



Trade Developments

28 November 2025

Hello and welcome to this edition of Trade Developments.

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

UK Budget: Abolition of Low Value Imports Relief

The government has announced plans to abolish the £135 *de minimis* threshold for customs duties, which is set to take effect from March 2029 at the latest. The government has also announced a consultation on how the measures will be implemented, which can be found [here](#).

While the immediate impact is limited, the change will affect e-commerce businesses operating direct-to-consumer models, potentially raising prices for UK consumers. In the longer term, the measure could benefit domestic retailers by ensuring overseas sellers face the same import duty obligations. It would also align the UK more closely with international peers such as the US and EU, which have already tightened low-value import exemptions. Deloitte’s summary of the measure can be found [here](#).

US Supreme Court

At the beginning of November, the Supreme Court heard arguments challenging President Donald Trump’s use of the 1977 International Emergency Economic Powers Act (IEEPA) to impose sweeping tariffs. These include the duties imposed on China, Canada, and Mexico over fentanyl, as well as a broader set of “reciprocal” tariffs applied to many countries around the world to address the U.S. trade deficit. During the hearing, Justices across the ideological spectrum questioned whether the law gives the president such broad powers. The case consolidates challenges from private companies and several US states, with plaintiffs arguing that the administration should have used more limited tariff powers instead. Transcripts of the arguments can be found [here](#).

UK Critical Minerals Strategy

The UK Government has launched a new Critical Minerals Strategy, setting ambitious targets to meet 10% of domestic mineral demand through local production and 20% via recycling by 2035. Backed by up to £50 million in funding, the plan aims to reduce reliance on overseas suppliers, particularly China, which currently dominates rare earth mining and refining. To encourage the diversification of supply chains, the UK aims to have no more than 60% of the supply of any critical material coming from a single country by 2035.

Central to the strategy is the goal of producing at least 50,000 tonnes of lithium domestically, leveraging Europe’s largest deposit in Cornwall. This marks the first time Britain has set measurable ambitions to grow domestic production and recycling of critical minerals. The government hopes this will strengthen national security by putting the UK at the forefront of the global race for critical minerals. The UK’s strategy can be found [here](#).

PEM Convention

The UK government has launched a Call for Evidence on whether to join the Pan-Euro Mediterranean (PEM) Convention, inviting views from businesses, trade bodies, and stakeholders. Part of the UK’s Trade Strategy to boost global connectivity, the Government believes that accession could simplify rules of origin with 25 PEM members and make trade with the region, worth over £500bn in 2024, easier and more cost-effective. Business and Trade Secretary Peter Kyle said: “Britain is back to being reliable, ambitious and future-focused... Now we want to hear from businesses to make sure we take advantage of the right opportunities that will help them to thrive.” The Government’s announcement can be found [here](#).

UK-Oregon MoU

The United Kingdom and the US state of Oregon have signed a new Memorandum of Understanding to deepen bilateral trade and investment ties. The agreement builds on the existing economic relationship and sets out shared priorities in digital trade, including semiconductors and cybersecurity, as well as clean energy, transport, advanced manufacturing and tourism. It also includes provisions to enhance cooperation on the recognition of professional qualifications and government procurement, supporting greater market access for UK businesses across key growth sectors. The government’s announcement can be found [here](#).

UK-UAE Trade

At the Dubai Airshow, several major airlines placed significant new aircraft orders. The deals will benefit UK businesses, as parts - such as wings designed in Bristol and manufactured in North Wales, and engines built in Derby - will power the planes. UK Export Finance also announced a £2.7 billion support package for UK firms bidding for contracts with Dubai’s £27 billion Al Maktoum International Airport project. With bilateral trade between the UK and UAE already at a record £24.8 billion, the government hopes that these deals will bolster the aerospace industry that employs over 30,000 people nationwide. The Government’s press release can be found [here](#).

Latest UK Trade Data

The total value of UK trade in goods and services reached £1.88 trillion in the 12 months to the end of September 2025, a 5.1% increase on the previous year’s figures. Total UK exports over the same period increased by 5.3% up to £927 billion, with imports increasing 0.9% up to £955.5 billion. The growth of UK exports has been primarily driven by the expanding services sector, increasing to £545.8 billion in the 12 months to September 2025, up from £507 billion in the previous 12 months. However, over the same period UK goods exports contracted from £386.2 billion to £381.2 billion. Services now account for 58.8% of the UK’s total exports, up 10% from 2020. The government’s release can be found [here](#).

Have you been forwarded this email? To subscribe and/or view previous editions of Trade Developments, [click here](#).



© 2023 Deloitte LLP. All rights reserved.

This communication is from Deloitte LLP, a limited liability partnership registered in England and Wales with registered number OC303675. Its registered office is 1 New Street Square, London EC4A 3HQ, United Kingdom.

Deloitte LLP is the United Kingdom affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”). DTTL and each of its member firms are legally separate and independent entities. DTTL and Deloitte NSE LLP do not provide services to clients. Please see [www.deloitte.co.uk/about](#) to learn more about our global network of member firms.

This email is confidential and may also be legally privileged. If you have received this email in error, please notify DeloitteBusinessSecurity@deloitte.co.uk and destroy this message immediately. Email communications cannot be guaranteed to be secure or free from errors or viruses.

Deloitte LLP does not accept any liability for use of or reliance on the contents of this email by any person save by the intended recipient(s) to the extent agreed in a Deloitte LLP engagement contract.

Opinions, conclusions and other information in this email which have not been delivered by way of the business of Deloitte LLP are neither given nor endorsed by it.

[Home](#) | [Security & Legal](#) | [Privacy](#)

Not interested anymore? [Unsubscribe](#) from this series of newsletters.