



Trade Developments

25 February 2025

Hello and welcome to this edition of Trade Developments.

For more on international trade, check out our dedicated [webpage](#), or email tradesupport@deloitte.co.uk to enquire about our trade policy briefings.

US Tariffs

The US administration has announced that it will impose tariffs of 25% on all steel and aluminium imports, effective from 12 March 2025. These measures effectively expand and amend the ‘section 232’ tariffs originally implemented in 2018 by the first Trump administration but which had been suspended under the Biden administration. Commenting on the UK’s position, Business and Trade Secretary Jonathan Reynolds said that if Trump removed the UK’s exemption from the tariffs, then the UK “would revert” to applying tariffs on US products. Reynolds added that he hoped this could be avoided, telling the BBC that he “believes there is a basis for constructive engagement”. The US announcement can be found [here](#).

President Trump has also issued a memorandum unveiling his administration’s plan to impose ‘reciprocal’ tariffs later this year on imported goods from numerous countries of origin. The measures would take account of trade barriers in each country including tariffs, non-tariff barriers and discriminatory taxes. The timings of this package of measures are uncertain. The US announcement can be found [here](#).

Trade Talks with India

The Business and Trade Secretary, Jonathan Reynolds, has visited India to restart free trade agreement negotiations. The visit follows a meeting between Keir Starmer and India's Prime Minister, Narendra Modi, in the margins of the G20 summit in November. The government hopes that any agreement would boost the UK's bilateral trade with India, which was worth £42 billion in the 12 months to June 2024. India has also been the second-largest contributor of FDI into the UK for the last five years.

Commenting on the negotiations, Reynolds added, "Securing a trade deal with what is soon-to-be the third-biggest economy in the world is a no-brainer, and a top priority for me and this Government." The two countries have had more than 12 rounds of negotiations since 2022, but so far, agreement has not been reached. This meeting will be the first round of talks conducted under the current government. The government’s press release can be found [here](#).

Steel Consultation

The government has launched a new consultation on the UK steel industry. In recent years, the industry has been under pressure from high electricity costs, unfair trading practices and scrap metal recycling. Commenting on the consultation, Business and Trade Secretary Jonathan Reynolds said, "We are putting the full weight of Whitehall behind the industry to protect our industrial heartlands, maintain jobs, and drive growth as part of our Plan for Change." The government aims to support the steel industry with up to £2.5 billion in support through the National Wealth Fund. The government’s consultation can be found [here](#).

In parallel to this support, the Trade Remedies Authority also announced that it had renewed the package of anti-dumping measures applied to Chinese steel. The TRA concluded that without these measures, the UK's domestic steel industry would be harmed. Chinese steel will now continue to face tariffs of up to 27.9%. The TRA’s announcement can be found [here](#).

Trade Mission to Ukraine

On 14 February, the UK government conducted a trade mission to Ukraine, led by Minister for the Armed Forces, Luke Pollard. This was the fifth mission of its kind to Ukraine, but the first alongside allies, including Norway and the Netherlands. After the visit, the UK and Ukraine agreed that they would work more closely together to boost their defence capabilities.

Commenting on the visit, Pollard said, "The UK is continuing to lead the way on global support for Ukraine by strengthening defence industry ties with allies, bolstering our own defence industrial base, creating jobs, and driving investment." The government’s press release can be found [here](#).

UK Growth Agenda

Business and Trade Secretary Jonathan Reynolds has given a speech where he set out the government's ambition for faster growth. Reynolds chose trade and investment as a key part of the government's push for growth, stating that the "UK is a great place to invest and do business." He also highlighted the importance of leveraging relationships with Europe, China, India, and the Gulf to connect with global markets. Commenting on the announcements from the US, Reynolds reiterated the UK's commitment to "fair and open trade." The full text of the speech can be found [here](#).

E-invoicing Consultation

The government has set out its plans to support e-invoicing, with businesses invited to contribute through a 12-week consultation. The government hopes that the move to e-invoicing will save businesses time and money by reducing the time spent processing paperwork. Adoption of e-invoicing may also make British businesses more able to trade abroad, as there are globally recognised standards for e-invoicing in international trade. Around 130 countries globally are in the process of implementing these standards.

James Murray, Exchequer Secretary to the Treasury, said, "By cutting paperwork and freeing up valuable time and money, it will help improve firms' productivity and their ability to grow and succeed." The government’s press release can be found [here](#).

Interministerial Group for Trade

The Interministerial Group for Trade met on 22 January to discuss key issues related to inter-UK trade. The group discussed the UK's trade relationship with the EU and the USA, the standing of the UK's current FTAs, and the government's upcoming trade strategy. The communique for the group can be found [here](#).

Trade Factsheets

DBT has released its latest factsheets on the UK’s trade corridors. The factsheets summarise the latest statistics on trade and investment, including exports, imports, total trade, regional trade, FDI and more. The factsheet release can be found [here](#).



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