



Department for  
Business & Trade

# Review of extending the UK's 2021 Duty Suspensions

Summary of consultation responses and government response

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# Introduction

## Background

1. The UK Global Tariff (UKGT) is the UK's applied Most-Favoured-Nation (MFN) tariff regime. MFN tariffs apply to imports that do not qualify for preferential treatment under e.g. a Free Trade Agreement (FTA), the Developing Country Trading Scheme (DCTS) or where there is an exception such as a duty suspension in place.
2. Duty suspensions are temporary complete or partial reductions in the MFN rate for certain products and are legislated for under the Taxation (Cross-border Trade) Act 2018. In most cases, suspensions reduce the rate to 0%. Suspensions primarily support domestic manufacturing through reducing import costs for businesses, and so can help to increase their overall competitiveness. All importers of the products in scope can benefit from the reduced or 0% duty rate of suspensions.

## Existing suspensions

3. All current duty suspensions can be found using either the Trade Tariff lookup tool or by consulting the Suspension of Duty Rates Reference Document. Broadly suspensions can be categorised into three groups: (1) those rolled over from the EU; (2) those implemented in response to exceptional circumstances, and (3) those that have been applied for during public application windows.

**(1) Suspensions implemented when the UK was a member of the EU:** duty suspensions for products which previously existed in the UK under the EU suspensions regime have been carried over into the UK's regime. Approximately 2170 tariff suspensions have been retained, provided they came into force before, or as part of, the EU's July 2020 update to ensure continuity for UK businesses. All current duty suspensions rolled over from the EU regime, including EU ATQs changed to duty suspensions, were previously extended until 31 December 2028.

**(2) Suspensions implemented in response to exceptional circumstances:**

- **Coronavirus (COVID-19) critical products:** tariff suspensions were implemented on a number of medical items critical in the response to COVID-19 on 1 January 2021. Three suspensions were expired for goods where there have been no imports under the suspensions (5603 91 10, 2905 44 11 00 and 2905 44 99 00). This was based on HMRC raw customs data for the period January 2021 to August 2022. All remaining suspensions for Coronavirus critical products have been extended until 31 December 2028.
- **Sunflower-seed oil:** a tariff suspension was implemented on sunflower-seed oil on 1 January 2023 in response to supply chain disruption caused by Russia's illegal invasion of Ukraine. This was implemented with an expiry date of 31 December 2024. On 30 October 2024, the government

announced this expiry date will be extended to 30 June 2026.

**(3) Suspensions application windows:** Since 2021, the UK has invited stakeholders to apply for temporary tariff suspensions on three occasions:

- **2021 application window:** the first window ran between 1 June and 31 July 2021. As a result, 102 new suspensions came into effect in January 2023, most of which are in force until 31 December 2024.
- **2023 application window:** a second application window ran between 12 June and 6 August 2023. This brought new suspensions on 126 product lines into effect on 11 April 2024. These measures will remain in force until 30 June 2026, unless a decision is taken to extend them. As a result of applications made during the 2023 window, 24 suspensions implemented from the 2021 round have also been extended to 30 June 2026.
- **2024 application window and parallel public consultation on extending 2021 suspensions:** the third window ran between 8 May and 3 July 2024. The government is currently carefully assessing all applications. We expect to announce the outcome in early 2025. In parallel to this application window for new suspensions, the previous government set out its intention to roll over all 78 remaining suspensions implemented as a result of the 2021 window to 30 June 2026, and invited objections from the public. The government's response to that engagement is contained within this document.

## Policy objectives

4. Tariff suspensions are designed to help UK and Crown Dependency<sup>1</sup> businesses remain competitive in the global marketplace. They do this by suspending, either in whole or in part, UK Global Tariff import duties on certain goods, normally those used as inputs into domestic production processes.
5. When inviting applications in 2021, the following assessment criteria were set out:
  - the product a suspension is being sought on should not be traded between persons who are related parties (defined in [Regulation 8\(4\) of the Customs Tariff \(Suspension of Import Duty Rates\) \(EU Exit\) Regulations 2020](#)) in circumstances which would not enable other United Kingdom businesses to benefit from the suspension;
  - the same product (falling under the same commodity code) or similar products, should not be produced in the UK or Crown Dependencies, not produced in sufficient quantities, or production should be temporarily insufficient;<sup>2</sup>

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<sup>1</sup> The Crown Dependencies are the Bailiwick of Guernsey, the Isle of Man and the Bailiwick of Jersey.

<sup>2</sup> Products other than raw products are taken to be produced in the UK or a Crown Dependency if they are partly or wholly manufactured in the UK or a Crown Dependency. Simple assembly operations, repacking

- applicants should demonstrate that UK and Crown Dependency business(es) would have saved at least £10,000 in duties if the suspension had been in force the year prior to application; and<sup>3</sup>
  - the product subject to the suspension request should be used in a production process (such as inputs or capital equipment), or there is another specific temporary need that exceeds normal changes in demand and supply.<sup>4</sup>
6. Other relevant considerations were also taken into account, including:
- international arrangements to which the UK is a party (for example, free trade agreements)
  - factors such as:
    - the interests of consumers in the United Kingdom,
    - the interests of producers in the United Kingdom of the goods concerned,
    - the desirability of maintaining and promoting the external trade of the United Kingdom,
    - the desirability of maintaining and promoting productivity in the United Kingdom, and
    - the extent to which the goods concerned are subject to competition;
  - how other government policies may be affected by the proposed duty suspension (such as trade remedies);
  - any circumvention risks due to tariff reclassification.
7. The government has taken the above principles into account when assessing the extension of these measures. In coming to a decision, the responses received through the consultation, as well as its own internal analysis, was considered.

## What we asked

8. The consultation questionnaire was divided into six sections: **privacy questions, contact details, suspension details, domestic businesses producing an identical, equivalent, or substitutable product, provide further views on suspensions, and declaration**
9. Although the consultation centred around inviting objections to the extension of specific suspensions granted as part of the 2021 window, respondents could also express support for suspensions to be extended. If respondents were objecting to a suspension being extended, they were asked what reasons they had for this and asked to provide evidence.

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products, or preparing products for shipment or transportation would not be considered production processes.

<sup>3</sup> This criterion was relaxed during subsequent application windows, and was not considered when coming to a decision on extension.

<sup>4</sup> This criterion was relaxed during subsequent application windows, and was not considered when coming to a decision on extension.

10. A comprehensive list of all the questions asked as a part of this public consultation is available in **Annex A**.

## **This report**

11. This report provides a summary of the responses received throughout the public consultation on the extension of the 2021 duty suspensions, and the government's response. The views provided in these responses have been carefully considered and analysed.
12. Some points raised fell outside the scope of this consultation. However, they have still been included in the statistical analysis where appropriate.
13. Respondents were not required to answer every question that was posed in the consultation response form.
14. This document does not contain a list of the respondents or any personal or organisational details. Views have been summarised and are not attributable to any individual respondent or business. The responses are considered equally in the summary results to each question.
15. The government does not intend to publish any individual consultation response to ensure confidentiality. Organisations may publish their own responses independently.

## **Summary of consultation responses**

### **Overview of the responses**

16. The consultation received 19 responses, all submitted via the consultation response form published on GOV.UK. These responses were submitted by eight different respondents, representing eight businesses.

### **Summary of respondent sectors**

17. Respondents submitted views on suspension applications relating to the following business sectors:

- Chemicals
- Automotive
- Paint Pigments
- Metals

18. The most responses received were related to Chemical products (8), which were closely followed by responses related to suspensions on paint pigments (6) and metals (4). There was one response regarding an automotive product.

*Table 2: Total number of public consultation responses per sector*

Respondent sector	Number of respondents	Number of responses	Responses as a percentage
Chemicals	4	8	42%
Automotive	1	1	5%
Paint Pigments	2	6	32%
Metals	2	4	21%
Total number of responses	8	19	100%

## Responses to consultation

19. Respondents were asked at Question 10 if they were content for the suspension they were responding about to be extended until 30 June 2026. Seven respondents stated that they were content for 17 suspensions to be extended until 30 June 2026. One respondent expressed that they had an objection to the extension of two suspensions.

*Table 1: Breakdown of consultation responses received*

Type of response	Number of respondents	Number of responses
Content for a suspension to be extended	7	17
Not content for a suspension to be extended	1	2
Total number of responses	8	19

20. Respondents were asked in Question 12 whether they were aware of any producer based in the UK or Crown Dependencies that produced the same product. The respondent who stated they were not content for two suspensions to be extended indicated that they were aware of inputs to the products to which the suspensions relate being produced within the UK or Crown Dependencies.

21. The respondent who answered that they were aware of existing or planned domestic production then completed questions 13 to 18. A summary of the sentiment of these responses is outlined in the following section.

## General sentiment on the extension of 2021 duty suspensions

22. The two objections received from the same respondent related to suspensions for aluminium products. A separate response was received to the same two aluminium suspensions, which were in favour of these being extended until 30 June 2026.

23. Question 11 asked why respondents were objecting to this suspension being extended until 30 June 2026. This question was only answered by one respondent who was **not** in favour of the suspension of two aluminium products being extended. They cited the following reasons:

- existing domestic production of materials constituting part of the aluminium products suspended;
- potential for unfair competition from non-EU exporters of aluminium, which may detrimentally impact those who source imports from the EU under the UK-EU Trade and Cooperation Agreement (TCA); and
- a potential increase in CO2 footprint in the aluminium industry, which would go against UK commitments to address carbon intensity.

24. The suspension extensions which were objected to in the consultation were granted in the 2021 suspension window on the specific products defined below. Importers must demonstrate their imports meet these specifications in order to utilise the suspension.

*Table 2: Summary of products objected to*

Commodity code	Suspension description
76061211	Sheets of cold-rolled aluminium alloys: - with a minimum tensile strength of 270 MPa or more but not more than 320 MPa - with a width of 692mm or more but not more than 1579mm - with a thickness of 0.240mm or more but not more than 0.272mm for use in the manufacture of beverage cans.
76061219	Sheets of cold-rolled aluminium alloys: - with a minimum tensile strength of 375 MPa or more but not more than 420 MPa - with a width of 1463mm or more but not more than 1468mm - with a thickness of 0.208mm for use in the manufacture of beverage cans.

## Government response to the consultation

25. The vast majority of respondents (7 out of 8) and responses (17 out of 19) received through the consultation are in favour of an extension to 30 June 2026.

26. The government appreciates that concerns have been raised through two objections on aluminium products. The government considered the objections made, assessed the evidence available, and took into account the range of considerations outlined in the section above. Having assessed the level of imports of these products following the implementation of the suspensions on 1 January 2023, the government found the total imports of these types of aluminium from all partners to have decreased by 18%, with a larger decrease from non-EU countries.

27. The government announced on 30 October 2024 that all 78 remaining suspensions from the 2021 application window are now extended to 30 June 2026.



28. The government will keep these levels of imports under review throughout the duration of extension of these measures.

## **Next steps**

29. The government has carefully considered the responses to the consultation which have informed our approach to extending the 2021 duty suspensions. We will proceed to amend the Taxation (Cross-border Trade) Act 2018 through The Customs (Tariff and miscellaneous Amendments) (No. 3) Regulations 2024. This will legally extend the remaining 78 suspensions, due to expire by 31 December 2024, until 30 June 2026. This legislation will enter into force by 1 January 2025.

30. The tariff suspensions team is grateful to those who took the time to respond to the consultation. The government will continue to engage and consider views from relevant stakeholders in the development of the UK's tariff policy.

## Annex A: Consultation questions

### Section 1: Privacy and confidentiality questions

Q1: *If you are including any personal information of third parties in the application, have you received their permission to do so? [MCQ, one answer possible - mandatory].*

- Yes
- No
- Not Applicable

Q2: *Please use the space under this question to let us know if you want the information you provide to be treated confidentially. Please be aware that, in accordance with the Freedom of Information Act 2000, public authorities are required to comply with a statutory code of practice which deals, amongst other things, with obligations of confidence. If we receive a request for disclosure of information that has been provided, we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. If you select "yes", please use the text entry box to be as specific as possible. [Y (with additional free text box option)/N/not applicable - not mandatory].*

### Section 2: Contact details

*Please provide contact details for all participants below. If you are submitting this form on behalf of UK or Crown Dependency business/es that produce the product concerned (or a similar one), please also provide their details below.*

Q3: *Please provide full name(s). [Free text box – mandatory].*

Q4: *Please provide name of organisations(s). [Free text box – mandatory].*

Q5: *Please provide email address(es). [Free text box – mandatory].*

Q6: *Please provide telephone number(s). [Free text box – mandatory].*

### Section 3: Product details

*In this section, you should provide us with details about the suspension to which you would like to submit your views, as well as the related product. Please refer to the list of 2021 suspensions published on GOV.UK [insert link] to find this information.*

*Please answer questions 7 to 18 for one suspension only. At question 19, you will be asked if you wish to provide views on further suspensions. If you select "yes", the progress you have made so far will be saved, and you will be re-directed to complete questions 7 to 18 for the additional suspension.*

*You may repeat this process to apply for up to five suspensions per application. If you wish to provide views on more than five suspensions, please submit your current form once completed and begin a new form for the further suspensions.*

Q7: *Please provide application ID. This will be in the form "SUS\_X". [Free text box – mandatory].*

Q8: Please provide commodity code. [Free text box – mandatory].

Q9: Please provide product description. [Free text box – mandatory].

Q10: Are you content for the suspension to be extended until 30 June 2026? [Y/N – mandatory].

Q11 (pop-up if “no” is selected in response to Q10): Please explain why you are objecting to this suspension being extended until 30 June 2026.

Please make reference to the assessment criteria as listed on [GOV.UK](https://www.gov.uk) where relevant to your objection, as well as any other impacts that a duty suspension might have.

Please provide as much detail as possible. [Free text box – mandatory].

#### **Section 4: Domestic businesses producing an identical, equivalent, or substitutable product**

Q12: Are you aware of any producer based in the UK or Crown Dependency that produces the same product (falling under the same commodity code) or similar product? Please select “yes” if you are aware of plans for future production [Y/N - mandatory].

If “yes” is selected in response to Q12, the following questions will appear:

Q13: Please provide names of organisation(s) based in the UK or Crown Dependency that produce(s) the same or similar product. [Free text box – mandatory].

Q14: Please describe the product that this organisation produces which is relevant to this objection [Free text box – mandatory].

Q15: Please explain why you consider this product to be the same as, or similar to, the product applied for in the application window, to which you are objecting [Free text box – mandatory].

Q16: Please provide supporting literature, such as a product datasheet or brochure, that includes a product specification when submitting your application. [File upload options – not mandatory].

Q17: If known, please provide production capacity of the product available for the market (e.g. not bound in-house or by contracts) in the calendar year 2022.

Figures should be reported in the same format as would be required on customs declarations, or as defined in the UK Global Tariff. Weight is ordinarily declared in KG. [Free text box – mandatory].

Q18: If known, please provide anticipated production capacity of the product available for the market for the calendar year 2024. Figures should be reported in the same format as would be required on customs declarations, or as defined in the UK Global Tariff. Weight is ordinarily declared in KG. [Free text box – mandatory].

#### **Section 5: Provide views on further suspensions**

Q19: Do you wish to provide views on further suspensions?

*Please note that if you select “yes”, the progress you have made so far will be saved, and you will be re-directed to complete questions 7 to 18 for the additional suspension. You may repeat this process to apply for up to five suspensions per application. If you wish to provide views on more than five suspensions, please submit your current form once completed and begin a new form for the further suspensions.*

## **Section 6: Declaration**

*By signing below, I certify I have read the privacy notice and that the information provided in this form and supporting attachments is complete and correct.*

- *E-signature [Free text box – mandatory].*

*You have now completed all stages of the form. By clicking to the next page, it will be submitted. Please ensure you are content with your form before moving to the next page.*

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