



Department for Business & Trade

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18 March 2026

Dear Liam,

I am writing to give you advance notice of the publication of the Government's steel strategy and the introduction of a new steel trade measure, which will be implemented on 1 July 2026.

As you know, steel is a priority for this Government. A strong steel sector is essential to our national security, delivering strong, secure and sustainable economic growth and supporting the highly skilled jobs that sustain communities across the UK.

Yet it faces an existential threat from global overcapacity, which distorts markets, drives down prices, and is undermining the viability of a sector that has more than halved in the last decade.

That is why we are unveiling a significant package of support for the steel industry. Together, the strategy and trade measure aim to stabilise and rebuild the sector, return domestic market share to 50%, attract new investment and position the UK as a world leader in clean, modern steel production.

The strategy will create a better environment for steel to thrive, for example by tackling electricity prices and carbon leakage, increasing the use of UK steel in government-supported projects and making it easier for firms to invest and grow in future-facing, decarbonised technologies.

The new trade measure is aimed at ensuring the viability of UK steelmaking following the expiry of the steel safeguard in June, with a 50% out of quota tariff and a 60% reduction in overall quota levels on imports of steel products that can be made in the UK.

This alongside the strategy will help restore a sustainable balance between imports and domestic production to ensure that the UK has a reliable and secure supply of steel at this time of global turbulence.

We believe when taken together, along with the previous announcements tackling energy costs in the Industrial Strategy and the updated public procurement note, we fully meet the five tests you set out when you wrote to us in April 2025.

My Department is engaging with industry to prepare for implementation, provide clarity on timelines and ensure businesses have the information they need to adapt. Our focus is on a smooth transition with minimal disruption to supply chains.

In parallel, the UK will launch an Article 28 process at the WTO in Geneva to increase the maximum tariff levels we can apply in the long-term. We will also explore the possibility of introducing requirements to identify where steel imports were melted and poured, in order to better understand our supply chains and ensure the UK steel industry is protected from global overcapacity.

We will continue to work with likeminded partners to deliver a shared solution to tackle global steel overcapacity, including through efforts at the Global Forum on Steel Excess Capacity and through championing World Trade Organization reform at MC14 and beyond.

Thank you for your continued support and engagement as we revitalise the steel sector in the interests of the UK's broader industrial base and national and economic security.

With my officials, I would be happy to answer any questions you might have on the matter. I look forward to providing you with a further update in due course.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Peter J. Kyle', with a stylized flourish at the end.

RT HON PETER KYLE MP
Secretary of State for Business and Trade
President of the Board of Trade