

US to suspend some Boeing-Airbus retaliatory UK tariffs

4 March 2021, by Joe Jackson



The four-month tariffs suspension will freeze a 25 percent surcharge on Scotch whisky as well as hefty duties on cashmere, machinery and other US-bound British exports.

Britain and the United States said Thursday they had agreed that Washington will temporarily suspend retaliatory tariffs on various UK goods and jointly de-escalate the longstanding fight over Boeing and Airbus subsidies.

The four-month tariffs suspension will freeze a 25 percent surcharge on Scotch whisky as well as hefty duties on cashmere, machinery and other US-bound British exports.

In a joint statement, the trans-Atlantic allies said the deal will "allow time to focus on negotiating a balanced settlement to the disputes".

They added it would also let them "begin seriously addressing the challenges posed by new entrants to the civil aviation market from non-market economies, such as China".

The agreement follows Britain's unilateral decision to suspend its retaliatory tariffs against the United

States from January, which it said was "a show of good faith" to prevent more duties and allow for talks.

"I am delighted to say that our American allies—under their new President and his hard-working staff at the US Trade Representative—have embraced our move to seek a fair settlement," International Trade Secretary Liz Truss said.

"The benefits will be felt across our nation, especially in Scotland, where Scotch whisky distillers will be able to sell at lower prices in the United States, their most valuable market."

Hefty duties

Britain's departure from the European Union's trading regime at the start of this year allowed the country to strike the bilateral agreement with Washington.

The 16-year-old conflict over government aid to the competing US and European aircraft manufacturers predates Brexit and has seen Brussels and Washington each impose punitive tariffs.

Europe's Airbus welcomed the US-UK deal, saying that it "supports all necessary actions to create a level-playing field".

The aircraft-maker added it "continues to support a negotiated settlement of this long-standing dispute to avoid lose-lose tariffs".

The trans-Atlantic trade feud saw US duties put on a record \$7.5 billion (6.2 billion euros) in European goods authorised by the World Trade Organization.

APA citation: US to suspend some Boeing-Airbus retaliatory UK tariffs (2021, March 4) retrieved 10 May 2021 from <https://techxplore.com/news/2021-03-boeing-airbus-retaliatory-uk-tariffs.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.