**Written submission from the Department for Business and Trade (UST0042)**

1. The US is our closest ally and largest single country trading partner. Both Industrial Strategy and the Trade Strategy are the foundations for our programme for growth through trade, including the UK-US economic relationship. As set out in the Trade Strategy, the partnership between the UK and the US is of global importance. Total trade between our countries was worth £331 billion in 2025 (representing 17% of total UK trade)[1], and we have £1.2 trillion invested in each other's economies.[2] UK trade with the US has risen by £30 billion (10%) in current prices over the last 3 years (2022-2025).[3]
2. Through the Economic Prosperity Deal (EPD) and the Tech Prosperity Deal (TPD), we are working towards a partnership that is future-facing and built on a shared vision of the challenges that face our economies.

## The General Terms of the UK-US Economic Prosperity Deal (EPD)

3. On 8 May 2025, the UK announced the General Terms of the EPD with the US - a landmark economic deal protecting hundreds of thousands of jobs, reducing uncertainty for key British industries, and helping drive economic growth. The UK has secured preferential access to the US market along with tariff exemptions across the UK's highest value exports and the lowest global tariff rate of any country. This has provided a competitive advantage for the UK compared with other trading partners across the world.

## UK economic benefits secured following the EPD General Terms

### Aerospace

4. The UK negotiated a 0% tariff on civil aerospace products, a sector supporting around 220,000 jobs.[4] The UK was the first country to achieve this. The US

---

[1] ONS UK total trade: all countries Q4 2025
[2] ONS Foreign direct investment involving UK companies 2024
[3] ONS UK total trade: all countries Q4 2025
[4] DBT Analysis based on (SIC 30.3 & 33.16) ONS JOBS03: Employee jobs by industry Q4 2025 & ONS JOBS04: Self-employment jobs by industry Q4 2025. and Business Register and Employment Survey data 2024. Indirect employment based on 2023 Employment multipliers and effects in the UK.

imported around £5.2bn in aerospace products from the UK in 2024[5] and global exports account for 74% of the sector's turnover.[6]

### Automotive

5. The UK is the only country in the world to benefit from a 10% tariff for cars through a quota of 100,000 units. This quota ensures that most UK cars entering the US will do so at a preferential rate.
6. This has supported the automotive sector which employs 143,000 people.[7] The US imported £8.3bn in cars from the UK in 2024.[8]

### Beef

7. UK farmers can, for the first time, make use of an exclusive 13,000 tonne quota for export to the US. With the quota open since January 2026, UK beef producers are now positioned to seize new opportunities in the US market.

### Critical Minerals

8. On 4 February 2026, the UK and the US signed a Memorandum of Understanding for Securing of Supply in the Mining and Processing of Critical Minerals and Rare Earths. This partnership will help to secure investment into UK critical minerals projects through closer collaboration with the world's largest economy, and facilitate new supply chains for UK downstream industry.
9. Reflecting the UK's Critical Minerals Strategy, where the Government committed to engaging multilaterally to develop shared solutions to the collective challenges in critical minerals, we are also engaging actively with key international partners to consider ways of increasing resilience in the supply chains of critical minerals. This includes the US-led proposal for a plurilateral Agreement on Trade in Critical Minerals (ATCM) and other potential options being put forward at the G7.

### Lumber and Timber

10. The UK has secured preferential access to the US market for lumber, timber and their derivatives, benefiting from a tariff rate of 10% - the lowest granted to any US trading partner. In 2024, the US imported around £25m of UK lumber goods

---

[5] USITC imports for consumption, 2024 US imports from the UK (HS88/8411/940110). Converted to $ using BoE annual avg. spot rate

[6] ONS Monthly Business Survey turnover in production industries (SIC 30.3 & 33.16)

[7] ONS JOBS03: Employee jobs by industry Q4 2025 & ONS JOBS04: Self-employment jobs by industry Q4 2025). Not seasonally adjusted (SIC 29).

[8] USITC imports for consumption, 2024 US imports from the UK (HS8703). Converted to $ using BoE annual avg. spot rate

now covered by the preferential tariffs.[9] The wood and wood product manufacturing sector directly supported 70,000 jobs in 2024.[10]

### Pharmaceuticals

11. In December 2025, the UK negotiated 0% tariffs on pharmaceutical exports and no additional tariffs on medical technologies. The UK-US Pharmaceutical Arrangement was published on 2 April 2026, setting out the joint commitments and ambitions of the UK and US to support patient access to medicines and our life sciences sector.
12. The UK is the only country to secure tariff-free access to the US pharmaceuticals market, protecting UK-based manufacturing and cementing our place as a world leader for life sciences investment. Other trading partners face tariffs of 15% to 100% on pharmaceutical products into the US. In 2024, the US imported around £6bn from the UK in pharmaceutical products covered by the s232 proclamation[11] and the sector directly supported 51,000 jobs in 2025.[12]

### Steel and Aluminium

13. The UK remains the only country in the world to benefit from a 25% tariff rate on core steel and aluminium products. All other countries face a 50% tariff. In 2024, the US imported around £4.6bn of steel and aluminium now covered by the preferential tariffs.[13] The steel and aluminium manufacturing sectors directly supported around 38,000 jobs in 2024.[14]

### Digital and Tech

14. In September 2025, the UK and US announced the Technology Prosperity Deal, which is focused on developing the fastest growing technologies such as AI, quantum, and nuclear. The deal is expected to bring new healthcare breakthroughs and clean home-grown energy, while £150 billion worth of

---

[9]USITC imports for consumption, 2024 US imports from the UK. Converted to $ using BoE annual avg. spot rate

[10] ONS Business Registers and Employment Survey (NOMIS) (SIC16)

[11] USITC imports for consumption, 2024 US imports from the UK). Converted to $ using BoE annual avg. spot rate. Adjusting Imports of Pharmaceuticals and Pharmaceutical Ingredients into the United States – The White House

[12] ONS JOBS03: Employee jobs by industry Q4 2025 & ONS JOBS04: Self-employment jobs by industry Q4 2025). Not seasonally adjusted (SIC 21)

[13] USITC imports for consumption, 2024 US imports from the UK. Converted to $ using BoE annual avg. spot rate Strengthening Actions Taken to Adjust Imports of Aluminum, Steel, and Copper Into the United States – The White House

[14] ONS Business Registers and Employment Survey (NOMIS) (SIC 24.1-3, 24.42)

investment commitments from US companies have been made as part of the deal.

15. There has been strong and sustained progress across the portfolio of recent tech investment commitments. This progress sits alongside the Department for Business and Trade's wider work to deepen UK–US economic ties, driving both exports and investment flows under the Industrial, Trade and Small Business Strategies.
16. Investment commitments from major US technology firms continue to make progress with plans moving from headline commitments into delivery and job creation, underpinned by close HMG engagement and support. This reinforces business confidence in the UK-US partnership and the UK's position as a leading destination for long-term investment in strategically important growth sectors.
17. Google is on track to deploy £5bn into the UK and generate approximately 8,000 jobs in pioneering technology sectors over the next 2 years. Similarly, Coreweave is advancing its commitment to develop sustainable and energy efficient data centres in partnership with DataVita. The Government continues to engage closely with these companies to support implementation and maintain momentum. For example, in recognition of the strategic importance of these sites, the Government has designated the Coreweave Lanarkshire site as an AI Growth Zone.

**Advanced Nuclear**

18. The Technology Prosperity Deal also included significant investment commitments from leading nuclear companies. The UK's Advanced Nuclear Framework, published earlier this year, provides a clear structure for how government will support the development, assessment and deployment of advanced nuclear technologies in the UK, including those announced under the TPD. To support and streamline delivery, the Government has established a dedicated business focused Advanced Nuclear Business Engagement Unit which will provide a concierge style service to help these companies navigate the UK business and regulatory environment.

**Whisky**

19. On 30 April 2026, the US announced that they will remove tariffs on whisky produced in the UK. This is positive news for the UK whisky industry, which exports around £1 billion of whisky to the US annually.[15] The distilling, rectifying

[15] USITC imports for consumption, 2024 US imports from the UK (HS220830). Converted to $ using BoE annual avg. spot rate

and blending of spirits supported around 14,000 jobs across the country in 2024.[16]

**Further cooperation**

20. Since May 2025, negotiations have been held on a range of issues outlined in the General Terms, including digital and technology, tariffs and non-tariff barriers. The General Terms provides that the EPD can be further expanded over time to cover additional areas.
21. We will continue our extensive engagement with businesses from across the UK throughout ongoing EPD negotiations. The UK's trade deals will always respect the regulatory autonomy of both the UK and our trading partners, and we will always uphold our high standards in areas such as food, environment, and animal welfare standards, and maintain the integrity of UK product regulations.

*May 2026*

[16] ONS Business Registers and Employment Survey (NOMIS) (SIC 11.01)