

News story: Operational note for UK industry: US steel and aluminium tariffs

Background:

Following an announcement of steel and aluminium tariffs under the Section 232 of the US Trade Expansion Act of 1962 earlier this year, the UK Government has worked extensively with the United States (US) and European Union (EU) counterparts to secure an EU wide exemption.

We are therefore deeply disappointed at the unjustified decision by the US yesterday to apply tariffs to EU steel and aluminium imports. The UK and other European Union countries are close allies of the US and should be permanently and unconditionally exempted, any claim that UK steel and aluminium imports harm US national security is without foundation.

The Prime Minister and Secretary of State for International Trade, Liam Fox, have made clear to the US Government at the highest levels the importance of UK steel and aluminium to its businesses and defence projects.

Whilst we will continue to press for a permanent EU exemption from these tariffs, we also recognise that industry will be deeply concerned by their immediate impact. We have set out below the process to apply for product exemptions from tariffs and the Department for Business, Energy and Industrial Strategy (BEIS) will be holding a meeting with industry on Tuesday to share information and advice on how they can best navigate the procedure.

In parallel, we will support UK industry, by continuing to press the case for UK products to secure exemptions through this process. The Secretary of State for International Trade spoke to US Commerce Secretary Wilbur Ross, who is leading the product exemption process, on Thursday, and raised with him the importance to the UK of protecting its businesses.

We will also continue to work with the EU, while we remain an EU Member State continuing to engage with both the European Commission and other EU Member States. We must abide by EU trade decisions, and any EU response will be coordinated by the Commission covering all 28 Member States. We will support EU efforts to secure the swiftest possible action to safeguard industry from the knock-on effects of other countries diverting US exports into the EU.

In addition, the government will be working with the EU to shape a measured and proportionate response, in line with World Trade Organisation rules, to the impact of the US tariffs. We continue to believe that a multilateral approach, not least in the framework of the Global Forum on Steel Overcapacity, remains the best way to address structural problems in the global steel market. An escalating trade dispute between the US and EU will harm consumers and industries on both sides. We will continue to liaise with

all industries involved to reflect their concerns.

OPERATIONAL NOTE

The Response to US Tariffs from the European Union

While we remain a member of the EU, the European Commission will be coordinating the EU response.

The EU has taken steps to facilitate three possible courses of action:

- Under Article 8 of the WTO Safeguards Agreement the EU believes it is entitled to introduce duties on the US to rebalance the harm caused by US tariffs – these duties are known as ‘countermeasures’ or ‘rebalancing measures’. Under WTO rules, the EU must notify the WTO of its list of potential countermeasures and then wait at least 30 days before triggering tariffs. The list is made up of 103 steel and 8 aluminium product lines, and a range of other products.

Following a unanimous vote by Member States, the EU notified the WTO of its potential list on 18 May, and could therefore trigger tariffs on this list of products from 20 June. The Commission is required to seek Member State approval a second time in order for any of the countermeasures to come into effect. The date of this vote is yet to be determined by the Commission.

- An investigation towards possible imposition of ‘safeguard’ measures on steel was launched on 26 March. Safeguards are measures used to protect domestic industry from injury caused by unforeseen surges in imports. They act as a safety valve and provide industry with some breathing space to adjust to increased imports.

The Commission has nine months to decide whether safeguard measures will be necessary. This decision could also be taken much earlier in the proceedings, if the investigation confirms the necessity for swift action. The Commission has also put in place a surveillance system for imports of aluminium to be prepared in case action will be required in that sector.

- On 1 June, the EU launched a WTO dispute challenging US steel and aluminium tariffs.

Product exemptions from steel and aluminium tariffs

The tariffs imposed under Section 232 of the US Trade Expansion Act of 1962 include provision for individual companies to seek an exemption for their products. This process is being led by the US Commerce Department. DIT and BEIS have been supporting UK firms to appeal for exemptions under this process and will continue to do so. The issue was raised by Trade Secretary Liam Fox with US Commerce Secretary Wilbur Ross on Thursday 31 May.

Details on the process for seeking product exemptions are outlined below:

- On March 18th the US [Department of Commerce announced](#) that it would

oversee a process to allow requests for excluding products from steel and aluminium tariffs. Commerce published a notice on the '[Federal Register](#)' setting out the process

- All exclusion requests must be in electronic form and submitted to the Federal rulemaking portal www.regulations.gov.
- Only companies with business activities in the US can apply. This means UK firms without a presence in the US cannot apply directly to Commerce for a product exemption and firms will need to work with the end users of their products in the US to apply for the for a product exemption.
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- Approved product exemptions will only apply to the US firm applying, i.e. even if the producer is the same each end user must apply separately.
- All the information is on the regulations.gov website along with the [guide](#) and [application form](#).
- The data required for application is detailed and must demonstrate that the product is not readily available in the US.
- Each request will be posted online for 30 days for comment.
- Processing of exclusion requests normally will not exceed 90 days, including adjudication of objections submitted on exclusion requests.

Government support

The Government will continue to press the US for an EU wide exemption from these unjustified tariffs. The Government will also make representations to the Commerce Department to process applications for product exemptions promptly. UK firms will lead on liaising with their US customers on submitting the applications for product exemptions.

To support UK firms, the Department of Business Energy and Industrial Strategy has shared from a US legal firm advice on seeking product exclusions and has also invited industry to a meeting on Tuesday to discuss matters further.

[News story: Aviation Minister visits Inverness Airport to welcome increased connectivity for the Highlands](#)

A series of new routes opening up from Inverness Airport this summer will provide an economic boost for the region.

New flights operating from Inverness to Bergen, Zurich and Majorca will offer

passengers new destination options as well as export opportunities for local businesses.

Daily flights to Heathrow from the airport saw 79,000 passengers travelling on the route in 2017. This figure is projected to increase in 2018 with the number of weekly flights set to increase from 7 to 10 over the summer.

This important route boosts the export of goods and services by businesses, gives passengers access to the wide range of destinations offered from Heathrow and opens up the Highlands for visitors from across the world.

Today (1 June 2018) the Aviation Minister met leading businesses in Inverness to discuss how the Highlands could see even greater connectivity with Heathrow expansion.

Aviation Minister Baroness Sugg said:

With new destinations and increasing numbers of passengers passing through its terminal, Inverness Airport is going from strength to strength.

With up to 15% of new slots at an expanded Heathrow reserved for domestic flights, it would deliver even more opportunities for greater connectivity across Scotland, benefitting both passengers and businesses.

We've already seen a big increase in tourism and exports following the introduction of a new Heathrow flight in 2016, and we want the vibrant city of Inverness to see an economic boost through the growth of its high performing businesses and more visitors to the cultural capital of the Highlands.

Inverness and other Scottish airports could benefit from strengthened routes to Heathrow with expansion which improve connectivity for passengers and businesses and boost the regional economy.

Goods and services exported from Scotland valued a total of £29.8 billion through over 12,000 exporters last year.

And the latest figures show Inverness Airport's total passenger numbers increased by 92,000 last year, further illustrating the airport's popularity and increasingly important role as a driver for the Highland region and economy.

Today the minister met the Inverness Chamber of Commerce and businesses such as Jacobite Cruises and Gordon & MacPhail whisky and distillery to discuss the growing strength of the airport and how to boost connectivity to the Highlands.

HIAL managing director Inglis Lyon, said:

We very much welcome the minister's visit to Inverness to see for herself the work being undertaken to further improve connectivity and nurture sustainable growth. It is vital for the entire Highland region that the Heathrow link continues to thrive. We very much appreciate the opportunity to explain to the minister the importance of continued investment in aviation and associated infrastructure to maintain growth, not just in the airport, but for the wider Highland economy.

When the Heathrow flight was reintroduced in 2016 we were confident of its success and the impressive increase in passenger numbers in the years since its reintroduction shows that demand is very much there. Only by continued investment in services and infrastructure will be secure our future growth.

Following the launch of a route between the Scottish airport and Heathrow in 2016, the city has benefited from more than £8 million per year as a result of tourism according to the Inverness Chamber of Commerce.

Jacobite Cruises, the longest running cruise company on Loch Ness, reported a 12% rise in visitors just 4 months after the daily air service between Inverness and Heathrow was introduced.

The government remains on track to lay a final Airports National Policy Statement before Parliament for a vote in the first half of this year, subject to consideration of 80,000 consultation responses and the recommendations of the Transport Select Committee.

Aviation and maritime media enquiries

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[News story: Prime Minister appoints British Museum Trustee](#)

Sir Charlie Mayfield became the John Lewis Partnership's fifth Chairman in March 2007 after joining the Partnership in 2000 as Head of Business

Development, responsible for business strategy and development for both John Lewis and Waitrose. Charlie joined the Board as Development Director in 2001 and was responsible for developing the Partnership's online strategy. He became Managing Director of John Lewis in January 2005 prior to taking up his appointment as Chairman of the Partnership in March 2007.

Charlie began his career as an officer in the army. He joined SmithKline Beecham in 1992 and became Marketing Manager for the Lucozade brand, before moving to McKinsey & Co in 1996, where he worked with consumer and retail organisations.

Charlie is Chair of the Productivity Leadership Group and is the President of the Employee Ownership Association. He is also a Trustee of Place2Be and a Director of FabIndia, and Non-Executive Chairman of QA. He received a knighthood in June 2013 for services to business.

The role is not remunerated. This appointment has been made in accordance with the [Cabinet Office's Governance Code on Public Appointments](#). The appointments process is regulated by the Commissioner for Public Appointments. Under the Code, any significant political activity undertaken by an appointee in the last five years must be declared. This is defined as including holding office, public speaking, making a recordable donation, or candidature for election. Charlie has declared no such political activity.

[News story: Historic England Commissioner Reappointment](#)

Martin Daunton is Emeritus Professor of Economic History at the University of Cambridge. He was Astor Professor of British History before moving to Cambridge in 1997, where he was Professor of Economic History from 1997 to 2015, Master of Trinity Hall from 2004 to 2014 and Head of the School of Humanities and Social Sciences from 2012 to 2015. He was President of the Royal Historical Society from 2005 to 2008, and he has experience in the world of heritage as a former Trustee of the National Maritime Museum and chairman of the Fitzwilliam Museum. He has written extensively on modern British history since the eighteenth century, including the history of cities and the built environment, as well as public finance. He is currently writing a book on the governance of the world economy since the Great Depression. He has been a Commissioner from 2014 to 2018, and is deputy chair of the Historic England Advisory Committee and chair of the Designation Review Committee.

This role is remunerated at £4,133 per annum. This appointment has been made in accordance with the [Cabinet Office's Governance Code on Public Appointments](#). The appointments process is regulated by the Commissioner for Public Appointments. Under the Code, any significant political activity

undertaken by an appointee in the last five years must be declared. This is defined as including holding office, public speaking, making a recordable donation, or candidature for election. Martin has declared he previously helped at an election and delivered leaflets in support of a his wife's campaign to become a District Councillor.

News story: Charity Commission Board Member Extension

Mike Ashley is a Non-executive Director and Chair of the Audit Committee of Barclays PLC. He is also the Non-executive Chair of the Government Internal Audit Agency and his other current appointments include membership of the International Ethics Standards Board for Accountants and the Ethics Standards Committee of the Institute of Chartered Accountants in England and Wales. Mike was formerly Head of Quality and Risk Management, KPMG Europe LLP and has more than 20 years' experience as an audit partner for several large financial services groups (most recently HSBC Holdings and Standard Chartered PLC) and for the Bank of England.

This role is remunerated at £350 per day. This appointment has been made in accordance with the [Cabinet Office's Governance Code on Public Appointments](#). The appointments process is regulated by the Commissioner for Public Appointments. Under the Code, any significant political activity undertaken by an appointee in the last five years must be declared. This is defined as including holding office, public speaking, making a recordable donation, or candidature for election. Mike has declared no such activity.