

Lord Sharpe of Epsom  
House of Lords  
London  
SW1A 0PW

T: +44 (0) 020 4551 0011  
E: [baronessjones.correspondence@businessandtrade.gov.uk](mailto:baronessjones.correspondence@businessandtrade.gov.uk)  
W: [www.gov.uk/dbt](http://www.gov.uk/dbt)

22 July 2025

By email: [sharpea@parliament.uk](mailto:sharpea@parliament.uk)

Dear Andrew,

Thank you for your engagement on the UK-US Economic Prosperity Deal on 14<sup>th</sup> May. You asked about the meaning of preferential treatment, the impact of a UK-US deal on relations with other international trading partners, the defence industry and additional agreements on certain industrial goods, and I committed to write to you on these points. Please accept my apologies for the delay in coming back to you.

On the meaning of preferential treatment as included in the General Terms towards the UK-US Economic Prosperity Deal, this agreement commits the US to negotiate preferential outcomes on any future tariffs imposed by the US. We have agreed that either country can request changes to the deal to ensure it continues to remain mutually beneficial and supports our commitment to fair, reciprocal trade.

On the impact of a UK-US Economic Prosperity Deal with other strategic partners, including on future negotiations on sectors included in the deal, this is not a choice between allies. We have been clear that choosing between the EU and the US is a false choice, and the UK can do both – improving our trading relationship with Europe, while agreeing deals with the US and other nations. On China, in line with our long-term, consistent approach, trade and investment with China remain important to the UK. We are continuing to engage pragmatically in areas that are rooted in UK and global interests and co-operate where we can, compete where we need to, and challenge where we must.

On the defence industry, the US and UK share a deep partnership on trade and defence. We are continuing to work with the US to ensure the agreement to remove the 25% tariffs on UK steel, aluminium and derivatives can be implemented as soon as possible and in the best interests of the UK industry. Due to the Economic Prosperity Deal, the UK was the only country to be made exempt from the 50% tariffs on steel and aluminium that other countries around the world now face. The UK is able to fill supply chain gaps in the US with specialist steel and aluminium products that cannot be served by US domestic sources - ultimately supporting UK and US manufacturing and defence.

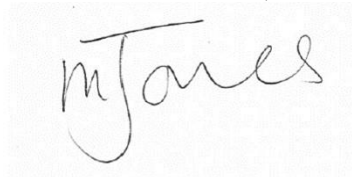
On the commitment contained in the General Terms to negotiate additional agreements across certain industrial goods, and its relation to the Product Regulation and Metrology Bill: as Lord Leong and Lord Hunt outlined during debates in the House of Lords, the Bill

provides powers to update our domestic product regulation framework to meet the interests of UK businesses and consumers. The Bill does not cut across provisions that the UK has negotiated, or may negotiate, with trade partners.

I hope this response gives you the reassurances you need and thank you again for engaging on this important issue.

A copy of this letter will be deposited in the libraries of the House.

Best wishes,

A handwritten signature in black ink, appearing to read 'm Jones', is centered below the text 'Best wishes,'. The signature is written in a cursive, flowing style.

**BARONESS JONES OF WHITCHURCH**

Parliamentary Under-Secretary of State (Minister for Legislation)  
Department for Business and Trade