The Rt Hon Hilary Benn MP

Secretary of State for Northern Ireland

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Lord Carlile of Berriew CBE KC,
Chair, Northern Ireland Scrutiny Committee
House of Lords
London
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Via Email: hlniscrutiny@parliament.uk

18 June 2025

Our reference: MC/25/300

Dear Lord Carlile,

Thank you for your letter of 15 May in which you set out further questions from your Committee regarding the implications of US tariffs and potential EU retaliatory measures for Northern Ireland and the Windsor Framework.

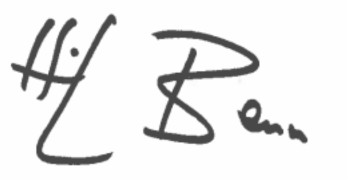
We have concluded a landmark economic deal with the United States, making the UK the first country to get an agreement with the new administration. This deal protects jobs in the automotive, steel, aluminium, pharmaceutical and aerospace sectors and will also open up access for UK beef to the US market - we have agreed new reciprocal market access on beef – with UK farmers given a guaranteed quota for 13,000 metric tonnes of beef exports. This is a major opportunity for farmers in Northern Ireland to sell their high quality beef to a market of over 300 million people.

Given that Northern Ireland is part of the UK's customs territory and internal market, Northern Ireland exporters can access the US market under this agreement on the same preferential basis as the rest of the UK. Moreover, this deal does not affect how imports to Northern Ireland operate under the Windsor Framework arrangements, meaning that US-origin goods will be able to benefit from this deal where they are not at risk of entering the EU. Northern Ireland businesses importing eligible US-origin goods under this deal can avoid any unnecessary duties with established schemes, such as the UK Internal Market Scheme.

We continue to actively monitor the impact of any potential tariffs on Northern Ireland and this Government will always act in the best interests of all UK businesses, which of course includes those in Northern Ireland. In line with the agreed protection measures of both the UK and EU markets under the Windsor Framework, we expect that a limited subset of US goods moving into Northern Ireland could be impacted by possible EU retaliatory tariffs. Where goods moving into Northern Ireland do not enter the EU, the Duty Reimbursement Scheme, which has been operational since June 2023, enables traders to reclaim any additional duties in full, without any limit on total claims. The Customs Duty Waiver Scheme also allows any additional duties to be waived, subject to an overall limit.

HMRC is continuing to talk to and support any businesses that might be affected, to help them understand how to use the Duty Reimbursement and Customs Duty Waiver Schemes. Businesses provide feedback on the performance of the Duty Reimbursement Scheme and the Government is working with parties in Northern Ireland, and with HMRC, to see how we can improve the functioning scheme.

Yours sincerely,



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SECRETARY OF STATE FOR NORTHERN IRELAND