

West Midlands Exposure to USA Import Tariffs Briefing: 3rd April 2025

Introduction

On 2nd April 2025, President Donald Trump announced new import tariffs on goods entering the USA. With a 25% tariff imposed on imported cars, a [think tank](#) warns 25,000 UK jobs in the automotive manufacturing sector could be at risk. In 2024, there were 102,000 cars - estimated to be worth £9billion - that came off British assembly lines ended up in the US last year. That accounts for one in eight of all passenger cars made.

The USA is a major export destination for the West Midlands, meaning the region is expected to face significant economic challenges, particularly in its automotive sector, where it is home to Jaguar Land Rover and Aston Martin. As the [Institute for Public Policy Research \(IPPR\)](#) reports, the levies on UK-made cars entering the USA could make Range Rovers almost \$30,000 pricier when sold in the country – this would put 'extreme pressure' on Britain's car makers and 'threaten jobs and economic growth'.

The following briefing aims to help understand the West Midlands exposure to these new tariffs by looking at [export trends](#) to the USA and [analysis from City-REDI](#) on lost output.

West Midlands Trends in Goods Exports to the USA

In 2024, the West Midlands exported £35.3bn worth of goods. Of this, 24% (nearly £8.5bn) went to the USA, which is the region's highest exporting destination (with a notable drop to the second highest with Germany at 8.4%). The latest proportion for the USA is the highest proportion on record (since 2013) at nearly 10 percentage points higher than the 2013/14 period.

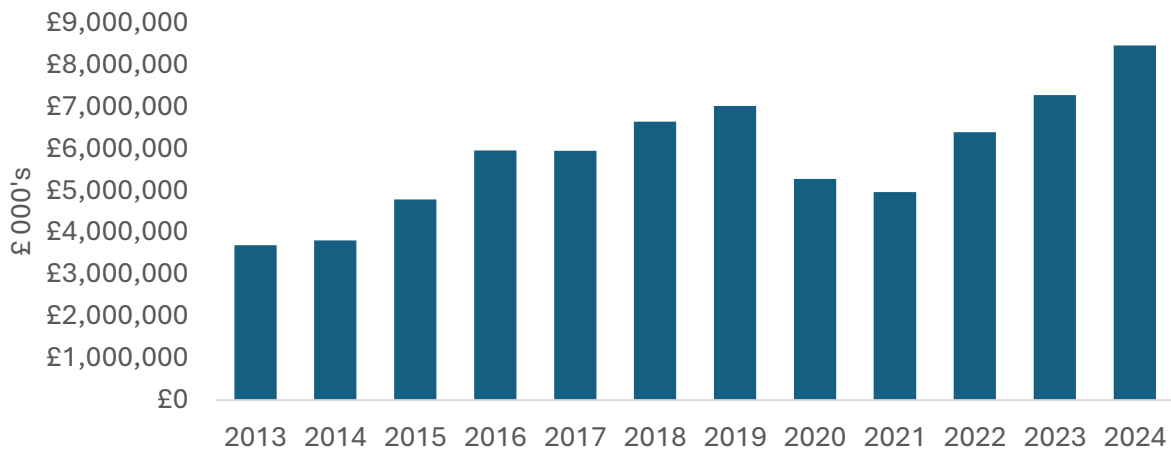
West Midlands Goods Exports by Top 20 Destinations in 2024:

Export Destination	Value (£ 000's) 2024	Proportion of Total
USA	£8,459,286	24.0%
Germany	£2,953,946	8.4%
China	£2,726,016	7.7%
France	£2,120,728	6.0%
Ireland	£1,597,893	4.5%
Netherlands	£1,529,435	4.3%
Italy	£1,073,486	3.0%
Belgium	£850,496	2.4%
UAE	£810,676	2.3%
Slovakia	£769,290	2.2%
Spain	£754,320	2.1%
Poland	£718,943	2.0%
Australia	£653,091	1.9%
South Korea	£640,180	1.8%
Canada	£630,649	1.8%
Japan	£601,666	1.7%
India	£592,154	1.7%
Turkey	£541,386	1.5%
Hong Kong	£487,959	1.4%
Switzerland	£453,563	1.3%

Source: [HM Revenue & Customs](#)

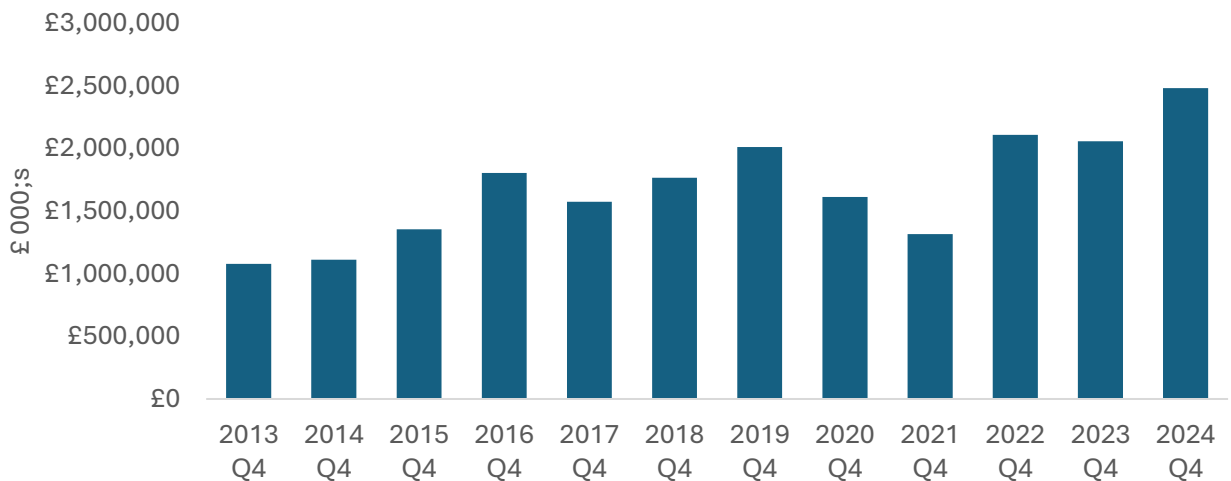
When compared to 2023, total goods exports from the West Midlands increased by 1.0% (+£335m). Diving into annual change for the West Midlands exports to the USA, there was an increase of 16.2% (+1.2bn). On a longer-term basis (since 2013), exports to the USA increased by 128.8% (+£4.8bn).

Annual Trends in West Midlands Exports to the USA:



On a quarterly basis, in Q4 (Oct-Dec) 2024 the West Midlands exported nearly £2.5bn of goods to the USA (26.8% of total exports). When compared to Q4 2023, exports to the USA increased by 20.6% (+£424m) and has more than doubled since Q4 2013 (nearly £1.1bn).

Q4 Trends in West Midlands Exports to the USA:



Good Exports to the USA by Standard International Trade Classification (SITC)

Of the nearly £8.5bn goods exports in 2024 from the West Midlands to the USA, 86.1% (nearly £7.3bn) were machinery & transport equipment. Within this, 60.7% (£5.1bn) were in road vehicles (including air cushion vehicles) and 11.2% (£949m) were in general industrial machinery equipment & machine parts.

Apart from machinery & transport equipment, 5.7% (£482m) of goods exports to the USA were in manufactured goods and 4.8% (£403m) were in miscellaneous manufactured articles.

The following table shows a breakdown of West Midlands goods exports to the USA by SITC codes in 2024:

SITC	Value (£ 000's) 2024	Proportion of Total
0 - Food & live animals	£10,811	0.1%
00 - Live animals other than animals of division 03	£626	0.0%
01 - Meat & meat preparations	£106	0.0%
02 - Dairy products & birds' eggs	£467	0.0%
03 - Fish, crustaceans, molluscs & aq.inverts & preps thereof	£493	0.0%
04 - Cereals & cereal preparations	£1,707	0.0%
05 - Vegetables & fruit	£442	0.0%
06 - Sugar, sugar preparations & honey	£263	0.0%
07 - Coffee, tea, cocoa, spices & manufactures thereof	£2,709	0.0%
08 - Feeding stuff for animals (not inc.unmilled cereals)	£27	0.0%
09 - Miscellaneous edible products & preparations	£3,971	0.0%
1 - Beverages & tobacco	£2,092	0.0%
11 - Beverages	£2,091	0.0%
12 - Tobacco & tobacco manufactures	£1	0.0%
2 - Crude materials, inedible, except fuels	£82,947	1.0%
22 - Oil seeds & oleaginous fruits	£1	0.0%
23 - Crude rubber (including synthetic & reclaimed)	£163	0.0%
24 - Cork & wood	£76	0.0%
25 - Pulp & waste paper	£1	0.0%
26 - Textile fibres not manufactured & their waste etc	£122	0.0%
27 - Crude fertilizers & crude minerals (exc fuels etc)	£940	0.0%
28 - Metalliferous ores & metal scrap	£80,186	0.9%
29 - Crude animal & vegetable materials n.e.s.	£1,458	0.0%
3 - Mineral fuels, lubricants & related materials	£6,117	0.1%
33 - Petroleum, petroleum products & related materials	£6,058	0.1%
34 - Gas, natural & manufactured	£59	0.0%
4 - Animal & vegetable oils, fats & waxes	£618	0.0%
41 - Animal oils & fats	£382	0.0%
42 - Fixed vegetable fats & oils, crude, refined, fractionated	£208	0.0%
43 - Animal or vegetable fats & oils, processed, & waxes	£28	0.0%
5 - Chemicals & related products, nes	£185,498	2.2%
51 - Organic chemicals	£20,025	0.2%
52 - Inorganic chemicals	£2,500	0.0%
53 - Dyeing, tanning & colouring materials	£10,081	0.1%
54 - Medicinal & pharmaceutical products	£12,963	0.2%
55 - Essential oils & perfume materials; toilet preps etc	£29,648	0.4%
56 - Fertilizers (other than those of group 272)	£318	0.0%
57 - Plastics in primary forms	£4,494	0.1%
58 - Plastics in non-primary forms	£16,530	0.2%
59 - Chemical materials & products n.e.s.	£88,939	1.1%
6 - Manufactured goods classified chiefly by material	£481,576	5.7%
61 - Leather, leather manufactures n.e.s & dressed furskins	£6,018	0.1%
62 - Rubber manufactures n.e.s.	£45,260	0.5%
63 - Cork & wood manufactures (excluding furniture)	£726	0.0%
64 - Paper, paperboard & manufactures thereof	£3,873	0.0%
65 - Textile yarn, fabrics, made up articles etc	£9,208	0.1%
66 - Non-metallic mineral manufactures n.e.s.	£80,944	1.0%
67 - Iron & steel	£23,249	0.3%
68 - Non-ferrous metals	£159,796	1.9%
69 - Manufactures of metal n.e.s.	£152,502	1.8%
7 - Machinery & transport equipment	£7,286,359	86.1%
71 - Power generating machinery & equipment	£447,033	5.3%
72 - Machinery specialized for particular industries	£315,101	3.7%
73 - Metalworking machinery	£17,453	0.2%
74 - General industrial machinery & eqp. & machine pt.n.e.s.	£949,927	11.2%

SITC	Value (£ 000's) 2024	Proportion of Total
75 - Office machines & adp machines	£18,041	0.2%
76 - Telecomms & sound recording & reproducing app. & eqp.	£108,046	1.3%
77 - Ele machinery, app & appliances & ele pt thereof n.e.s.	£194,110	2.3%
78 - Road vehicles (including air cushion vehicles)	£5,131,722	60.7%
79 - Other transport equipment	£104,926	1.2%
8 - Miscellaneous manufactured articles	£402,899	4.8%
81 - P/fab buildings;sanit.,plumbing,heating & lighting fixt.	£11,095	0.1%
82 - Furniture & parts thereof; bedding, mattresses etc	£17,105	0.2%
83 - Travel goods, handbags & similar containers	£2,377	0.0%
84 - Articles of apparel & clothing accessories	£8,000	0.1%
85 - Footwear	£662	0.0%
87 - Professional, scientific & controlling ins & app n.e.s.	£151,555	1.8%
88 - Photographic & optical goods, n.e.s.; watches & clocks	£3,411	0.0%
89 - Miscellaneous manufactured articles n.e.s.	£208,694	2.5%
9 - Commodities/transactions not classed elsewhere in SITC	£371	0.0%
93 - Special transactions and commodities not classified according to kind	£7	0.0%
96 - Coin (other than gold coin), not being of legal tender	£364	0.0%
Grand Total	£8,459,288	100.0%

Estimated Impacts of Tariffs

Research fellows at [City-REDI](#) calculated that tariffs are likely to have the biggest impact on automotive manufacturers in the West Midlands.

The study estimates the cost of the USA tariffs to the UK will be £9.8bn in GDP between 2025 and 2030, putting 137,000 jobs at risk. The West Midlands is projected to suffer a £6.2bn decline in GDP (62% of the total impact) and £4.6bn loss in GVA. The North West is anticipated to lose £2.1bn in GDP and £1.8bn in GVA (21% of the total). Together, these two regions will see 85% of the economic impact.

The Economic Impact of a 25% Tariff on UK Automotive Exports to the USA from 2025 to 2030:

Region	GDP (£m)	GVA (£m)	Employment (FTE)
West Midlands	-£6,200	-£4,700	-66,000
North West	-£2,100	-£1,800	-25,000
London	-£100	-£900	-9,000
South East	-£400	-£700	-9,000
East of England	-£300	-£500	-7,000
East Midlands	-£300	-£400	-6,000
Scotland	-£100	-£200	-3,000
South West	£0	-£200	-3,000
Yorkshire and the Humber	-£100	-£200	-3,000
North East	-£100	-£200	-2,000
Wales	£0	-£100	-2,000
Northern Ireland	£0	-£100	-1,000
United Kingdom	-£9,800	-£9,900	-137,000

Source: City-REDI / SEIM-UK