

Department for International Trade

Department for Business, Energy & Industrial Strategy Lord Grimstone of Boscobel, Kt Minister for Investment

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Dear Anne,

12th October 2020

I would like to thank you for your continued contributions to day 3 of the Grand Committee for the Trade Bill. We heard a wide range of important comments from Noble Lords.

I resolved to follow up with you directly following your contributions to amendment 84, where you raised questions on the status of the Airbus and Boeing trade disputes. From the beginning, the UK has pressed for a fair and balanced settlement to these disputes. The Government continues to take a robust line with the US, our European Partners and the EU to support a negotiated settlement. We expect the EU to be granted retaliatory rights with respect to the Boeing dispute imminently. Once awarded, we believe this put increasing pressure on the US to settle and we can finally put an end to these disputes.

In Grand Committee, you also outlined the impact of US tariffs on Scottish Whisky. I share your disappointment that the US continues to apply punitive tariffs resulting from the Airbus dispute. During the Secretary of State's visit to the US in early August, she pressed Ambassador Lighthizer for a resolution to the disputes and lobbied against additional tariffs being imposed on UK products as part of the US review. Whilst the removal of shortbread has alleviated some of the pressure on Scottish industry, I appreciate that this announcement does not address existing unnecessary tariffs on products like Single-Malt Scotch whisky. Please be assured that the Secretary of State continues to raise the issue of tariffs with the US administration at every opportunity and is stepping up talks with Ambassador Lighthizer to remove these punitive tariffs as soon as possible

This government is fully committed to working closely and constructively with the Devolved Administrations. We have kept in exceedingly close contact with them as the Airbus and Boeing disputes have developed, including discussions at the most recent Ministerial Forum for Trade in July and regular official-level briefings. Additionally, while we approach the end of the Transition Period, we look forward to working constructively with the Devolved Administrations to ensure all UK interests are fully represented at the World Trade Organization.

I have placed a copy of this letter in the libraries of both Houses.

Yours sincerely,

Sem Sitos

Lord Grimstone of Boscobel, Kt Minister for Investment Department for International Trade Department for Business, Innovation & Industrial Strategy