

**EXPLANATORY MEMORANDUM TO**  
**THE TRADE REMEDIES (AMENDMENT) REGULATIONS 2024**

**2024 No. 545**

**1. Introduction**

- 1.1 This explanatory memorandum has been prepared by the Department for Business and Trade and is laid before the House of Commons by Command of His Majesty.
- 1.2 This memorandum contains information for the Select Committee on Statutory Instruments.

**2. Declaration**

- 2.1 Greg Hands, Minister of State, at the Department for Business and Trade can confirm that this Explanatory Memorandum meets the required standard.
- 2.2 Re Hobley, Deputy Director for Trade Remedies, at the Department of Business and Trade can confirm that this Explanatory Memorandum meets the required standard.

**3. Contact**

- 3.1 David Smalley at the Department of Business and Trade Telephone: +44(0)7551 679 343 or email: david.smalley@businessandtrade.gov.uk can be contacted with any queries regarding the instrument.

**Part One: Explanation, and context, of the Instrument**

**4. Overview of the Instrument**

*What does the legislation do?*

- 4.1 The purpose of this instrument is to make amendments to the UK's trade remedies system.
- 4.2 The changes made by this instrument provide more flexibility and decision-making powers for Ministers. The instrument also makes consequential amendments to the trade remedies reconsideration and appeals process.
- 4.3 The changes in this instrument maintain the Trade Remedies Authority's expert independent analytical and investigative role, while also giving Ministers greater power to look at wider public interest considerations and flexibility to make decisions that balance the interests of UK producers, importers and consumers.

*Where does the legislation extend to, and apply?*

- 4.4 The extent of this instrument (that is, the jurisdiction(s) in which the instrument will form part of the law) is England and Wales, Scotland and Northern Ireland. Trade remedies measures under the Taxation (Cross-border Trade) Act 2018 (TCBTA) would usually take the form of an additional amount of import duty and are therefore a matter of reserved competence.
- 4.5 The territorial application of this instrument (that is, where the instrument produces a practical effect) is the United Kingdom.

## **5. Policy Context**

### *What is being done and why?*

- 5.1 The Government is making changes to the UK's trade remedies framework to ensure it has the tools needed to balance the interests of UK producers, importers and consumers, while also protecting the UK from unfair international trading practices and unforeseen surges in imports. This is the second tranche of changes and relates to safeguard investigations, dumping and subsidy investigations and also includes consequential changes to the reconsiderations and appeals process. Plans to change the UK's trade remedies framework were originally announced by the Government in June 2021.

### *What was the previous policy, how is this different?*

- 5.2 The changes in this instrument maintain the Trade Remedies Authority's expert independent analytical and investigative role, while also giving Ministers greater power to look at wider public interest considerations and flexibility to make decisions that are in the public interest. The Trade Remedies Authority investigates allegations of dumping, subsidisation and unforeseen surges in imports, and provides objective, independent and evidence-based advice to Ministers on whether or not to apply a trade remedy measure.

## **6. Legislative and Legal Context**

### *How has the law changed?*

- 6.1 This instrument allows for a greater flow of information between the Trade Remedies Authority and the Government and provides greater flexibility for the Government when taking evidence-based decisions on trade remedy measures.

### *Why was this approach taken to change the law?*

- 6.2 The trade remedies framework is being changed to ensure the UK has the necessary tools and flexibility to defend its interest from unfair trading practices and unforeseen surges in imports. These proposals strike a balance between benefitting from the Trade Remedies Authority's independent analytical function and giving Ministers greater power to look at wider public interest considerations and the flexibility to make decisions that balance the interests of UK producers, importers and consumers.

## **7. Consultation**

### *Summary of consultation outcome and methodology*

- 7.1 7.1 HM Government has held a series of meetings with our domestic trade remedies stakeholders to promote understanding of the impact of the changes to the UK's trade remedies framework. HM Government has also held a series of meetings with the devolved administrations.
- 7.2 The Secretary of State has consulted the Trade Remedies Authority as required under section 32(12) of the TCBTA.

## **8. Applicable Guidance**

- 8.1 Statutory guidance to the Trade Remedies Authority under paragraph 34 of Schedule 4 to the Trade Act 2021 will be published on 26 April 2024.

## **Part Two: Impact and the Better Regulation Framework**

### **9. Impact Assessment**

- 9.1 A full Impact Assessment has not been prepared for this instrument because as outlined in the Impact Assessment accompanying the TCBTA, the powers in the TCBTA on trade remedies relate to the imposition of duties, which fall under the exemption for tax measures set out in the Small Business, Enterprise and Employment Act 2015. As such, they do not count as regulatory provisions and are out of scope of the Business Impact Target. The same applies to this instrument.

#### *Impact on businesses, charities and voluntary bodies*

- 9.2 There is no, or no significant, impact on business, charities or voluntary bodies.
- 9.3 The legislation does impact small or micro businesses.
- 9.4 The basis for the final decision on what action to take to assist small businesses is that the legislation does not add any specific regulatory burdens on small businesses that do not already exist.
- 9.5 There is no, or no significant, impact on the public sector.

### **10. Monitoring and review**

#### *What is the approach to monitoring and reviewing this legislation?*

- 10.1 These Regulations do not include a statutory review clause as they are made under the Secretary of State's power to make regulations relating to tax legislation and are therefore exempt from the requirements under Section 28(3) of the Small Business, Enterprise and Employment Act 2015.

### **Part Three: Statements and Matters of Particular Interest to Parliament**

#### **11. Matters of special interest to Parliament**

- 11.1 This instrument is subject to a negative resolution procedure.
- 11.2 Regulation 2 sets out the application of this instrument. In particular, this instrument will apply to safeguard, dumping and subsidy investigations and certain reviews, as well as any associated reconsiderations or appeals that are initiated by the Trade Remedies Authority after the instrument comes into force. The instrument will also apply to dumping and subsidy transition reviews that have been initiated by the Trade Remedies Authority before the commencement of these Regulations, if a Statement of Essential Facts on that transition review has not been published by the Trade Remedies Authority before the commencement of these Regulations.

#### **12. European Convention on Human Rights**

- 12.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

#### **13. The Relevant European Union Acts**

- 13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 (“relevant European Union Acts”).