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Dear Peter,

EXTENDING TRADE MEASURES TO SUPPORT THE UKRAINIAN ECONOMY

Following Russia's unprovoked and illegal invasion of Ukraine, in May 2022 the UK led the world by being the first country to remove all remaining tariffs under our Free Trade Agreement with Ukraine. This approach was followed by the EU and other partners around the world. The current tariff liberalisation runs until 31 March 2024.

Russia's invasion has impaired Ukraine's ability to export goods and disrupted their usual supply chains and transport routes. It was important that the UK acted when it did to liberalise remaining tariffs and provide much needed economic support to Ukraine. As was intended, Ukrainian businesses have benefited from the liberalisation, with goods such as cereal grains and poultry benefiting from tariff free trade.

Ukraine continues to defend itself against Russian aggression, whilst also rebuilding key infrastructure destroyed during the war. Tariff liberalisation forms an important part of UK Government's overall support, with that support being put on an even longer-term footing. Therefore, the Government has agreed to extend tariff liberalisation for an additional five years until March 2029 on all goods, with the exception of eggs and poultry which will be extended for two years until March 2026. This new agreement means the UK continues to lead the world in our trade liberalisation support for Ukraine, but also takes a more cautious approach to poultry and eggs, following feedback from those sectors.

The Government will now take the necessary steps to extend the liberalisation measures in the UK's domestic legislation by completing the parliamentary scrutiny process for the new agreement and laying the required statutory instrument to implement it. Both the UK and Ukraine will continue to review the operation of the agreement and monitor trade flows. The Agreement extends to the whole of the United Kingdom and the Crown Dependencies.

As the Prime Minister made clear in his most recent visit to Ukraine, the United Kingdom will continue to do everything in its power to support Ukraine's fight against this brutal invasion, for as long as is needed.

Best wishes,

Lord Johnson of Lainston CBE

Minister for Investment and Minister for Regulatory Reform Department for Business and Trade