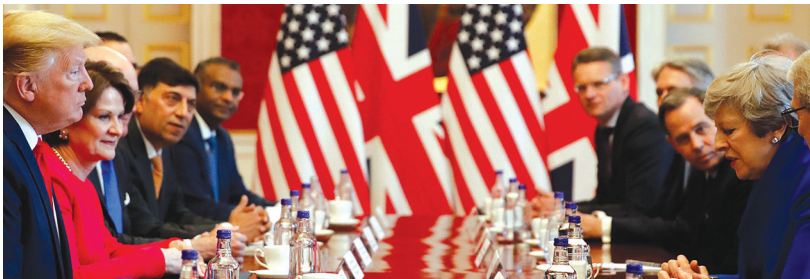


# Issues that could hinder UK-U.S. trade deal



*U.S. President Donald Trump and outgoing British Prime Minister Theresa May hold business talks during Trump's state visit to Britain in June 2019*



## National Health Service

U.S. wants its companies to be allowed to bid for NHS contracts, and raise

prices NHS pays for drugs. UK is fiercely resistant and could exempt NHS from negotiations, but this may limit what Washington is prepared to offer



## Farm products

U.S. is net exporter of farm products, mostly meat and animal feed. Would want

UK to adopt U.S. farming standards – hormone-treated beef and chlorine-washed chicken – banned in EU. May urge UK to incorporate GM products in human food



## Public procurement

**Buy American Act** is roadblock for any potential trade partner, requiring

federal, state and local authorities to buy U.S.-made products whenever possible. Washington is unwilling to negotiate, and cannot override laws of individual states



## Financial services

U.S. banking is regulated at federal and state levels – Washington

negotiators would struggle to open this up. EU tried unsuccessfully to incorporate financial services into **Transatlantic Trade and Investment Partnership (TTIP)**



## Industrial goods

Import tariffs between pre-Brexit UK and U.S. are typically low, but U.S.

will demand reduction or removal of 10% levy UK applies to U.S. car imports. Washington also likely to want reduction on tariffs applied to clothing and textiles



## Current trade

UK ran trade surplus for goods with U.S. from 2014-16, but flipped

to deficit in 2017-18. This might improve bargaining position with administration focused on cutting its trade deficit. UK has large surplus in services sector

***U.S. Treasury clause means securing trade deal could cramp UK's ability to seal deal with China – world's second largest economy***