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Dear Liam,

US–UK Economic Prosperity Deal: Parliamentary Scrutiny

Thank you for your letter of 9 July in response to my update on the implementation of the General Terms for the UK-US Economic Prosperity Deal (EPD).

Tariff Rate and Quota Implementation

You noted the breach of scrutiny convention related to the implementation of Tariff Rate Quotas. On 30 June we implemented legislation for the commitments we made in the economic deal. The Customs (Preferential Trade Arrangements and Tariff Quotas) (US) (Amendment) Regulations 2025 creates two new quotas for imports of beef and ethanol originating from the US and is effective from 30 June. This approach was taken to align the implementation of our tariff commitments with those of the US. It was imperative to act swiftly in order to protect thousands of UK jobs in the automotive industry so we worked at pace with the US to ensure that the US commitments made on automotive on 8 May benefitted the sector as quickly as possible. The US automotive quota ultimately came into effect on 30 June.

We are currently the only country in the world to have secured a preferential tariff on automotive, removal of tariffs on a wide range of aerospace products, and a tariff on steel and aluminium at half the rate of their global tariff. Our priority is jobs saved, and jobs won; implementing our commitments at pace has ensured that the US have acted to the UK's benefit, protecting tens of thousands of UK jobs across the country.

Parliamentary Scrutiny

You asked about the scrutiny and legislative arrangements for the EPD. Members of Parliament will have the chance to scrutinise the EPD when it is presented to the House. The Government has been clear that it is not seeking to change existing statutory scrutiny processes, this has been affirmed in our recent Trade Strategy.

We recognise the importance of Parliament being able to consider new deals and we believe that a general debate, where there is appetite and where Parliamentary time allows, strikes the right balance between ensuring Parliament can express its views and respecting the constitutional right of the Government to make treaties under the Royal Prerogative. Additionally, any primary or secondary legislation required to implement the EPD agreement will be subject to existing legislative procedures.

Next Steps

We are continuing negotiations towards a legally binding framework for the EPD, working collaboratively with the US at speed, in a careful and considered way, to ensure the best outcome for UK industry. Given the need to act swiftly and in the public interest, these discussions have not followed a conventional path and there are still details to confirm with the US before we will know the specific legislative requirements and their associated timings for this agreement.

Consequently, as outlined in my letter dated 26 June, the Government will update to the House on progress towards the EPD at regular intervals. We will continue to provide written updates to the Business and Trade Committee and the International Agreements Committee. We will also continue to make relevant Senior Civil Service experts available to brief the committees on the technical detail of negotiations, where necessary, in private.

Thank you once again for writing to me about this important matter. I look forward to continuing to work closely with the Committee going forward.

Best wishes,



THE RT HON JONATHAN REYNOLDS MP
Secretary of State for Business & Trade and President of the Board of Trade