

UK-US tariff deal: The new opportunity for food and drink

01 July 2025 Rachel Lyne



In a move which allows the UK to join a group of select countries such as Australia, negotiations between the UK and US have resulted in the countries agreeing to allow the import of up to 13,000 metric tonnes of beef from the other, which would significantly expand the US's sale of beef to the UK.

The new opportunity

1. Trade

Previously, this trade faced 20% duties and was capped at 1,000 metric tonnes. The US said the deal would create a £3.8bn opportunity for exports, including \$250m in agricultural products.

2. Food standards

However, the UK has said that, whilst this gives British farmers unprecedented access to the US market, there will be no weakening of food standards for imports - this demonstrates the UK's alignment with EU regulations over the US.

3. Ethanol

In addition, the UK has agreed to remove the tariff on ethanol. This gives the US access to 1.5 billion litres of ethanol, duty-free.

British farmers have raised concerns over this, as biofuels such as ethanol are vital for the growing of crops and domestic demand is high - up to two million tonnes are required every year to support arable farming and to produce up to 1 million tonnes of animal feed. Therefore, there is concern that removing the tariff on ethanol could result in a loss of profit for British arable farmers.

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