strategy to de-escalate trade tensions so the US and UK can move forward to the next phase of their trading relationship.

The consultation will now run for 6 weeks and UK businesses, industry leaders and stakeholders can input online [here](#).

The Government will publish its decision on the re-balancing measures alongside a summary of responses to the consultation once it has considered all the evidence.

Background

In 2018 the United States Government announced that under Section 232 of the US Trade Expansion Act of 1962 it would place tariffs on EU imports of steel and aluminium.

The ongoing tariffs are unjustified under WTO rules and unfairly target UK steel and aluminium manufacturers and should be removed. Any claim that UK steel and aluminium imports harm US national security is false and without foundation.

In response, the EU imposed counter-balancing measures on US products. The UK transitioned these measures and continued to apply them from 1 January 2021 when the UK became an independent trading nation once again.

The UK's preference is for the full removal of additional US duties, in which case there will no longer be a need to apply rebalancing measures.