



Trade Developments

30 September 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 State Visit

On 17 September, President Trump began his unprecedented second state visit to the UK. During the visit, the UK and US announced a new [Technology Prosperity Deal](#), designed to accelerate cooperation in emerging technologies. A major focus of the deal is collaboration to improve cooperation on artificial intelligence and quantum computing. Alongside the deal, a £150 billion inward investment package from US companies was announced, with £31 billion alone centred on technology infrastructure.

As part of the [Memorandum of Understanding](#), the UK and US also announced a range of commitments on civil nuclear energy during President Trump’s visit. The agreement includes streamlining the regulatory approval process for licensing, facilitating commercial partnerships and addressing market access barriers. No progress was made on the elimination of steel and aluminium tariffs agreed under the Economic Prosperity Deal (EPD) in May. Within the EPD, the US agreed to remove a supplemental 25% tariff on UK origin steel and aluminium subject to UK compliance with US requirements on supply chain security.

Our full article on President Trump’s state visit to the UK and what it means for the UK-US trade corridor can be found [here](#).

US Announces New Sectoral Tariffs

The US has announced a series of new tariffs, targeting sectors which had been under investigation for unfair trade practices. In a [Presidential Action](#), the US introduced a 10% tariff on softwood timber and lumber, a 25% tariff on upholstered wooden products and a 25% tariff on kitchen cabinets and vanities. Due to the [UK-US Economic Prosperity Deal](#) (EPD) agreed in May, tariffs on imports of these goods from the UK will remain at 10%, while imports from the EU and Japan will continue to face 15% tariffs established under their trade deals with the US.

In a post on his Truth Social network, President Trump also announced a 100% tariff on [branded pharmaceutical products](#) imported into the US, unless the manufacturer is in the process of building manufacturing capabilities in the US. Under the EPD, the UK and US agreed a “significantly preferential” treatment for the UK pharmaceutical sector, however it is not immediately clear how the new tariff will be applied to the UK. Separately, within the [EU-US Framework Agreement](#), the US agreed to keep pharmaceutical tariffs on the EU capped at 15%.

UK-US Transatlantic Taskforce for Markets of the Future

Following President Trump’s visit, Chancellor Rachel Reeves, and US Treasury Secretary Scott Bessent announced further UK-US collaboration by establishing the Transatlantic Taskforce for Markets of the Future. The Taskforce will explore how capital markets, digital assets and innovative financial activities can be closer aligned to improve innovation and reduce barriers to cross-border capital raising. The taskforce will initially develop a set of recommendations with industry partners to enhance collaboration, reporting back to HM Treasury and the US Treasury within 180 days.

US Tariff Revenue from UK Exports

Between April and July this year, the US collected \$1.4 billion in customs duties on goods from the UK, compared to \$652.6 million across the whole of 2024. The latest US International Trade Commission data shows that since the US implemented increased tariff levels in April, the US has collected over \$95 billion in customs duty revenue from all countries, with imports from China alone accounting for over \$36 billion.

Between April and July, most goods entering the US were subject to a baseline 10% tariff rate (except those from China); however, in August the US implemented ‘reciprocal’ tariffs which vary by country. Under the UK-US Economic Prosperity Deal, most UK-origin goods will continue to face a 10% baseline tariff, with other key trading partners, including the EU, facing higher baseline tariff rates

WTO Fisheries Agreement

On 15 September, the WTO [Agreement on Fisheries Subsidies](#) officially entered into force, following the acceptance of the Agreement by two thirds of WTO members. The Agreement establishes new rules prohibiting subsidies to those engaging in a range of activities, including illegal, unreported and unregulated fishing. Under the Agreement, a ‘fisheries funding mechanism’ has also been established to help developing and least-developed countries build capacity and comply with the new rules. WTO members will also be expected to improve transparency.

The Agreement text was finalised in June 2022 but required the consent of two thirds of WTO members. Whilst most of the world’s largest economies have agreed to the rules, several have yet to accept them, including India, Mexico and Indonesia. The UK agreed to the text in December 2023.

UK -China Trade Talks

The UK’s Business and Trade Secretary, Peter Kyle, visited Beijing to co-chair the first UK-Joint Economic & Trade Commission (JETCO) since 2018. During the visit, the UK and China agreed to remove market access barriers which could increase trade by £1 billion over five years. Specific market access updates include a protocol allowing UK businesses to export pet food to China for the first time, approval for the UK to export cattle hides and sheep skins and cooperation to simplify testing and certification requirements for the automotive sector. Moving forward, both sides agreed to hold further discussions centred on improving bilateral services trade and cooperation on addressing market access barriers for the professional services sector. The UK government factsheet for the visit can be found [here](#).

Guidance for Businesses Trading with China

The UK government has [published](#) guidance for businesses and individuals seeking to trade and engage with China, including Hong Kong and Macao. China is one of the UK’s largest trading partners and the UK government is keen to support the private sector’s engagement by providing detailed information on the business environment and associated risks. Specific guidance published includes information on trade barriers, duties and intellectual property developments.

UK -Brazil Trade

UK Trade Minister Chris Bryant visited Brazil as the UK seeks to agree targeted trade deals in line with its revised approach to trade agreements outlined in the government’s Trade Strategy, [published](#) in June. During the visit, Bryant held talks with his Brazilian counterpart to progress partnerships on customs, regulatory practices and exports. Further discussions were also held on a Mutual Recognition Agreement for conformity assessment bodies and a statement of intent was signed to begin negotiations to mutually recognise authorised economic operators.

Bilateral trade with Brazil now stands at £12.3 billion and the UK government is seeking to grow and strengthen trade relationships with Brazil and Argentina. The government press release can be found [here](#).

Latest UK Trade Data

Total UK trade grew by 3.6% in the 12 months to July 2025, reaching £1.8 trillion according to the latest [UK trade statistics](#) released by the UK government. During this period, UK total exports grew by 2.8% to £894 billion, with total UK imports growing by 4.4% to £938 billion. The latest release also confirms services exports continue to grow in importance, now accounting for 59.6% of total UK exports, up from 56.6% in 2024, underlining the UK’s increasing reliance on services trade as a driver of export growth.

EMEA DBriefs – Global trade update

[Sign up](#) for Deloitte’s upcoming webcast on global trade, where we we’ll discuss the latest developments in global trade, how companies are adapting to tariffs and the implications for tax and transfer pricing.

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

