



Department for  
International Trade

The Rt Hon Elizabeth Truss MP  
Secretary of State for International Trade  
Department for International Trade  
Old Admiralty Building  
Admiralty Place  
Whitehall  
London  
SW1A 2BL  
United Kingdom

T +44 (0) 20 7215 5000  
E [truss.correspondence@trade.gov.uk](mailto:truss.correspondence@trade.gov.uk)  
W [www.gov.uk/dit](http://www.gov.uk/dit)

Angus Brendan MacNeil MP  
International Trade Committee  
House of Commons  
London  
SW1A 0AA  
[tradecom@parliament.uk](mailto:tradecom@parliament.uk)

18 June 2021

Dear Angus,

### **Update on the Large Civil Aircraft Disputes**

I am delighted to announce that on 17 June the UK and US reached a historic understanding regarding the longstanding Large Civil Aircraft disputes by committing to a five-year mutual suspension of countermeasures and a new cooperative framework for the sector.

On 16 June, I welcomed USTR to London to agree a clear basis for ongoing cooperation in the Large Civil Aircraft sector.

We have committed to a new UK-US Understanding on a Cooperative Framework for Large Civil Aircraft which provides for ongoing collaboration in order to promote fair competition and address a range of mutual issues, including non-market practices of third countries.

We have also mutually agreed not to apply countermeasures for a period of 5 years. This means both the UK and US will suspend the retaliatory tariffs they are permitted to apply pursuant to the Airbus and Boeing WTO disputes. These tariffs have impacted around £550m worth of UK exports to the US since October 2019, including goods such as cashmere, Scotch whisky, pig meat and certain machinery. This will benefit businesses, jobs and communities across the UK who have been suffering from these harmful, tit-for-tat tariffs.

This is a result of the proactive steps taken by the UK, as an independent trading nation, to de-escalate the disputes. We took the decision to suspend retaliatory tariffs levied on non-aircraft related US products in January 2021. This created the momentum to secure a four-month mutual suspension of retaliatory tariffs, bringing the US to the negotiating table to focus on a longer-term arrangement.

This new deal will create a fair and balanced environment that will enable innovation for the UK's world-leading aerospace sector, as it focuses on Covid-19 recovery and the transition to clean aviation, benefitting aerospace employees across the UK, in particular in Wales, Northern Ireland and the north of England.

This is Global Britain in action: securing new opportunities as a newly nimble nation with an independent trade policy. We can strike our own trade deals, set our own global tariff regime, and represent ourselves independently at the WTO. This milestone is also a testament to the way in which HMG continues to defend the interests of British businesses and industry in all parts of the UK.

We welcome the opportunity to draw a line under this issue and focus on deepening trading ties with the US as we move onto the next phase of our trading relationship.

Further information can be found in the joint statement on GOV.UK, at: <https://www.gov.uk/government/news/joint-us-uk-statement-on-a-cooperative-framework-for-large-civil-aircraft>

Best wishes,



**THE RT HON ELIZABETH TRUSS MP**  
Secretary of State for International Trade  
& President of the Board of Trade