

Voluntary Report – Voluntary - Public Distribution

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Report Name: UK Tariff Suspensions - July 2026 Update

Country: United Kingdom

Post: London

Report Category: Country/Regional FTA's, Trade Policy Incident Report, Trade Policy Monitoring, WTO Notifications, Third Country Influence, Agricultural Situation

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Report Highlights:

On July 13, the UK Department for Business and Trade (DBT) announced the outcome of its 2025/2026 business application window for duty suspensions. The outcome includes a suspension on Urea Ammonium Nitrate (UAN) fertilizer, a U.S. fertilizer export to the United Kingdom (UK). The suspension is expected to save millions for UK consumers and boost U.S. exports. The announcement also includes suspensions on an additional 21 agricultural products, covering approximately \$145 million in U.S. trade and providing over \$17 million in tariff savings. These suspensions take effect August 5 and will remain in place through December 31, 2028. Separately, the outcome of the parallel "Cost of Living" tariff suspension package, covering roughly 125 everyday food products, as well as fertilizer and kerosene, is expected imminently.

Summary

On July 13, the UK's DBT announced the results of the 2025/2026 business duty suspension application window, which opened November 26, 2025, and closed February 4, 2026. The window received 111 applications covering 176 products.

Among the outcomes, DBT approved a tariff suspension on UAN fertilizer. This suspension will provide millions of dollars in tariff savings, supporting increased U.S. exports of UAN to the UK. Beyond fertilizer and industrial products, the announcement includes duty suspensions on carrots, dried apples, and soybean oil, among others – covering \$145 million in trade with over \$17 million in potential tariff savings for UK consumers and U.S. exporters. All products included in this announcement will be tariff-free beginning August 5, 2026, through December 31, 2028, consistent with the UK's established practice of extending suspensions in tranches for multiple years.

The UK Government has indicated that the outcome of a parallel "Cost of Living" package of tariff suspensions is expected imminently. That package is anticipated to apply to approximately 125 everyday food products, as well as fertilizer and kerosene.

The "Cost of Living" Tariff Package

On March 24, 2026, Chancellor Rachel Reeves announced the government would consider targeted tariff suspensions on agricultural and food products to help lower food prices for UK consumers. On April 30, 2026, the government announced an initial suspension of tariffs on a first tranche of agri-food products, including select fruits, fruit juices, pasta, couscous, and tuna, set to expire December 31, 2028.

On May 20, 2026, the UK published the initial technical rollout of the "Great British Summer Savings" package, detailing agri-food products (including pasta, couscous, tuna, and citrus fruits) that would have global import tariffs suspended from June 21, 2026, through December 31, 2028. The package also introduced a one-third reduction in domestic fuel taxes (not an import duty) on diesel used by agricultural producers, effective June 15, 2026, to support UK farmers.

A second tranche, covering approximately 125 "everyday essentials," including biscuits, chocolate, and dried fruits and nuts, was opened for public consultation through June 24, 2026. If approved, this second list could affect approximately \$168 million in U.S. exports to the UK, with an estimated \$14 million in associated tariff savings. The UK also sought input on potential fertilizer and kerosene tariff suspensions as part of this same package.

The "Cost of Living" package runs on a separate, parallel track from the regular business suspension process (which produced the July 13 outcome), and that the 2 processes should not be conflated despite overlapping product categories and timelines.

Timeline

- November 26, 2025, through February 4, 2026: 2025/2026 business duty suspension application window open; 111 applications received, covering 176 products.
- March 24, 2026: Chancellor Reeves announces intent to pursue cost-of-living tariff suspensions.
- April 30, 2026: First tranche of "Cost of Living" agri-food suspensions announced (fruits, fruit juices, pasta, couscous, tuna).
- May 20, 2026: "Great British Summer Savings" package technical rollout published; diesel used by agricultural producers (aka "red diesel") duty reduction effective June 15.
- May 21 through June 24, 2026: Public consultation on second "Cost of Living" tranche (125 everyday essentials) and fertilizer/kerosene suspensions.
- July 13, 2026: DBT announces outcome of 2025/2026 business suspension window, including UAN fertilizer and 21 agricultural products.
- August 5, 2026: New suspensions from the July 13 announcement take effect.
- December 31, 2028: Expiration date for suspensions announced July 13, 2026 (pending further review).
- Imminent: Outcome of parallel "Cost of Living" package expected.

Attachments:

No Attachments.