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European Affairs Committee

1st Report of Session 2024–26

Unfinished Business: Resetting the UK- EU relationship

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The European Affairs Committee

The European Affairs Committee was appointed to consider matters relating to the United Kingdom's relationship with the European Union and the European Economic Area, including the implementation and governance structures of any agreements between the United Kingdom and the European Union save for the Protocol on Ireland/Northern Ireland and the Windsor Framework; to consider all European Union documents (except matters falling within the scope of the Protocol/Windsor Framework) deposited in the House by a minister; and to support the House as appropriate in interparliamentary cooperation with the European Parliament and the Member States of the European Union.

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See Appendix 1.

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Committee staff

The staff who worked on this inquiry were Jarek Wisniewski (Clerk), Brigid Fowler (Policy Analyst), Tim Mitchell (Counsel in European Law) and Tabitha Brown (Committee Operations Officer).

Contact details

All correspondence should be addressed to the European Affairs Committee, Committee Office, House of Lords, London SW1A 0PW. Telephone 020 7219 6083. Email hleuroaffairs@parliament.uk

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Evidence is published online at <https://committees.parliament.uk/work/8830/the-ukeu-reset/publications/> and available for inspection at the Parliamentary Archives (020 7219 3074).

Q in footnotes refers to a question in oral evidence.

SUMMARY

When it took office in July 2024 the Government fulfilled a manifesto commitment by launching a ‘reset’ of the UK’s relationship with the EU and bilateral ties with key European countries. This report is the first assessment by a parliamentary committee of the progress the Government has made in achieving its objectives.

We conclude that the Government has taken the first important steps to implement these policies. It has intensified dialogue with the EU and countries such as France and Germany and has established a notably closer relationship in many areas. But the reset is a process not an event, and it is not yet clear how far and how fast it will advance. It is therefore too early to draw definitive conclusions on the success or otherwise of the Government’s aims, but we assess progress to date and its direction of travel.

The Government defined several initial priorities for the reset, with the broad aim of enhancing European security at a time of growing threats and of fostering economic growth. It proposed in particular a security and defence pact with the EU, and a reduction in border checks on animal and plant products via a sanitary and phytosanitary (SPS) agreement. It also aimed to remove obstacles to UK-based artists seeking to tour in the EU, and to agree stronger arrangements with the EU on the mutual recognition of professional qualifications (MRPQ).

The Government’s objectives widened significantly over time, in particular to include the linking of the UK and EU Emissions Trading Schemes (ETS), and the development of more efficient UK-EU electricity trading arrangements.

The UK-EU summit on 19 May 2025 was the first major milestone in the reset process. Leaders agreed three significant documents: a Joint Statement, which declared a new UK-EU Strategic Partnership; a Security and Defence Partnership; and a ‘Common Understanding’ on ‘A renewed agenda for EU-UK cooperation’. Together, the summit documents set out a clear direction of travel and envisage an ambitious new phase in the UK-EU relationship.

We welcome the Security and Defence Partnership, which opens the way to the UK’s participation in the EU’s new initiative for defence industrial cooperation (known as SAFE). The Partnership also involves intensified cooperation between the UK and the EU on a wide range of international issues. The deepening of bilateral cooperation in particular with France and Germany is another welcome development.

The Common Understanding specified that the UK and EU would seek to negotiate: a sanitary and phytosanitary (SPS) agreement; the linking of the UK and EU Emissions Trading Schemes (ETS); a UK-EU Youth Experience Scheme; and possible UK participation in the EU internal electricity market. Agreements on a common SPS area, ETS linkage and internal electricity market participation would involve the UK accepting an obligation of ‘dynamic alignment’ with areas of EU law, and give the UK ‘decision-shaping’ rights with the European Commission in those areas. The UK and EU also agreed to pursue the UK’s association to Erasmus+. We note that formal negotiations on a Youth Experience Scheme and Erasmus+ are now underway.

In terms of the Government’s progress against its own objectives, at the time we completed this Report (in early November 2025) it had achieved a security

pact with the EU. The two sides had agreed to work towards an SPS agreement and the linking of the UK and EU Emissions Trading Schemes, although there was no timetable for concluding this work. We also note that there has been less progress in securing help for touring artists, and mutual recognition of professional qualifications. The Government also agreed to a 12-year fisheries access arrangement that gives the EU certainty on this issue, while the energy title of the UK-EU Trade and Cooperation Agreement (TCA) is still formally subject to an annual rollover.

The UK and EU also added a new objective of exploring the UK's possible participation in the EU internal electricity market.

The May 2025 summit documents set out an ambitious agenda of work, but in some respects this lacked clarity. We therefore seek further information from the Government on a range of issues concerning the negotiations and prospective new UK-EU arrangements, including their expected timetables.

We highlight the role of Parliament in scrutinising the Government's implementation of its policies. We regret that the Government did not produce a White Paper setting out its objectives at the outset; this would have facilitated our task of holding the Government to account.

We call on the Government to facilitate parliamentary scrutiny of the new UK-EU agreements that are expected to arise from the May 2025 summit. Obligations on the UK to implement 'dynamic alignment' with EU legislation in certain areas will pose new challenges for parliamentary scrutiny. We seek further information from the Government on how it envisages that a UK system of dynamic alignment will operate, and how it plans to ensure that Parliament can play its full scrutiny role.

Unfinished Business: Resetting the UK-EU relationship

CHAPTER 1: INTRODUCTION

1. The Government that took office in July 2024 promised a ‘reset’ of the UK’s relationship with the EU. The Government stated that it aimed to establish a “closer, more cooperative relationship” with the EU, without crossing its “red lines”: no UK membership of the EU Single Market or Customs Union, and no participation in EU freedom of movement.¹ The Government made clear that its reset policy also included bilateral relations with European states. We decided to conduct an inquiry into the promised reset as our first inquiry in this Parliament.
2. The reset developed significantly during the period in which we took evidence, from January to July 2025.² We were scrutinising a ‘moving target’ throughout, and have continued to do so as we prepared this report. The UK-EU summit of 19 May 2025 settled some of the questions that we had raised in our call for evidence, and, in setting out an agenda of future UK-EU work, it overtook some of the evidence that we had already received. There have been further developments since the summit, as the UK and EU start to take the summit agenda forward. The Committee agreed the text of this report at its meeting of 4 November 2025.
3. During our inquiry, the international and security policy context for the reset of the UK’s relationship with the EU also changed in significant ways, chiefly as a result of the policies of the new US Administration that took office in January 2025, and the course of Russia’s ongoing war in Ukraine. The NATO summit of June 2025 also took place during our inquiry, with its decision that Allies should invest 5% of GDP in defence, and its reaffirmation of the Alliance’s continued support for Ukraine.³
4. We have focused in this report on using the evidence received to assess the process so far and the extent to which the Government has achieved its initial objectives, and to identify some issues likely to arise in the next stage of UK-EU cooperation. This approach has defined the scope of the conclusions and recommendations that we reach in this report.⁴
5. **The Government’s reset of relations with the EU and bilateral relations with European states is a process not an event, and there is no clarity about the endpoint. This has therefore not been the time to**

1 Written evidence from HM Government ([RES0042](#))

2 Our call for evidence closed on 2 April 2025.

3 NATO, [Press Release: NATO concludes historic Summit in The Hague](#), 25 June 2025

4 We and our predecessor European Union Committee have considered many of the policy issues arising in the reset in detail in previous reports: European Union Committee, [Beyond Brexit: food, environment, energy and health](#) (22nd Report, Session 2019–21, HL Paper 247), [Beyond Brexit: trade in services](#) (23rd Report, Session 2019–21, HL Paper 248), [Beyond Brexit: trade in goods](#) (24th Report, Session 2019–21, HL Paper 249), [Beyond Brexit: policing, law enforcement and security](#) (25th Report, Session 2019–21, HL Paper 250); European Affairs Committee, [One year on—Trade in goods between Great Britain and the European Union](#) (4th Report, Session 2021–22, HL Paper 124), [The UK-EU relationship in financial services](#) (1st Report, Session 2022–23, HL Paper 21), [The future UK-EU relationship](#) (4th Report, Session 2022–23, HL Paper 184), [The Ukraine Effect: The impact of Russia’s invasion of Ukraine on the UK-EU relationship](#) (1st Report, Session 2023–24, HL Paper 48).

draw definitive conclusions. In this report, we consider only events under the present Government to October 2025, acknowledging that the reset is likely to be a longer-term process that will shape the post-Brexit UK-EU relationship.

6. Our report constitutes the first overall consideration of the reset by a select committee of either House since the Government came to power and launched its reset.⁵ Following the abolition in 2024 of the European Scrutiny Committee in the House of Commons,⁶ we are now the only select committee in either House that conducts systematic scrutiny of Government Explanatory Memoranda (EMs) deposited in Parliament by ministers on selected EU and UK-EU documents that may apply or be relevant to Great Britain and/or the UK. (The House of Lords Northern Ireland Scrutiny Committee considers EMs on all EU law that falls within the scope of the Protocol on Ireland/Northern Ireland/Windsor Framework [“the Protocol/Windsor Framework”].)
7. At the May summit, the UK and the EU decided to extend the period for which the energy title of the UK-EU Trade and Cooperation Agreement (TCA),⁷ and immediate post-Brexit reciprocal UK-EU arrangements on fisheries access,⁸ would apply (see paragraphs 64-87 below). This report therefore incorporates our scrutiny of the two EMs on the Partnership Council Decisions giving effect to these extensions, which the Government sent us in July 2025.⁹ In late August, the Government sent us two further EMs, on which we opened correspondence with the Government in September—one on the prospective UK-EU negotiations on a Sanitary and Phytosanitary (SPS) agreement and an agreement to link the UK and EU

5 The House of Commons Foreign Affairs Committee is conducting an inquiry into the reset, *The UK-EU reset: rebuilding a strategic partnership in uncertain times*, and is expected to report before the end of 2025. The House of Commons Business and Trade Committee produced a report, *How to strengthen UK-EU relations: Policy Priorities for the Summit* (6th Report, Session 2024–26, HC 908), in May 2025 before the UK-EU summit, as part of a larger inquiry into Export-led Growth. As of autumn 2025, the Committee is conducting an inquiry into the UK’s trade agreements with the US, the EU and India. Also as of autumn 2025, the House of Commons Environment, Food and Rural Affairs Committee is *taking evidence on the UK-EU SPS agreement, and the fisheries sector after the May 2025 summit*, as part of larger rolling inquiries into Animal and Plant Health, and Fisheries and the Marine Environment, respectively.

6 HC Deb, 30 July 2024, *cols 1270–1272*

7 The energy title is Part Two, Heading One, Title VIII of the TCA; Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part (hereafter, TCA), *OJL 149*, 30 April 2021. The energy title establishes a legal framework for cooperation between the UK and the EU on energy issues and was originally due to cease to apply on 30 June 2026. We considered UK-EU energy issues in detail in our 2023 report *The future UK-EU relationship* (4th Report, Session 2022–23, HL Paper 184).

8 Reciprocal post-Brexit arrangements on fisheries access were established by Articles 498 and 500 and Annexes 35 and 38 of the TCA; TCA, *OJL 149*, 30 April 2021. The post-Brexit adjustment period on reciprocal fisheries access was originally due to end on 30 June 2026.

9 HM Government, *Explanatory Memorandum on UK-EU TCA Partnership Council and Specialised Committee on Fisheries decisions*, 14 July 2025, and *Explanatory Memorandum on a UK-EU TCA Partnership Council decision and joint declaration on energy*, 14 July 2025

Emissions Trading Schemes (ETs),¹⁰ and another on a Youth Experience Scheme.¹¹ This report also acknowledges this correspondence.

Our inquiry

8. We launched our inquiry in January 2025. (See Appendix 3 for our call for evidence.) We received 82 written submissions and held 15 evidence sessions, including a final session in July with the Rt Hon Nick Thomas-Symonds MP, the Minister for the Cabinet Office (Minister for the Constitution and European Union Relations), and Stephen Doughty MP, Minister of State for Europe, North America and Overseas Territories at the Foreign, Commonwealth and Development Office (FCDO). The same pair of Ministers had given evidence to us in December 2024, as we prepared our inquiry.¹² All our witnesses are listed in Appendix 2.
9. We visited Brussels in April 2025. During our visit, we met Members of the European Parliament (MEPs), representatives of all the UK's devolved administrations, business and think-tank representatives, officials from the Norwegian Mission to the EU, and senior officials in the European Commission, the Secretariat of the Council of the EU and the European External Action Service (EEAS). This helped us to take account of the views of the EU, as we sought to do throughout our inquiry. An anonymised summary note of our visit is included as Appendix 4. We would like to thank all our witnesses and other interlocutors with whom we had contact during our inquiry, and the UK Mission to the EU (UKMis) for its assistance with our visit.
10. Ahead of the UK-EU summit in May, drawing on the evidence we had received up to that point, we wrote to the Minister for the Cabinet Office setting out some of the initial findings of our inquiry. Our letter, which can be viewed on the Committee's website, focussed on security and defence issues.¹³

Our report

11. Our report falls into two parts. In Chapter 2, we assess the conduct and results of the Government's reset policy up to and including the outcomes of the May 2025 summit. In the following three chapters we look ahead, identifying matters raised in our evidence for the Government to consider as it takes forward the summit agenda and looks beyond it, including in the run-up to the next UK-EU summit, due in 2026. We focus in turn on

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- 10 HM Government, *Explanatory Memorandum on the negotiation of SPS and ETS agreements between the UK and EU*, 28 August 2025; correspondence, *Chair of the European Affairs Committee to the Minister for the Cabinet Office re: Sanitary and Phytosanitary Area/Emissions Trading Scheme*, 17 September 2025 and *Minister for the Cabinet Office to the Chair of the European Affairs Committee on Sanitary and Phytosanitary Area and Emissions Trading Scheme*, 27 October 2025. The UK has an Emissions Trading Scheme; the EU has an Emissions Trading System. For convenience, we use 'Scheme' throughout this report or, more usually, 'ETS'.
 - 11 HM Government, *Explanatory Memorandum on the negotiation of a UK-EU Youth Experience Scheme*, 28 August 2025 and correspondence, *Chair of the European Affairs Committee to the Minister for the Cabinet Office re: Youth Experience Scheme*, 17 September 2025, and *Minister for the Cabinet Office to the Chair of the European Affairs Committee on Youth Experience Scheme*, 27 October 2025
 - 12 European Affairs Committee, non-inquiry evidence session, 10 December 2024, [QQ 1-16](#). The two Ministers also gave evidence together to the House of Commons Foreign Affairs Committee for its *Inquiry into The UK-EU reset: rebuilding a strategic partnership in uncertain times*, 8 September 2025, [QQ 87-129](#)
 - 13 Correspondence, *Chair of the European Affairs Committee to the Minister for the Cabinet Office*, 7 May 2025

foreign policy, defence and security issues, including UK-EU cooperation on criminal law enforcement (Chapter 3); trade and mobility issues (Chapter 4); and some overarching implications for Government and Parliament (Chapter 5).

12. We are conscious that some of the commitments made by the Government at the summit, in particular those on the negotiation of an SPS agreement and the potential linking of the UK and EU Emissions Trading Schemes, include matters that are currently devolved and/or the subject of the Protocol/Windsor Framework. We have endeavoured throughout this report to respect the division of responsibilities within the UK and have left matters relating to the implementation of the Protocol/Windsor Framework to the Northern Ireland Scrutiny Committee.
13. **We make this report for debate.**

CHAPTER 2: THE MAY 2025 UK-EU SUMMIT IN THE RESET PROCESS

14. In this Chapter we consider the reset up to and including the UK-EU summit of May 2025.

The reset process

15. The Labour Party had set out its reset policy in its manifesto for the 2024 General Election. It said that, in government, it would “seek to deepen ties with our European friends, neighbours and allies” and make the UK “a leading nation in Europe once again, with an improved and ambitious relationship with our European partners”. It also identified a number of specific policy objectives for the reset. It said that it would seek a UK-EU security pact; a new agreement with the EU to deepen law enforcement cooperation; and three goals in the area of “tearing down unnecessary barriers to trade”, in the interest of economic growth—a UK-EU veterinary agreement, help for UK artists seeking to tour in the EU, and an agreement on mutual recognition of professional qualifications (MRPQ).¹⁴
16. The Government said that it would be “ruthlessly pragmatic in seeking a closer, more cooperative relationship with the EU”, and was “open-minded ... about proposals, as long as they are consistent with [the] manifesto and do not cross [the Government’s] red lines”.¹⁵ When he gave evidence to us in December 2024, the Minister for the Cabinet Office referred to the specific goals in the manifesto as only “examples” of what the Government was seeking to do,¹⁶ and the Government’s objectives evolved over time in a number of respects. By the time of his December 2024 evidence session, the Minister was referring to the relevant Government aim as being a “sanitary and phytosanitary agreement” (SPS agreement)¹⁷ rather than the “veterinary agreement” that had featured in the manifesto (although he told us subsequently that the two terms were used interchangeably).¹⁸

14 Labour Party, *Change: Labour Party Manifesto 2024*, June 2024. We considered arrangements for UK-EU trade in animals, plants and associated products in detail most recently in our report *One year on—Trade in goods between Great Britain and the European Union* (4th Report, Session 2021–22, HL Paper 124). We considered the situation of UK-based artists wishing to tour in the EU, and UK-EU arrangements on professional mobility, most recently in our 2023 report *The future UK-EU relationship* (4th Report, Session 2022–23, HL Paper 184). Before the May 2025 summit, the Government habitually referred to its trade and mobility objectives as part of what it called the “prosperity pillar” of the reset, which it saw as existing alongside a “security” pillar (on security and defence cooperation) and a “safety” pillar (on law enforcement cooperation); see, for example, written evidence from HM Government (RES0042) and European Affairs Committee, non-inquiry evidence session, 10 December 2024, Q 1 (the Minister for the Cabinet Office). Since the summit, the Government has moved away from presenting the reset in terms of pillars.

15 Written evidence from HM Government (RES0042)

16 European Affairs Committee, non-inquiry evidence session, 10 December 2024, Q 3 (the Minister for the Cabinet Office)

17 European Affairs Committee, non-inquiry evidence session, 10 December 2024, Q 1 (the Minister for the Cabinet Office)

18 Q 180 (the Minister for the Cabinet Office). An SPS agreement typically covers both animals and plants (and animal and plant products); a veterinary agreement covers only animals and animal products.

17. In January 2025, the Minister confirmed that the Government was also seeking to link the UK and EU Emissions Trading Schemes (ETs);¹⁹ and in its written submission to us in March, the Government also referred to the goal of “developing more efficient electricity trading arrangements”.²⁰ Meanwhile, on law enforcement cooperation and MRPQ, rather than the manifesto goals of new agreements with the EU, the Government’s submission referred only to “closer cooperation” and “strengthen[ed] arrangements”.²¹
18. When he gave evidence to us in December 2024, the Minister for the Cabinet Office confirmed that the Government was not planning to publish a paper setting out its reset policy in more detail.²² We note that the then Government published White Papers before the start of negotiations with the EU on what became the TCA and the Windsor Framework.²³ Some witnesses commented that the present Government’s decision might be tactically sensible from its perspective.²⁴ However, we note that the lack of detail and transparency around the Government’s position caused some frustration in the EU,²⁵ and difficulties for domestic stakeholders.²⁶ We were obliged to rely heavily on the Labour Party manifesto as a source. The Government’s written submission to our inquiry contained no dedicated sections on its objectives with respect to law enforcement cooperation, touring artists, MRPQ or ETS linkage.²⁷
19. Box 1 summarises the Government’s stated policy objectives for the reset.

Box 1: The Government’s policy objectives for the reset

- Security and Defence Partnership (SDP)
- Closer law enforcement cooperation
- Sanitary and Phytosanitary (SPS) agreement
- Help for touring artists
- Mutual recognition of professional qualifications (MRPQ)
- Emissions Trading Schemes (ETS) linkage
- More efficient electricity trading arrangements

Sources: Labour Party, *Change: Labour Party Manifesto 2024*, June 2024; written evidence from HM Government (RES0042); House of Commons Business and Trade Committee, *Inquiry into Export-led Growth*, 21 January 2025, QQ 69, 81 (the Minister for the Cabinet Office)

20. **We regret that the Government did not produce a White Paper or similar paper on its objectives for its reset of UK relations with the EU and with individual countries, as this would have made it possible for Parliament and other stakeholders to engage more effectively with the**

19 House of Commons Business and Trade Committee, *Inquiry into Export-led Growth*, 21 January 2025, QQ 69, 81 (the Minister for the Cabinet Office). At the same evidence session, asked about the prospect of annual fisheries access negotiations from 2026, the Minister also said: “I do think that having something that is more stable would be in our interests, going forward”; Q 53.

20 Written evidence from HM Government (RES0042)

21 Written evidence from HM Government (RES0042)

22 European Affairs Committee, non-inquiry evidence session, 10 December 2024, Q 3 (the Minister for the Cabinet Office)

23 HM Government, *The Future Relationship with the EU: The UK’s Approach to Negotiations*, February 2020, CP 211, and HM Government, *Northern Ireland Protocol: the way forward*, July 2021, CP 502

24 Q 34 (Philip Rycroft, Anton Spisak)

25 QQ 6 (Mujtaba Rahman), 16 (Catherine Barnard)

26 For example, Q 114 (Marco Cillario)

27 Written evidence from HM Government (RES0042)

Government on the policy-making process and the content of policy, and to scrutinise more fully the extent to which the Government met its objectives.

21. The EU identified its positions and priorities for the reset through internal meetings in autumn 2024 which generated a paper which was leaked in December.²⁸ With respect to the UK Government's objectives, the paper:
 - noted the Government's wish for a Security and Defence Partnership and said that "all Member States support the deepening of cooperation on foreign policy, security and defence", with "progress in this area ... a priority for many";
 - on cooperation on criminal law enforcement, said that the Member States "wish to continue effective cooperation ... and are overall satisfied with the implementation of the [TCA] in this field";
 - made no direct reference to touring artists;
 - on MRPQ, said that the TCA's "potential has not yet been fully exploited" and was "open to be used";
 - on a possible SPS agreement, and ETS linkage, said that Member States were "open" to such agreements on condition of the UK's dynamic alignment with relevant EU law and payment of a financial contribution, and jurisdiction for the Court of Justice of the EU (CJEU) on the interpretation of EU law; and,
 - with respect to electricity trading, noted that the arrangements foreseen in the TCA "may not be in place by time the energy chapter expires on 30 June 2026", and raised the possibility of a Partnership Council Decision to extend it.
22. The paper also identified several EU priorities which were different from the Government's original objectives. The paper called the maintenance of existing arrangements on reciprocal fisheries access beyond June 2026 "essential", and "long-term commitments ... key", and said that a reset would be "credible" only if "based on an early understanding" on this issue. It also said that Member States showed "strong support" for a UK-EU Youth Experience Scheme, and would welcome UK association to Erasmus+ (the EU's education and training exchange programme).²⁹
23. The main steps leading up to the UK-EU summit of 19 May 2025 are summarised in Appendix 5. At the summit, the two parties agreed three joint documents:
 - a Joint Statement, which declared a new UK-EU Strategic Partnership;³⁰

28 Daily Telegraph, *Leaked negotiating papers reveal EU's price for post-Brexit trade deal*, 13 December 2024. The full leaked paper was widely available. The EU has since published a [partially-redacted version](#) of the paper: Council of the EU, *Report by the Presidency on the identification of EU interests for strengthening EU-UK relations*, [16518/24](#), 3 December 2024. Member States discussed the paper at the meeting of the Council of the EU of 17 December 2024, as referred to in: Council of the EU, *General Affairs Council, 17 December 2024: Main results*.

29 Council of the EU, *Report by the Presidency on the identification of EU interests for strengthening EU-UK relations*, [16518/24](#), 3 December 2024. We considered Erasmus+ and the Turing Scheme (the post-Brexit study abroad programme established by the UK Government) in our 2023 report *The future UK-EU relationship* (4th Report, Session 2022–23, HL Paper 184).

30 Cabinet Office, *UK-EU Summit 2025: Joint Statement*, 19 May 2025

- a Security and Defence Partnership (SDP), effective immediately;³¹ and,
 - a ‘Common Understanding’ on ‘A renewed agenda for EU-UK cooperation’, which set out an agenda for UK-EU relations for the coming period.³²
24. **In its first 16 months in office, the Government has taken the first important steps towards achieving the objectives it set itself for the reset. Building on measures taken by its predecessors, the Government has intensified its engagement with the EU and its Member States and established a notably closer relationship in many areas.**
25. We pick up our consideration of the summit outcomes later in this chapter (from paragraph 52) and of the post-summit agenda which derived from the SDP and the Common Understanding in the following chapters of this report.

Machinery of government

26. In his first months in office, the Prime Minister made significant changes to the machinery of government for the handling of the UK’s relationship with the EU:³³
- Departmental responsibility for the UK’s relationship with the EU was moved from the FCDO to the Cabinet Office. The FCDO retained responsibility for the UK’s bilateral relationships with EU and other European states, under the Minister of State for Europe, North America and Overseas Territories (Stephen Doughty MP).
 - A Minister with responsibility for EU Relations was appointed to the Cabinet Office—the Rt Hon Nick Thomas-Symonds MP, Paymaster General and Minister for the Cabinet Office (Minister for the Constitution and European Union Relations).³⁴
 - An EU Relations Secretariat (EURS) was created within the European and Global Issues Secretariat (EGIS) in the Cabinet Office. The EURS brought the Cabinet Office’s existing Windsor Framework team together with Europe-focused staff moved out of the FCDO.
 - A new civil service post was created in the Cabinet Office, of Second Permanent Secretary, European Union and International Economic Affairs, whose responsibilities include leading EGIS and serving as the Prime Minister’s EU ‘sherpa’ and principal adviser. The former senior

31 Foreign, Commonwealth and Development Office (FCDO)/Ministry of Defence (MoD), *Security and Defence Partnership between the European Union and the United Kingdom of Great Britain and Northern Ireland*, 19 May 2025

32 Cabinet Office, *Common Understanding: A renewed agenda for European Union-United Kingdom cooperation*, 19 May 2025. Strictly speaking, the Common Understanding was agreed between the UK and the European Commission, rather than the EU as a whole.

33 Written evidence from HM Government (RES0042); Written Statement, HCWS19, 24 July 2024; correspondence, *Foreign Secretary and Minister for the Cabinet Office to the Chair of the House of Commons Foreign Affairs Committee*, 26 November 2024

34 On 6 September 2025 the Prime Minister appointed Chris Ward MP as a Parliamentary Secretary in the Cabinet Office whose responsibilities include supporting the Minister for the Cabinet Office on the EU reset and the Windsor Framework; see HM Government, *Ministerial role: Parliamentary Secretary, Cabinet Office*

Treasury official Michael Ellam was appointed to the post in January 2025.³⁵

- A new Cabinet Committee on Europe was established, chaired by the Prime Minister.

27. The Minister for the Cabinet Office told us that the idea behind the changes was:

“to have a central secretariat answerable directly ... to the Prime Minister. So you have the Prime Minister’s authority, but you also have the ability from the centre to look across the different aspects of the relationship and, ultimately, as you get further in the negotiation, to be able to make the trade-offs.”³⁶

28. Most of our witnesses welcomed the new arrangements.³⁷ Former Cabinet Secretary Lord Sedwill expressed some scepticism about the importance of changes to the formal machinery-of-government, as compared with “a culture of collaboration” and “coherent political leadership”. He did, however, acknowledge that the new arrangements were a “good model” if not the only one, and that the appointment of a Minister was a “good idea”.³⁸
29. **The machinery-of-government arrangements established since July 2024 for the handling of the UK-EU relationship replicate, to a large extent, the practice of previous periods when EU policy was driven from the Cabinet Office. On the basis of the evidence we received, and our experience of dealing with the Government, they seem to be effective.**
30. **We welcome the fact that the Minister for the Cabinet Office and the Europe Minister are making a point of appearing together in front of us and other select committees, suggesting that they wish to highlight the close working relationship between the Cabinet Office and the FCDO on European policy.**

The Government’s reset objectives

31. In this section we summarise the evidence we received which assessed the value and feasibility of the Government’s stated reset objectives.
32. All of the Government’s specific policy goals for the reset received some support in our evidence, from representatives or specialist observers of the sectors concerned, albeit to varying degrees. We also received evidence opposing some of the Government’s goals, or questioning their value or feasibility.

Foreign policy, defence, security and law enforcement cooperation

33. The majority of our witnesses supported the idea of a Security and Defence Partnership between the UK and the EU, especially noting that such an

35 Cabinet Office, *Press Release: New Second Permanent Secretary Appointed to the Cabinet Office*, 13 January 2025

36 European Affairs Committee, non-inquiry evidence session, 10 December 2024, [Q 11](#) (the Minister for the Cabinet Office)

37 For example, [Q 31](#) (Philip Rycroft, Shanker Singham) and written evidence from the National Farmers’ Union ([RES0020](#)), Federation of Small Businesses ([RES0024](#)), Energy UK ([RES0043](#)), Simon Usherwood ([RES0044](#)) and UK in a Changing Europe ([RES0072](#))

38 [Q 68](#) (Lord Sedwill)

agreement would provide “a gateway”³⁹ for the UK to participate in the EU’s defence industrial initiatives, something the UK’s defence industry called for in particular (see paragraphs 119-128).⁴⁰ Witnesses argued that the Government should consider copying one of the existing models of cooperation, pointing to the EU-Canada Strategic Partnership Agreement and the EU-Norway Security and Defence Partnership.⁴¹ It is worth noting that in June 2025 Canada and the EU also signed a Security and Defence Partnership.⁴² (We consider the implications of the UK-EU Security and Defence Partnership in detail in Chapter 3, paragraphs 110-118.)

34. Our witnesses from the criminal law enforcement sector indicated that there was considerable scope to develop smoother and greater UK-EU cooperation in this field, as the Government sought to do.⁴³ They explained how they and their colleagues in the EU were continuing to develop new ways of working in the post-Brexit environment, but told us that these arrangements were still slower, more cumbersome and more requiring of human input—overall, more “clunky”—than those that had applied when the UK was an EU Member State.⁴⁴ Our evidence highlighted the extent to which current levels of UK-EU cooperation depended on the pragmatism and goodwill of individual law enforcement professionals. Our witnesses emphasised that increased cooperation would probably best be achieved through formal UK-EU agreements, in order to ensure legal certainty and consistency in the UK’s relations with the EU as a whole.⁴⁵ (We consider the post-summit agenda in law enforcement cooperation in Chapter 3, paragraphs 146-158.)

Trade and mobility issues

Sanitary and Phytosanitary (SPS) agreement

35. The Government’s aim of a UK-EU SPS agreement was supported by witnesses including the National Farmers Union (NFU), Agricultural Industries Confederation (AIC), Horticultural Trades Association (HTA), Federation of Small Businesses (FSB), Institute of Directors (IoD), Getlink, Chester Zoo, William Bain of the British Chambers of Commerce, and Tavish Scott of Salmon Scotland, in the interests of reducing trade frictions and so helping the agri-food sector (and also animal conservation).⁴⁶ The preference of the NFU, Quality Meat Scotland, and Mars UK, was for an agreement based on equivalence, rather than UK alignment to EU rules.⁴⁷

39 Written evidence from UK in a Changing Europe ([RES0072](#))

40 See also written evidence from ADS Group ([RES0049](#)) and UK in a Changing Europe ([RES0072](#)).

41 European External Action Service, [Press Release: EU-Canada strategic partnership agreement](#), 1 April 2017; European External Action Service, [Press Release: EU-Norway Security & Defence Partnership](#), 28 May 2024

42 European External Action Service, [Press Release: Security and Defence: EU and Canada sign Security and Defence Partnership](#), 26 June 2025

43 [QQ 77](#) (Joanne Jakymec), [82](#) (Robert Jones), [88](#) (Peter Ayling)

44 [QQ 77](#) (Robert Jones), [78](#) (Peter Ayling), [81](#) (Robert Jones)

45 [Q 83](#) (Robert Jones, Joanne Jakymec, Peter Ayling)

46 [QQ 145-150](#) (William Bain), [167](#) (Tavish Scott) and written evidence from the Agricultural Industries Confederation ([RES0002](#)), Chester Zoo ([RES0008](#)), National Farmers’ Union ([RES0020](#)), Federation of Small Businesses ([RES0024](#)), Horticultural Trades Association ([RES0031](#)), Getlink ([RES0060](#)) and Institute of Directors ([RES0071](#)). We considered SPS arrangements between the UK and the EU most recently in our report [One year on—Trade in goods between Great Britain and the European Union](#) (4th Report, Session 2021–22, HL Paper 124).

47 Written evidence from Quality Meat Scotland ([RES0007](#)), National Farmers’ Union ([RES0020](#)) and Mars UK ([RES0070](#))

36. Our witnesses stressed that a range of potential SPS agreements was possible, involving lower to higher degrees of integration with, and market access to, the EU.⁴⁸ (We consider the implications of the summit outcomes concerning an SPS agreement in Chapter 4, paragraphs 164-173.)

Help for touring artists

37. Deborah Annetts of the Independent Society of Musicians (ISM) told us that the challenges facing UK-based creatives wishing to tour in the EU had, if anything, increased since she last gave evidence to us in 2022.⁴⁹ However, we also heard that achieving a significant easing of the situation with the EU in this area would be difficult.⁵⁰ (We consider the post-summit agenda on this issue in Chapter 4, paragraphs 190-196.)

Mutual recognition of professional qualifications (MRPQ)

38. Mutual recognition of professional qualifications (MRPQ) was supported, in principle, by a range of witnesses including the Royal Institute of British Architects (RIBA), the Law Society, the Bar Council, the Institute of Directors (IoD), Lloyds (the reinsurance market), the Association of British Insurers (ABI), the London and International Insurance Brokers' Association and the International Underwriting Association of London.⁵¹ However, several witnesses noted that MRPQ would benefit only selected professions.⁵² Moreover, the measure received less support in our evidence than a more permissive EU-wide regime for business mobility in general.⁵³ For example, Marco Cillario of the Law Society called MRPQ a “second-order priority” for his sector,⁵⁴ and Professor Sarah Hall said that “an MRPQ is most valuable if it comes alongside mobility liberalisation as well ... you need both”.⁵⁵
39. We also heard that an MRPQ agreement or agreements would be hard to secure, certainly under the arrangements set out in the TCA.⁵⁶ UK in a Changing Europe pointed out that only one country—Canada—had reached an MRPQ agreement with the EU, and that this had taken two years to

48 [QQ 37, 43, 45, 47](#) (Sam Lowe, Aslak Berg) and written evidence from the Centre for Inclusive Trade Policy and the UK Trade Policy Observatory ([RES0075](#))

49 [Q 103](#) (Deborah Annetts). Ms Annetts referred us to the ISM's latest report on the impact of Brexit on the music industry, published in August 2023: ISM, *Paying the Price: The Sixth ISM Brexit Report*, via ISM, [Press Release, ISM releases sixth Brexit report: Paying the price](#), 22 August 2023. We considered the situation of UK-based artists wishing to tour in the EU most recently in our 2023 report [The future UK-EU relationship](#) (4th Report, Session 2022–23, HL Paper 184).

50 [QQ 16-17](#) (Catherine Barnard), [37](#) (Aslak Berg, Sam Lowe)

51 Written evidence from the Law Society ([RES0013](#)), London and International Insurance Brokers' Association ([RES0018](#)), Lloyd's ([RES0023](#)), Bar Council ([RES0036](#)), International Underwriting Association of London ([RES0041](#)), Institute of Directors ([RES0071](#)), Association of British Insurers ([RES0079](#)) and Royal Institute of British Architects ([RES0081](#)); see also [QQ 29](#) (Shanker Singham), [37](#) (Aslak Berg, Sam Lowe).

52 For example, [QQ 28](#) (Philip Rycroft), [37](#) (Aslak Berg, Sam Lowe), [142](#) (Miles Celic)

53 The Institute of Directors cited a July 2024 survey in which, from among members who said that the UK-EU trading relationship was “challenging”, the share who identified restrictions on business travel as the greatest problem was slightly higher than the share naming the lack of MRPQ; written evidence from the Institute of Directors ([RES0071](#)). We considered post-Brexit UK-EU professional mobility most recently in our 2023 report [The future UK-EU relationship](#) (4th Report, Session 2022–23, HL Paper 184).

54 [Q 111](#) (Marco Cillario)

55 [Q 141](#) (Sarah Hall)

56 [Q 37](#) (Aslak Berg, Sam Lowe)

negotiate.⁵⁷ Mr Cillario called it “striking” that, in the four years since the TCA took effect, only one UK profession, namely architects, had so far tried—and failed—to negotiate an MRPQ arrangement.⁵⁸ (We consider the post-summit agenda on professional mobility in Chapter 4, paragraphs 197–202.)

Emissions Trading Schemes (ETS) linkage

40. The linking of the UK and EU Emissions Trading Schemes (ETSs) received strong support from all witnesses who addressed the issue. A number noted that the TCA already specifies that the UK and EU “shall give serious consideration to linking their respective carbon pricing systems”.⁵⁹
41. Witnesses supported ETS linkage partly because they thought that, given the wider policy framework of decarbonisation and the goal of net zero, it would bring advantages under any circumstances. They said that linking the two ETSs would create a larger and more liquid emissions trading market, which would make for more stable carbon prices and encourage investment.⁶⁰
42. However, witnesses supported the linking of the UK and EU ETSs also because of the EU’s forthcoming full implementation of its Carbon Border Adjustment Mechanism (CBAM), in January 2026.⁶¹ Matt Hinde of National Grid said that, if UK energy firms were subject to the EU CBAM, it would “create a significant non-tariff and tariff barrier in the North Sea and the Irish Sea; ... have a deleterious impact on interconnective flows; ... increase curtailment of renewable energy resources in the UK; ... increase costs, both for UK and EU consumers; ... and ... have a negative impact on future investment planning in the North Sea”.⁶² However, exports into the EU from non-EU states which have fully linked their ETSs to the EU’s are exempt from the scheme, and Mr Hinde said that such linkage “is really the only route to deal with it”.⁶³
43. Adam Berman of Energy UK acknowledged that, if the UK and EU ETSs were linked, the UK carbon price would rise in the short term.⁶⁴ However, he said that even heavily-emitting industries would still be likely to favour

57 Written evidence from UK in a Changing Europe ([RES0072](#)); see also [QQ 28](#) (Philip Rycroft), [141](#) (Miles Celic).

58 [Q 111](#) (Marco Cillario). For the attempt to negotiate an MRPQ agreement for architects, see [Q 107](#) (Muyiwa Oki) and written evidence from the Royal Institute of British Architects ([RES0081](#)).

59 For example, [Q 42](#) (Sam Lowe); see TCA, [OJL 149](#), 30 April 2021, Article 392(6). We considered the possible linking of the UK and EU ETSs in detail in our 2023 report *The future UK-EU relationship* (4th Report, Session 2022–23, HL Paper 184).

60 [QQ 29](#) (Anton Spisak), [42](#) (Sam Lowe)

61 Written evidence from Energy UK ([RES0043](#)), National Grid ([RES0069](#)) and Nord Pool ([RES0078](#)). The EU’s most recent legislation on CBAM, confirming its date of full implementation, was adopted by the Council in September 2025: see Council of the EU, *Press Release: CBAM: Council signs off simplification to the EU carbon leakage instrument*, 29 September 2025, and Regulation (EU) 2025/2083 of the European Parliament and of the Council of 8 October 2025 amending Regulation (EU) 2023/956 as regards simplifying and strengthening the carbon border adjustment mechanism, [OJL 2025/2083](#), 17 October 2025. We considered the implications of the EU CBAM in detail in our 2023 report *The future UK-EU relationship* (4th Report, Session 2022–23, HL Paper 184). The EU CBAM, and the prospective UK CBAM, have particular implications for Northern Ireland. The Northern Ireland Scrutiny Committee has repeatedly engaged the Government in correspondence on these issues.

62 [Q 94](#) (Matt Hinde). On what other witnesses saw as further negative consequences which were likely to arise if the UK were subject to the EU’s CBAM, see [QQ 95](#) (Silke Goldberg), [96](#) (Adam Berman) and written evidence from Nord Pool ([RES0078](#)).

63 [Q 94](#) (Matt Hinde)

64 [Q 95](#) (Adam Berman)

the move, especially because of the way in which it would enable them to avoid the EU CBAM. Overall, Mr Berman said that he would “struggle to name ... a sector of the British economy which is not in favour” of linking the UK and EU ETs.⁶⁵ The Centre for Inclusive Trade Policy and UK Trade Policy Observatory said that UK and EU carbon prices were likely to align whether or not the UK linked its ETs to the EU’s,⁶⁶ and the Minister for the Cabinet Office has said that he would expect having access to a larger carbon market to exert “downward pressure over time” on carbon prices.⁶⁷ (We consider the implications of the summit outcomes with respect to ETs linkage in Chapter 4, paragraphs 174–178.)

UK-EU electricity trading arrangements

44. Against the backdrop of the Government’s aim of “more efficient electricity trading arrangements”,⁶⁸ all of our witnesses who addressed the issue agreed that there was a need for a radical change to the arrangements set out in the TCA, which were based on a system of ‘volume coupling’.⁶⁹ The TCA had provided that the UK⁷⁰ and the EU should develop technical arrangements to implement the new system within 15 months of the TCA coming into force—that is, in 2022.⁷¹ However, we heard not only that this had not taken place, but that witnesses doubted it ever could. The electricity market operator Nord Pool said that it was “not optimistic” on this point;⁷² the energy lawyer Silke Goldberg said that the envisaged system was “technically nigh on impossible”;⁷³ and Adam Berman of Energy UK called it “fundamentally undoable”.⁷⁴ As things stood, Mr Berman said that the current system “costs British consumers a few hundred million pounds a year, depending on exactly where electricity prices are”.⁷⁵ He noted that these costs were likely to rise as the UK becomes a net electricity exporter.⁷⁶

65 [Q 95](#) (Adam Berman)

66 Written evidence from the Centre for Inclusive Trade Policy and UK Trade Policy Observatory ([RES0075](#))

67 Minister for the Cabinet Office, Q&A following speech to The Spectator, 27 August 2025, via Sky News, YouTube, [Labour calls for a UK-EU permanent trade deal and attacks Farage on Brexit](#) [accessed 25 September 2025]

68 Written evidence from HM Government ([RES0042](#))

69 [Q 92](#) (Silke Goldberg, Matt Hinde, Adam Berman). Ms Goldberg and National Grid both drew our attention to the open letter that had been published in October 2024 by 20 UK and EU energy firms and organisations calling for price-based coupling between the GB and EU electricity markets, rather than the volume-based system envisaged in the TCA; [Q 98](#) (Silke Goldberg) and written evidence from National Grid ([RES0069](#)). For the letter, see Financial Times, [EU and British energy groups call for rewrite of post-Brexit trading arrangements](#), 15 October 2024 [paywall], and Elia Group, [Press Release: Broad coalition of energy associations and TSOs calls upon political leaders to prioritise enhanced electricity trade between UK and EU to fully develop the offshore potential of the North Seas](#), 14 October 2024. We considered UK-EU electricity trading arrangements under the TCA in our 2023 report [The future UK-EU relationship](#) (4th Report, Session 2022–23, HL Paper 184).

70 Under the terms of the Protocol/Windsor Framework, Northern Ireland remains within the EU’s single electricity market; Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, [OJ L 29](#), 31 January 2020, Protocol on Ireland/Northern Ireland, Article 9

71 TCA, [OJ L 149](#), 30 April 2021, Article 312 and Annex 29

72 Written evidence from Nord Pool ([RES0078](#))

73 [Q 98](#) (Silke Goldberg); see also written evidence from National Grid ([RES0069](#)).

74 [Q 98](#) (Adam Berman)

75 [Q 97](#) (Adam Berman)

76 [Q 99](#) (Adam Berman)

Overall considerations

45. Some witnesses suggested that the Government's objectives were unambitious and that there might have been merit in it offering more of a "strategic vision".⁷⁷ Others felt that developing the relationship through relatively small measures might help to build trust and could lead on to further steps, should the two parties so wish.⁷⁸
46. There was a consensus among our witnesses that the macroeconomic impact of the Government's reset objectives, if they were achieved, would be small, although witnesses including Aslak Berg and Shanker Singham said that multiple small gains could add up.⁷⁹ The Government has estimated that the prospective SPS and ETS linkage agreements agreed at the May 2025 summit will add nearly £9 billion to GDP by 2040.⁸⁰ This is equivalent to around 0.3% of GDP.⁸¹
47. Giving evidence towards the start of our inquiry, several witnesses noted that, if it wished to make progress towards its own objectives, the UK would be obliged to accommodate the EU's.⁸²
48. Some witnesses also suggested that the UK had much to offer the EU. This applied not only to defence,⁸³ but also law enforcement,⁸⁴ and finance and financial services.⁸⁵
49. **We note that the Government's specific policy objectives for the reset have evolved significantly over time.**
50. **All of the Government's specific reset objectives found support in our evidence, albeit to varying degrees. Most of our witnesses agreed that the Government had identified areas where there was scope for a closer UK-EU relationship. However, we also heard some doubts about the direction of travel of the security and defence agreement, aspects of the possible SPS agreement, and the likelihood of real progress on touring artists and MRPQ.**
51. **There was consensus among our witnesses that the overall economic impact of the Government's reset objectives, if all were achieved, would be marginal, albeit positive.**

The May 2025 UK-EU summit outcomes

52. As noted above, the UK-EU summit took place in London in May 2025, where the two sides agreed three joint documents: a Joint Statement declaring

77 For example, [QQ 1](#) (Armida van Rij), [29](#) (Anton Spisak)

78 [QQ 3](#), [5](#) (Mujtaba Rahman), [16](#) (Catherine Barnard), [26](#) (Anton Spisak)

79 [QQ 5](#) (Mujtaba Rahman), [28](#) (Philip Rycroft), [29](#) (Anton Spisak, Shanker Singham), [47](#) (Aslak Berg), [48](#) (Sam Lowe). Witnesses described the likely economic impact of the Government's objectives as, for example, "minimal" (Mujtaba Rahman) and "relatively marginal" (Anton Spisak).

80 HM Government, *Press Release: PM secures new agreement with EU to benefit British people*, 19 May 2025. A study commissioned by the Department for Environment, Food and Rural Affairs (DEFRA) on the economic effects of existing UK-EU SPS arrangements and of a possible UK-EU SPS agreement is accessible via DEFRA, *Quantifying Non-Tariff Measures on GB to EU Agri-Food, Plant Products and Fisheries Trade*, 2025

81 BBC News, *What will 'reset' deal mean for UK economic growth?*, 19 May 2025

82 [QQ 1](#) (Armida van Rij), [8](#) (Mujtaba Rahman), [27](#) (Philip Rycroft), [40](#) (Sam Lowe) and written evidence from Energy UK ([RES0043](#))

83 [Q 19](#) (Graham Butler)

84 [Q 82](#) (Peter Ayling)

85 For example, [QQ 136](#) (Sarah Hall), [139](#) (Caroline Dawson)

a new UK-EU Partnership;⁸⁶ a Security and Defence Partnership;⁸⁷ and a ‘Common Understanding’ on ‘A renewed agenda for EU-UK cooperation’.⁸⁸

53. We consider the UK-EU Security and Defence Partnership in detail in Chapter 3 (paragraphs 110-118).

The Common Understanding

54. The Government’s other reset objectives, as well as further issues, were addressed in the summit’s Common Understanding, which set out “the conclusions of [the] exploratory talks” that had been held between the UK and the European Commission, and an agenda for closer UK-EU cooperation.⁸⁹ The Common Understanding committed the UK and the EU to pursue: prospective new agreements in four areas; the UK’s association to one EU programme; and cooperation in a range of further fields, as summarised in Box 2.

Box 2: The UK-EU Common Understanding: Summary of contents

<p>Agreement to pursue prospective new UK-EU agreements, to establish:</p> <ul style="list-style-type: none"> • A Common Sanitary and Phytosanitary (SPS) Area through an SPS agreement • Emissions Trading Schemes (ETS) linkage • A Youth Experience Scheme • UK participation in the EU internal electricity market <p>Agreement to pursue prospective UK association to an EU programme:</p> <ul style="list-style-type: none"> • Erasmus+ <p>Areas identified for closer cooperation:</p> <ul style="list-style-type: none"> • Implementation of TCA provisions on professional mobility and recognition of professional qualifications (establishment of dialogues) • Implementation of TCA provisions on criminal law enforcement • Irregular migration • International development (establishment of a dialogue) • International disaster and humanitarian response • Maritime safety and security • Health security <p>Areas identified for continuation of existing cooperation activity:</p> <ul style="list-style-type: none"> • Travel and cultural exchange, including arrangements for touring artists
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86 Cabinet Office, *UK-EU Summit 2025: Joint Statement*, 19 May 2025

87 FCDO/MoD, *Security and Defence Partnership between the European Union and the United Kingdom of Great Britain and Northern Ireland*, 19 May 2025 (hereafter, UK-EU SDP)

88 Cabinet Office, *Common Understanding: A renewed agenda for European Union-United Kingdom cooperation*, 19 May 2025 (hereafter, Common Understanding)

89 Switzerland and the EU agreed a ‘Common Understanding’ document in October 2023 as part of their process towards the new package of Swiss-EU agreements announced in December 2024; the then Swiss Ambassador to London, HE Markus Leitner, discussed the role of the Common Understanding in the process from a Swiss perspective at [Q 122](#) (Markus Leitner).

- Border management⁹⁰
- Regulatory exchanges on new energy technologies

Source: Cabinet Office, *Common Understanding: A renewed agenda for European Union-United Kingdom cooperation*, 19 May 2025

55. Alongside its provisions with respect to UK Government objectives, the Common Understanding commits the UK and the EU to “work towards” agreement on two issues that had been priorities for the EU, a Youth Experience Scheme and UK association to Erasmus+:
- A Youth Experience Scheme was supported by witnesses including ABTA, the Bar Council, the Law Society, the Immigration Law Practitioners’ Association, TheCityUK and the International Regulatory Strategy Group, Lloyds, and the Institute of Directors (IoD).⁹¹ Several of our witnesses, referring to a range of sectors including the law and financial services, said that a Youth Experience Scheme should be seen as a valuable tool for early-career professional development, helping younger workers to build skills and networks that would be of benefit throughout their careers.⁹²
 - UK association to Erasmus+ was supported by witnesses including the Erasmus Student Network UK, the Scottish Advisory Forum on Europe, and the Society of Spanish Researchers in the UK.⁹³
56. As further discussed in paragraphs 64–87 below, at their summit the UK and the EU also agreed to extend two sets of TCA-based arrangements that had been due to expire in June 2026, namely the energy title of the TCA,⁹⁴ and arrangements governing reciprocal access to fisheries.⁹⁵ These agreements were noted briefly in the Common Understanding.⁹⁶
57. Table 1 summarises the status of UK and EU objectives and priorities in the Common Understanding.

90 The Common Understanding included a statement that there will be no legal barriers to UK citizens using eGates when entering or leaving the EU after the introduction of the EU Entry/Exit System (EES); Cabinet Office, *Common Understanding*, 19 May 2025, para 16. We did not consider the issue of eGates as part of our inquiry because the Justice and Home Affairs Committee conducted an *inquiry into Electronic border management systems* in 2024, is maintaining an interest in the subject (including through further evidence-taking), and is expected to pursue the issue further with ministers.

91 *QQ 103, 105* (Marco Cillario) and written evidence from the Law Society (*RES0013*), ABTA—The Travel Association (*RES0019*), Lloyd’s (*RES0023*), the Bar Council (*RES0036*), TheCityUK and the International Regulatory Strategy Group (*RES0056*), the Immigration Law Practitioners’ Association (*RES0064*) and the Institute of Directors (IoD) (*RES0071*). The IoD cited a May 2024 survey of its members in which half said that a youth mobility scheme would benefit their organisation and 2% said that it would be a disadvantage.

92 *QQ 103, 105* (Marco Cillario), *132* (Sarah Hall). We considered a possible UK-EU youth mobility scheme in detail in our 2023 report *The future UK-EU relationship* (4th Report, Session 2022–23, HL Paper 184).

93 Written evidence from the Scottish Advisory Forum on Europe (*RES0010*), Erasmus Student Network UK (*RES0040*) and Society of Spanish Researchers in the UK (*RES0074*)

94 TCA, *OJ L 149*, 30 April 2021, Part Two, Heading One, Title VIII

95 TCA, *OJ L 149*, 30 April 2021, Articles 498 and 500 and Annexes 35 and 38

96 Cabinet Office, *Common Understanding: A renewed agenda for European Union-United Kingdom cooperation*, 19 May 2025, para 3

Table 1: UK and EU priorities in the Common Understanding

The parties' objectives	Status in the Common Understanding
UK Government	
Greater law enforcement cooperation	Agreement to “intensify”, “explore”, “encourage”, “consider” or “examine” further cooperation in various specific areas
SPS agreement	Agreement to “work towards” one
Help for touring artists in the EU	No additional commitment
Mutual recognition of professional qualifications	Agreement to establish a new dialogue on the issue
Emissions Trading Schemes linkage	Agreement to “work towards” establishing it
More efficient electricity trading arrangements	Agreement to “explore” possible UK participation in the EU internal electricity market
EU	
Youth Experience Scheme	Agreement to “work towards” one
UK association to Erasmus+	Agreement to “work towards” it
Extension of existing reciprocal fisheries access arrangements	Agreed and enacted
Both	
Security and Defence Partnership	Agreed and in effect
Extension of TCA energy title	Agreed and enacted

Sources: As for paragraphs 15-17 and 21-22; Cabinet Office, *Common Understanding: A renewed agenda for European Union-United Kingdom cooperation*, 19 May 2025

58. The Common Understanding commits the UK and EU to “proceed swiftly on the undertakings”⁹⁷ it contains, but it does not set out any specific timelines, deadlines or targets for taking forward or delivering the items in the agenda it outlines.

Agreement to “explore” possible UK participation in the EU internal electricity market

59. As noted in Table 1, rather than addressing only “more efficient electricity trading arrangements” between the UK and the EU, the Common Understanding proposes that the UK might join the EU’s internal electricity market.⁹⁸ This would be a higher degree of UK-EU integration than the Government had said it was seeking, as it would involve the UK’s sectoral participation in an area of the EU Single Market (similarly to the prospective SPS agreement). The possibility of UK participation in the EU internal electricity market was not raised by any of our witnesses,⁹⁹ and neither did the Government mention it in its ‘summit explainer’ document, which continued to refer to “UK participation in the EU’s electricity trading

97 Cabinet Office, *Common Understanding*, 19 May 2025, para 1

98 Cabinet Office, *Common Understanding*, 19 May 2025, paras 19-21

99 For example, [Q 99](#) (Silke Goldberg, Matt Hinde)

platforms”.¹⁰⁰ However, the Common Understanding contains a weaker commitment on this issue than on the other three prospective new UK-EU agreements: the UK and the European Commission are only to “explore in detail the necessary parameters for the UK’s possible participation”.¹⁰¹ As far as we are aware, there have been no further developments on this matter since the summit.

60. According to the minutes of a meeting of the TCA Specialised Committee on Energy in June 2025, work continues on the electricity trading arrangements foreseen in the TCA, alongside the new workstream exploring possible UK participation in the EU internal electricity market.¹⁰²
61. *To our knowledge, before the May 2025 summit the Government had not referred to the possibility of the UK participating in the EU’s internal electricity market. We also note that none of our witnesses raised this policy as an aim prior to the summit. We ask the Government to set out how and why it came to agree with the EU that exploring this proposal should be a summit outcome.*
62. *We ask the Government to set out the relationship between the ongoing work on the alternative electricity trading arrangements foreseen in the TCA and the new exploration of possible UK participation in the EU internal electricity market. We further ask the Government to tell us when it expects the current electricity trading arrangements to be superseded.*
63. We consider the post-summit agenda in more detail in the following chapters of this report.

Extension of UK-EU arrangements on fisheries access and energy cooperation

64. As noted above, at their May summit the UK and the EU agreed to extend two sets of TCA-based arrangements that had been due to expire in June 2026:
 - the energy title of the TCA;¹⁰³ and,
 - arrangements governing reciprocal access to fisheries.¹⁰⁴

100 Cabinet Office, *UK-EU Summit: Explainer*, 19 May 2025

101 Cabinet Office, *Common Understanding*, 19 May 2025, para 19

102 HM Government, *EU-United Kingdom Trade and Cooperation Agreement Specialised Committee on Energy—minutes of the Meeting*, 18 June 2025

103 TCA, [OJ L 149](#), 30 April 2021, Part Two, Heading One, Title VIII

104 TCA, [OJ L 149](#), 30 April 2021, Articles 498 and 500 and Annexes 35 and 38

The Partnership Council Decisions giving effect to these changes were agreed in June.¹⁰⁵

- on fisheries access, a Decision of the Partnership Council and a Decision of the Specialised Committee on Fisheries;¹⁰⁶ and,
- on the energy title, a Decision and a Declaration of the Partnership Council.¹⁰⁷

65. As agreements which have already been finalised and enacted, these agreements should be distinguished from the issues addressed in the Common Understanding which remain to be negotiated or otherwise taken forward.
66. The Partnership Council and Specialised Committee documents enacting these changes to the TCA fall under the renewed EU scrutiny arrangements that were agreed with the Government in May 2025.¹⁰⁸ We received the Explanatory Memoranda (EMs) on 14 July¹⁰⁹—after the Partnership Council had already taken the relevant Decisions amending the TCA. This was reminiscent of the approach taken by the previous Government in 2023–24

105 These texts were agreed by written procedure.

106 Decision No 1/2025 of the Partnership Council established by the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part of 18 June 2025 issuing an interpretation of Article 508(2)(d) of the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part, [OJ L 2025/1229](#), 20 June 2025, and Decision No 1/2025 of the Specialised Committee on Fisheries established by Article 8(1)(q) of the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part of 19 June 2025 as regards the arrangements on the level and conditions of access granted by each Party to vessels of the other Party to fish in its waters from 1 July 2026 to 30 June 2038, [OJ L 2025/1231](#). Although both of these legal texts entered into force immediately, the Decision of the Specialised Committee on Fisheries applies only from 1 July 2026.

107 Decision No 2/2025 of the Partnership Council established by the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part of 19 June 2025 issuing an interpretation of Article 331(2) and extending the application of Part Two, Heading One, Title VIII on energy, of the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part, [OJ L 2025/1230](#), 20 June 2025, and Joint Declaration 1/2025 of the Union and the United Kingdom in the Partnership Council established by the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part of 19 June 2025, [OJ L 2025/1232](#), 20 June 2025. Although both of these legal texts entered into force immediately, the extension of the energy title under Decision No 2/2025 of the Partnership Council applies only from 1 July 2026.

108 Correspondence, *Minister for the Cabinet Office to the Chairs of the European Affairs Committee and Northern Ireland Scrutiny Committee*, 24 April 2025, and *Chair of the European Affairs Committee to the Minister for the Cabinet Office*, 8 May 2025

109 HM Government, *Explanatory Memorandum on UK-EU TCA Partnership Council and Specialised Committee on Fisheries decisions*, 14 July 2025, and *Explanatory Memorandum on a UK-EU TCA Partnership Council decision and joint declaration on energy*, 14 July 2025

when amending the TCA with respect to rules of origin for electric vehicles.¹¹⁰ Given that the present EMs addressed amendments that the UK and EU had already agreed, we decided that this report would incorporate our formal scrutiny.

67. **It is unsatisfactory that successive Governments have pursued significant changes to the Trade and Cooperation Agreement without any opportunity for this Committee to fulfil its Parliamentary responsibility to oversee and scrutinise UK-EU agreements.**

Fisheries access

68. Under the fisheries provisions of the TCA, the default arrangement is that annual UK-EU negotiations are to determine the access that each party has to the other's waters in the following year. These negotiations may also extend to transfers of catchable quota between the parties. However, the TCA established an adjustment period, to 30 June 2026, during which the levels of access, and quota shares, are specified.¹¹¹
69. At the May 2025 summit, the UK and the EU agreed to put in place another multi-year arrangement on access to each other's waters, instead of defaulting to the annual access negotiations provided for in the TCA. The new arrangement runs for 12 years, from 1 July 2026 to 30 June 2038. During this period, the levels of reciprocal access to waters are the same as those that applied during the adjustment period: in this respect, the adjustment period has in effect been extended for a further 12 years. The UK and the EU dealt with the TCA's requirement for annual access negotiations by including, in the Partnership Council and Specialised Committee texts which enacted the summit agreement, a statement that the summit agreement was to be considered as the outcome of the annual negotiations for which the TCA provides.¹¹²

110 In December 2023, the Partnership Council amended the TCA to push back, from 31 December 2023 to 31 December 2026, the end of the initial period of transitional rules of origin applying to electric vehicles. The then Government submitted an EM on the Partnership Council Decision but only in January 2024, after the TCA amendment had been made. In our letter to the then Government on the EM, we expressed "regret that this amendment to the TCA occurred too late for us to undertake scrutiny" and said: "We encourage the Government to provide as much notice as possible of any potential future amendments to deadlines within the TCA. That would enable us to fulfil our scrutiny role to the full"; correspondence, *Chair of the European Affairs Committee to Nus Ghani MP, Minister for Europe, FCDO*, 27 March 2024

111 TCA, [OJ L 149](#), 30 April 2021, Articles 498 and 500 and Annexes 35 and 38

112 Decision No 1/2025 of the Partnership Council established by the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part of 18 June 2025 issuing an interpretation of Article 508(2)(d) of the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part, [OJ L 2025/1229](#), 20 June 2025, and Decision No 1/2025 of the Specialised Committee on Fisheries established by Article 8(1)(q) of the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part of 19 June 2025 as regards the arrangements on the level and conditions of access granted by each Party to vessels of the other Party to fish in its waters from 1 July 2026 to 30 June 2038, [OJ L 2025/1231](#)

70. The Specialised Committee Decision enacting the multi-year agreement will cease to apply on 30 June 2038, unless the Committee adopts a decision to extend it.¹¹³
71. Elspeth Macdonald of the Scottish Fishermen's Federation (SFF) and Chris Ranford of the National Federation of Fishermen's Organisations (NFFO) were strongly critical of the fisheries access agreement, on a number of grounds. They said that the agreement disproportionately disadvantaged the UK fleet, especially because it involved no further transfer of access or quota; that it removed the leverage over access and quota that they believed the UK industry would have gained from annual negotiations; and that it might jeopardise the UK's regulatory autonomy with respect to fisheries management.¹¹⁴
72. Mr Ranford was also critical of the process whereby the fisheries access agreement was enacted—that is, immediately and in private, by the Specialised Committee. Both Mr Ranford and Ms Macdonald said that the Government had not given their organisations notice of the content of the fisheries access agreement before it was either reached or enacted.¹¹⁵
73. The Government argued that, as a multi-year rather than annual arrangement, the access agreed at the summit would bring the industry stability and certainty. The Government also suggested that the agreement would preserve UK gains already secured under the TCA and during the adjustment period, in terms of levels of access, the transfer of EU quota, and regulatory autonomy.¹¹⁶ Otherwise, the Government has presented the fisheries access agreement as one element in a three-part package which it says will benefit the sector, alongside the prospective SPS agreement, and a new £360 million Fishing and Coastal Growth Fund.¹¹⁷ It has highlighted in particular the fact that the SPS agreement will allow the export of live bivalve molluscs from the UK to the EU.¹¹⁸
74. Tavish Scott of Salmon Scotland told us that:

“The principal advantage to the arrangements that were announced on 19 May is that they take away the physical checks that our salmon,

113 Decision No 1/2025 of the Specialised Committee on Fisheries established by Article 8(1)(q) of the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part of 19 June 2025 as regards the arrangements on the level and conditions of access granted by each Party to vessels of the other Party to fish in its waters from 1 July 2026 to 30 June 2038, [OJ L 2025/1231](#)

114 [QQ 161](#) (Elspeth Macdonald), [162](#) (Chris Ranford, Elspeth Macdonald), [165](#) (Chris Ranford), [170](#) (Elspeth Macdonald), [173](#) (Elspeth Macdonald)

115 [Q 167](#) (Elspeth Macdonald, Chris Ranford)

116 The then Secretary of State for Environment, Food and Rural Affairs, the Rt Hon Steve Reed MP, told the House of Commons Environment, Food and Rural Affairs Committee the day after the summit that “The EU was interested in more quota and more access” compared to the situation at the end of the adjustment period; House of Commons Environment, Food and Rural Affairs Committee, *Inquiry into Work of the Department and its arm's-length bodies*, 20 May 2025, [Q 178](#)

117 [Q 183](#) (the Minister for the Cabinet Office); correspondence, *Minister for the Cabinet Office to the Chair of the European Affairs Committee*, 18 June 2025; Cabinet Office, *UK-EU Summit: Explainer*, 19 May 2025; Department for Environment, Food and Rural Affairs, *Press Release: Government to launch £360m Fishing and Coastal Growth Fund*, 19 May 2025

118 House of Commons Environment, Food and Rural Affairs Committee, *Inquiry into Work of the Department and its arm's-length bodies*, 20 May 2025, [Q 178](#) (the Secretary of State for Environment, Food and Rural Affairs). Bivalve molluscs include, for example, clams, oysters, whelks, mussels and scallops.

and indeed seafood more broadly, are subjected to when they arrive in the European Union, or will when the agreement is implemented. ... In addition to removing those physical checks—and please do not underestimate what a burden that has been on business—we will lose the requirement to provide European health certificates, which again has been a costly burden on business. Furthermore, we will be able to provide our product to customers across the European Union quicker than we have been doing, because of the checks that currently take place. ... 19 May is an important step forward for us as export businesses.”¹¹⁹

75. Ms Macdonald of the Scottish Fishermen’s Federation (SFF) and Mr Ranford of the National Federation of Fishermen’s Organisations (NFFO) noted that, while the fisheries access agreement—which in their view primarily benefitted the EU—was a ‘done deal’, the SPS agreement, which had been a UK objective, remained to be negotiated.¹²⁰
76. We received some evidence suggesting that there might be advantages to the Government’s wider reset agenda if the fisheries access issue were settled relatively early, so that frictions—and a potential EU block—over this question did not arise in 2026 when the UK and EU might be in the midst of sensitive negotiations on other issues.¹²¹ However, commentary around the summit outcome on fisheries access suggested that the length of the 12-year agreement was at the outer limits of, if not beyond, the expectations of analysts and the fishing industry.¹²²
77. We found that the Government’s EM on the fisheries access agreement added little to our understanding.¹²³ It did not comment on the speed with which the agreement was reached and enacted, nor on the legal approach that had enabled the TCA requirement for annual access negotiations to be set aside, and it contained no assessment of the impact of the agreement. It also referred to the agreement “extending the provisions” in the TCA (paragraph 3) while stating that the new arrangements “do not extend the adjustment period” (paragraph 14).
78. The TCA provides that the implementation of its Fisheries part (Heading Five of Part Two) shall be reviewed by the UK and the EU in the Partnership Council four years after the end of the adjustment period—that is, in June 2030. The aim of the review is to “consider ... whether arrangements, including in relation to access to waters, can be further codified and strengthened”.¹²⁴ As far as we can see, the fisheries access agreement reached at the May 2025 summit was silent on this issue.
79. ***We ask the Government, in its response to this report, to confirm that the requirement to review the implementation of the TCA’s fisheries heading in 2030 continues to apply and, if so, to set out what the review might comprise, given the decision to agree fisheries access arrangements to 2038. We also ask how the Government intends to involve Parliament, particularly this Committee, in this process.***

119 [Q 165](#) (Tavish Scott)

120 [QQ 165](#) (Chris Ranford, Elspeth Macdonald), [171](#) (Elspeth Macdonald), [173](#) (Chris Ranford)

121 For example, written evidence from UK in a Changing Europe ([RES0072](#))

122 [QQ 165](#) (Elspeth Macdonald), [167](#) (Elspeth Macdonald)

123 HM Government, *Explanatory Memorandum on UK-EU TCA Partnership Council and Specialised Committee on Fisheries decisions*, 14 July 2025

124 TCA, [OJ L 149](#), 30 April 2021, Article 510

TCA energy title

80. The TCA specifies that its energy title will cease to apply on 30 June 2026. However, the Partnership Council may extend this, in the first instance to 31 March 2027 and then successively for another year at a time, a potentially unlimited number of times.¹²⁵ In the TCA, the requirement for annual renewal of the energy title beyond 2026 paralleled the provision for annual negotiations on fisheries access.
81. At the May 2025 summit, the UK and the EU agreed to extend the energy title to 31 March 2027. They also stated that they had a “political understanding” that the objectives of the energy title “should be pursued on a continuous basis”. They therefore indicated that the title could be expected to be extended beyond March 2027 through the taking of “successive decisions” to this end.¹²⁶ In its summit ‘explainer’ document, the Government went as far as to say that the summit agreement meant “putting [the energy title] on a permanent footing”.¹²⁷
82. The Government said that extending the energy title “would provide much needed certainty to businesses about the rules that apply to trade and investment between the UK and the EU for energy”.¹²⁸
83. All our witnesses who addressed the topic supported the extension of the energy title. The energy lawyer Silke Goldberg told us that the expiry of the title would have left “no regulatory or institutional framework” for the UK-EU relationship on energy.¹²⁹ In this context, Matt Hinde of National Grid expressed “doubt you would find anyone [in the industry] who did not want the continuation of the energy title”.¹³⁰ Witnesses identified uncertainty as the greatest negative effect arising from even the possibility of the energy title expiring; they said that this would deter long-term investments in energy infrastructure, and destabilise energy markets and the development of energy trading arrangements.¹³¹
84. Adam Berman of Energy UK reminded us that, if the TCA energy title were to expire, the UK’s current participation in the North Seas Energy Cooperation (NSEC) group would cease.¹³² The UK participates in the group under a Memorandum of Understanding signed in December 2022 which, after 30 June 2026, applies only if the TCA energy title does likewise.
85. The Government’s EM on the decision on the energy title added nothing to the summit documentation.

125 TCA, [OJ L 149](#), 30 April 2021, Article 331

126 Joint Declaration 1/2025 of the Union and the United Kingdom in the Partnership Council established by the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part of 19 June 2025, [OJ L 2025/1232](#), 20 June 2025

127 Cabinet Office, [UK-EU Summit: Explainer](#), 19 May 2025

128 HM Government, [Explanatory Memorandum on a UK-EU TCA Partnership Council decision and joint declaration on energy](#), 14 July 2025; correspondence, [Minister for the Cabinet Office to the Chair of the European Affairs Committee](#), 18 June 2025; Cabinet Office, [UK-EU Summit: Explainer](#), 19 May 2025

129 [Q 97](#) (Silke Goldberg)

130 [Q 97](#) (Matt Hinde)

131 [QQ 97](#) (Matt Hinde), [101](#) (Silke Goldberg) and written evidence from Energy UK ([RES0043](#))

132 [Q 97](#) (Adam Berman); see also written evidence from UK in a Changing Europe ([RES0072](#)). We considered the UK’s participation in NSEC in detail in our 2023 report [The future UK-EU relationship](#) (4th Report, Session 2022–23, HL Paper 184).

86. **We consider the Government’s Explanatory Memoranda on the fisheries access agreement and the decision on the energy title to be unsatisfactory in both timing—appearing as they did after the agreements had already been reached—and substance, in that they provided no new information about how the agreements had been reached or their impact. We consider that future EMs must be prepared to a higher standard if confidence in the process is to be maintained.**
87. *The reset agreement gives the EU certainty about the extension of the fisheries access arrangements for 12 years, while the renewal of the energy title remains on an annual basis. The new arrangements provide a degree of political comfort that the TCA energy title will continue to apply beyond 2027, notwithstanding the uncertainty created by the need for formal annual renewal. We ask the Government to set out the rationale behind these arrangements and to set out its degree of confidence that the energy provisions will not be used as leverage by the EU in future.*
88. **The Government has made progress in achieving its reset objectives. It has negotiated a security pact with the EU. It has also secured the EU’s agreement to “work towards” its objectives of a Sanitary and Phytosanitary (SPS) agreement, and an agreement to link the UK and EU Emissions Trading Schemes.**
89. *However, there has been little, if any, progress on the Government’s other objectives, of further law enforcement cooperation, help for touring artists, and mutual recognition of professional qualifications. It would be helpful to know whether the obstacles to progress are on the EU side and, if so, whether these are likely to be overcome in the near future.*
90. **The new UK-EU agreements envisaged in the outcomes of the May 2025 summit—on a Common Sanitary and Phytosanitary (SPS) Area, the linking of Emissions Trading Schemes, UK participation in the EU internal electricity market, and a Youth Experience Scheme, as well as UK association to Erasmus+—remain to be agreed. At the time we prepared this report, formal negotiations had begun only on the Youth Experience Scheme and UK association to Erasmus+, and there was no agreed target date for completing any of them.**
91. **The Youth Experience Scheme, as well as UK association to Erasmus+, were not included among the Government’s initial priorities for the reset, although they were key negotiating priorities of the EU.**

EU data adequacy status

92. Many witnesses who called for closer UK-EU cooperation in the criminal law enforcement and economic areas that we consider in Chapters 3 and 4 also hoped for an extension of the UK’s EU data adequacy status. They saw this as an essential underpinning for UK-EU exchanges across a wide range of fields.¹³³

133 For example, [Q 88](#) (Peter Ayling) and written evidence from Cancer Research UK ([RES0022](#)), Lloyd’s ([RES0023](#)), British Screen Forum ([RES0029](#)), the Bar Council ([RES0036](#)), the International Underwriting Association of London ([RES0041](#)), the Association for Financial Markets in Europe ([RES0045](#)) and TheCityUK and the International Regulatory Strategy Group ([RES0056](#))

93. We conducted an inquiry into data adequacy in 2024 under the previous Government. Following the change of Government, we held a follow-up evidence session in May 2025 with Sir Chris Bryant MP, who was then the responsible Minister of State jointly at the Department for Science, Innovation and Technology and the Department for Culture, Media and Sport. Sir Chris stressed that the renewal of the UK's data adequacy status was a unilateral decision for the European Commission, and not part of the reset.¹³⁴ In our 2024 inquiry, we found that the European Commission was likely to renew the UK's data adequacy status, given the scale of the UK-EU economic relationship.¹³⁵
94. The UK's current data adequacy status was due originally to expire in June 2025. However, the European Commission pushed the expiry date back to December 2025 so that it did not need to assess the UK's data protection standards—as required for any renewal decision—until after the Data (Use and Access) Bill had become law (which it did later in June).¹³⁶ In July, the European Commission proposed renewing the UK's data adequacy status, to 27 December 2031.¹³⁷
95. **We welcome the fact that, if enacted, the European Commission's proposal to extend data adequacy status for the UK until 2031 would avoid significant disruption to UK-EU cooperation across the board.**

Bilateral relations with European states

96. The Government stated from the outset that its reset policy applied to EU Member States and other European countries, as well as to the EU.¹³⁸
97. The Prime Minister has sustained the leadership role on the European response to Russia's aggression in Ukraine which he inherited from the previous Government. With President Macron of France, he has been at the forefront of developing the 'Coalition of the Willing', including many other European countries. After the coming-to-office of Chancellor Merz of Germany, the three leaders have increasingly worked together on European security in coordination with US President Trump.

134 European Affairs Committee, non-inquiry evidence session, 13 May 2025, [QQ 1, 6, 14](#) (the Minister of State, Department for Science, Innovation and Technology and Department for Culture, Media and Sport)

135 Correspondence, *Chair of the European Affairs Committee to the Rt Hon Peter Kyle MP, Secretary of State for Science, Innovation and Technology*, 22 October 2024

136 European Commission, *Press Release: Commission proposes to extend adequacy decisions for the UK by six months for free and safe data flows*, 18 March 2025; Commission Implementing Decision (EU) 2025/1226 of 24 June 2025 amending Implementing Decision (EU) 2021/1772 pursuant to Regulation (EU) 2016/679 of the European Parliament and of the Council on the adequate protection of personal data by the United Kingdom, [OJ L 2025/1226](#), 26 June 2025; Commission Implementing Decision (EU) 2025/1225 of 24 June 2025 amending Implementing Decision (EU) 2021/1773 pursuant to Directive (EU) 2016/680 of the European Parliament and of the Council on the adequate protection of personal data by the United Kingdom, [OJ L 2025/1225](#), 26 June 2025

137 European Commission, *Draft Implementing Decision pursuant to Regulation (EU) 2016/679 on the adequate protection of personal data by the United Kingdom* and *Draft Implementing Decision pursuant to Directive (EU) 2016/680 on the adequate protection of personal data by the United Kingdom*, July 2025. In October, the European Data Protection Board issued broadly favourable opinions on the Commission's draft Decisions, while recommending that the Commission continue to monitor certain aspects of the UK's data protection practice closely: European Data Protection Board, *Press Release: Draft UK adequacy decisions: EDPB adopts opinions*, 20 October 2025. As of the end of October, the European Commission's draft Decisions remained to be agreed by the EU Member States.

138 Written evidence from HM Government ([RES0042](#)) and European Affairs Committee, non-inquiry evidence session, 10 December 2024, [Q 1](#) (the Minister for Europe). The House's International Agreements Committee (IAC) scrutinises bilateral UK treaties with EU Member States.

98. Other Ministers, particularly Europe Minister Stephen Doughty MP, have also devoted considerable time and effort to bilateral and other engagement around Europe. The UK has focused on migration, among other issues, and Mr Doughty and others highlighted the measures agreed on this question.¹³⁹ For example, the Minister for Europe referred to the Organised Immigration Summit held in the UK in March 2025, a UK-Italy taskforce focusing on targeting the financial flows of smugglers, and cooperation with Albania.¹⁴⁰
99. The most high-profile bilateral events with European states have been with France and Germany. The UK-France relationship has seen:
- an inward State Visit in July 2025 which included a well-received Address by President Macron to both Houses of Parliament,¹⁴¹ and the signing of a cultural loan agreement under which the Bayeux Tapestry will be displayed in the British Museum in 2026;¹⁴²
 - a UK-France summit the following day which produced a Leaders' Declaration and a Declaration on Modernising UK-French Defence and Security Cooperation ('Lancaster House 2.0');¹⁴³
 - the signing of a treaty aimed at tackling irregular migration by enabling returns of irregular migrants to France and the entry to the UK of asylum claimants with a connection to the country (the so-called 'one-in, one-out' scheme).¹⁴⁴
100. The UK-Germany relationship saw agreement of a joint action plan on irregular migration in December 2024,¹⁴⁵ and an official visit to London by Chancellor Merz in July 2025 during which the two countries signed a new bilateral treaty, the Kensington Treaty, on 'friendship and bilateral cooperation'.¹⁴⁶ In October, it was announced that Germany would have a State Visit to the UK in December 2025.¹⁴⁷
101. The Minister for Europe also told us that a UK-Poland treaty is "under way" and that the Government hopes it "will be agreed by the end of the year".¹⁴⁸
102. The Minister for the Cabinet Office told us that the UK's bilateral relationships and its relationship with the EU "are not competing priorities; they reinforce each other".¹⁴⁹ The Europe Minister said that the greater cooperation with

139 [QQ 177-78](#), [186](#) (the Minister for Europe, the Minister for the Cabinet Office) and written evidence from UK in a Changing Europe ([RES0072](#))

140 [Q 186](#) (the Minister for Europe)

141 Embassy of France in the UK, *Speech by M. Emmanuel Macron, President of the French Republic, to the two Houses of Parliament at the Palace of Westminster*, 8 July 2025

142 Our Chair, Lord Ricketts, has been appointed as the Government's Envoy for the Bayeux Tapestry Loan; Department for Culture, Media and Sport, *Press Release: Bayeux Tapestry to go on display at the British Museum in 2026*, 8 July 2025

143 Prime Minister's Office, *Press Release: Lancaster House 2.0: Declaration on Modernising UK-French Defence and Security Cooperation*, 10 July 2025

144 FCDO, *UK-France Agreement on the Prevention of Dangerous Journeys*, CS France No.2/2025, 5 August 2025; correspondence, *Home Secretary to Chair of the European Affairs Committee*, 6 August 2025; Home Office, *Press Release: UK-France treaty targeting illegal crossings comes into force*, 4 August 2025

145 Home Office, *UK-Germany Joint Action Plan on Irregular Migration*, 10 December 2024

146 Prime Minister's Office, *Press Release: Treaty between the United Kingdom of Great Britain and Northern Ireland and the Federal Republic of Germany on friendship and bilateral cooperation*, 17 July 2025

147 The Royal Household, *Press Release: State Visit by The President of the Federal Republic of Germany and Frau Büdenbender*, 15 October 2025

148 [Q 175](#) (the Minister for Europe)

149 [Q 187](#) (the Minister for the Cabinet Office)

and from EU Member States that he was experiencing “absolutely” was the result of the approach that the Government was taking to the EU.¹⁵⁰

103. The post-Brexit improvement in bilateral relations with European countries has been underway for some years. For example, during our inquiry, we heard that, after several years of work, Greece had passed domestic legislation in August 2024 that allows UK lawyers to practise there under their home title.¹⁵¹ Joanne Jakymec of the Crown Prosecution Service (CPS) highlighted the fact that in 2023 Poland passed domestic legislation lifting its bar on extraditing its own nationals to the UK, something that Ms Jakymec described as “an impressive piece of work led by the Government, supported by our prosecutors and law enforcement partners”.¹⁵²
104. In addition to dedicated bilateral contacts, the UK is engaged with European states through a range of formats other than the EU—not only on Ukraine, as noted above, but also including engagement on the Western Balkans and Iran. As we prepared this report, the UK was serving as host for the 2025 summit of the Berlin Process on the Western Balkans.¹⁵³
105. In July 2024 the Government hosted the fourth summit of the European Political Community (EPC), a forum for cooperation and dialogue for European countries launched after the Russian invasion of Ukraine.¹⁵⁴ Building on the work of its predecessors, the Government’s top priorities during the subsequent EPC summits in Budapest, Tirana and Copenhagen have been supporting Ukraine and action to tackle irregular migration.¹⁵⁵
106. **We agree with the Minister that the UK’s bilateral cooperation with key European states such as France and Germany and its relationship with the EU should be complementary and mutually reinforcing.**
107. **We welcome deepened bilateral cooperation with France and Germany and look forward to the defence agreement with Poland. This is all the more important in the wider context in which threats to European security are becoming ever more apparent.**

150 [Q 186](#) (the Minister for Europe)

151 [Q 104](#) (Marco Cillario); see the Law Society, [Press Release: Landmark legislation allows UK lawyers to practise in Greece](#), 5 September 2024

152 [Q 85](#) (Joanne Jakymec)

153 Prime Minister’s Office, [Press Release: Western Balkans Summit on the Berlin Process, 22 October 2025: Chair’s Conclusions](#), 22 October 2025

154 See FCDO/Prime Minister’s Office, webpage for [European Political Community meeting 2024](#)

155 Prime Minister’s Office, [Press Release: PM: Closer international collaboration will be key to smashing the criminal gangs who profit from migration misery](#), 6 November 2024; Prime Minister’s Office, [Press Release: PM: The world has paid the price for Putin’s aggression. He must now pay for avoiding peace](#), 15 May 2025; Prime Minister’s Office, [Press Release: UK to reform asylum offer to reduce the pull factor for small boat crossings](#), 1 October 2025

CHAPTER 3: THE NEXT PHASE: FOREIGN POLICY, SECURITY, DEFENCE AND LAW ENFORCEMENT COOPERATION

108. The evidence we received prior to the May UK-EU summit was broadly supportive of deeper UK-EU cooperation in security and defence.¹⁵⁶ Some witnesses and some evidence, however, strongly opposed closer collaboration and saw significant risks in the UK becoming further involved in the EU's defence institutions and arrangements.¹⁵⁷
109. Ian Bond and Luigi Scazzieri argued that the UK should consider existing models of foreign policy, defence and security cooperation that the EU has established, noting in particular the cases of Canada and Norway (see Appendix 6).

The UK-EU Security and Defence Partnership

110. Security and Defence Partnerships—like that signed by the UK and the EU on 19 May—are a new EU instrument, developed following Russia's full-scale invasion of Ukraine in February 2022. They sit among a number of EU instruments and institutions used in the bloc's relationships with non-Member States in the field of security and defence (these are summarised in Appendix 7).
111. The contents of the UK-EU Security and Defence Partnership are summarised in Box 3. It further institutionalises dialogue and consultation mechanisms, providing for the UK to attend various EU meetings and for more structured dialogue in certain areas. It outlines ambitions and areas of possible future cooperation, but contains limited commitments or details about future areas of cooperation.

Box 3: Key aspects of the UK-EU Security and Defence Partnership

Dialogue and consultation mechanisms:

- Six-monthly foreign and security policy dialogues between the Foreign and Defence Secretaries and the EU High Representative for Foreign Affairs and Security Policy (EU HR).
- The EU HR may ("where appropriate") invite the UK to EU high level meetings (and vice versa).
- A dedicated annual Security and Defence Dialogue between the relevant UK Ministers or Permanent Secretaries of the FCDO and the Ministry of Defence (MoD) and the European External Action Service (EEAS) Deputy Secretary General.
- Annual working level consultations preparing and following up on the Security and Defence Dialogue.
- Thematic dialogues in the areas of cyber, counter-terrorism, countering proliferation of weapons of mass destruction, and other weapons (small arms, light and other conventional weapons) and arms exports control.

¹⁵⁶ Written evidence from Ian Bond and Luigi Scazzieri ([RES0067](#))

¹⁵⁷ Written evidence from Veterans for Britain ([RES0046](#)), Dr Lee Rotherham ([RES0052](#)) and Sir Bernard Jenkin MP ([RES0053](#))

- The EU HR will invite the UK to the biannual Schuman Security and Defence Forum.

Areas of cooperation:

- **Exchanges on regional security issues** (“explore opportunities to engage and collaborate on other priority regions ... such as Russia/Ukraine, the Black Sea, the Western Balkans, the Arctic, the Middle East, Africa, the Indo-Pacific”). Also, continued cooperation on sanctions.
- **Peace building and crisis management:** “explore cooperation” on peace mediation, conflict prevention, stabilisation and resolution and crisis management. The UK “will consider” its participation in the EU CSDP civilian and military crisis management.
- **Maritime security:** regular exchanges and exploring ways to deepen practical cooperation. Enhancement of maritime security coordination, including sharing information on the practices and operations of the shadow fleet (reference to primarily Russian vessels or ships, usually tankers, registered in third countries and used to export Russia’s petrol. It is estimated that this shadow fleet contains between 600 and 1000 ships).¹⁵⁸
- **Security and Defence initiatives, policies and instruments:** “regular exchanges on the development of respective security and defence initiatives”, including the UK’s participation in the PESCO project Military Mobility; “possibilities for establishing an Administrative Arrangement between the UK and the European Defence Agency will also be explored”.
- **Space security:** “will ... establish regular exchanges on space security to discuss inter alia threats and respective policy frameworks with a view to strengthening cooperation in areas of shared interest”.
- **Emerging Disruptive Technologies:** “will exchange [information] on security and resilience of emerging disruptive technologies including the development of international governance efforts on the responsible use of Artificial Intelligence in security and defence”.
- **Cyber issues:** continued cooperation through the provisions of the TCA; regular exchanges; “exchange on best practices and advance cooperation to prevent, deter and respond to malicious cyber activities”.
- **Countering hybrid threats and resilience of critical infrastructure:** “will cooperate on research on and analyses of hybrid threats” through academic institutions, think tanks and the European Centre of Excellence for Countering Hybrid Threats.
- **Countering foreign information manipulation and interference (FIMI):** “will coordinate approaches and systems to detect, analyse and respond to FIMI”; “will further reinforce information sharing, including on FIMI threat analysis, reporting and best practices”.
- **Counter-terrorism, preventing/countering violent extremism:** “will develop their cooperation on counter-terrorism and the prevention of violent extremism (based on the provisions of the TCA), including through the EU-UK dialogue on counter-terrorism”.

158 BBC News, *French troops board oil tanker linked to Russian ‘shadow fleet’*, 1 October 2025

- **Non-proliferation, disarmament and conventional arms, including small arms and light weapons (SALW):** “will work together on the non-proliferation of Weapons of Mass Destruction ... will also work closely together on multilateral conventional and humanitarian arms control, including on SALW”.
- **Capacity building for partners in security and defence:** “will explore further opportunities for coordination, cooperation and synergies in support of capacity building for partners”.
- **Training, education in security and defence:** “will seek to cooperate in the field of training and education related to peace building, crisis management, security and defence”.
- **Situational Awareness:** “will strengthen cooperation through exchanges on situational awareness and threat assessments”.
- **Cooperation in third countries and multilateral fora and institutional exchanges:** “will strengthen cooperation and regular consultations on multilateral affairs”, including on issues related to the UN, Organisation for Security and Cooperation in Europe (OSCE), Council of Europe (CoE), or EU-NATO cooperation.
- **External aspects of economic security:** “will explore ways to exchange views on external aspects of their respective economic security policies”.
- **External aspects of the fight against corruption and illicit finance:** “will strengthen cooperation to tackle illicit finance and corruption in third countries”.
- **Women, Peace and Security agenda:** “are committed to the full implementation of the Women, Peace and Security agenda, which consists of the United Nations Security Council Resolution 1325 and its follow-up resolutions”.
- **External dimensions of irregular migration:** “will explore opportunities for cooperation in the external dimension of irregular migration”.
- **Climate-security nexus:** “will explore the possibilities of regular exchange on the climate change and peace, security and defence nexus”.
- **Global health security:** “will enhance cooperation and information exchange on global health security issues and on preparedness and response”.

Source: Foreign, Commonwealth and Development Office/Ministry of Defence, *Security and Defence Partnership between the European Union and the United Kingdom of Great Britain and Northern Ireland*, 19 May 2025

112. When asked whether the EU’s current institutional framework for cooperation with third countries works well for the UK and the EU, in particular on security and defence, the Minister for the Cabinet Office noted that the EU’s internal institutional arrangements are “obviously a matter for it” and that the Security and Defence Partnership “will improve the situation”. The Europe Minister, Stephen Doughty MP, added that the UK-EU “partnership is quite unique in that it goes beyond more traditional areas and new and emerging sectors to climate, irregular migration and health security. This is a deep, broad, ambitious partner, and they describe us ... as an essential

partner. That is a testament to the nature of the relationship as they see it going forward.”¹⁵⁹

113. **We welcome the Security and Defence Partnership signed between the UK and the EU in May 2025, recognising the continental security and defence challenges facing the UK and EU and providing a framework for pragmatic partnership cooperation.**
114. **We note the identification in the Security and Defence Partnership of areas of shared concern, where both sides express ambitions for cooperation. These include areas which usually fall outside the traditional approach to security and defence, including the economy, corruption and illicit finance, irregular migration, climate and global health.**
115. *We ask the Government to explain what practical difference the Partnership will make to the level of dialogue already existing between the UK and the EU, and how it intends to assess and prioritise possible future areas of cooperation outlined in the Partnership.*
116. *We note that, in most cases, the Security and Defence Partnership expresses an ambition to enhance existing mechanisms of cooperation, or to explore possible future opportunities. At this early stage it is perhaps inevitable that the Partnership has so far amounted only to a set of aspirations, but its success will be measured by the degree to which it improves the overall defence and security of Europe. We ask the Government to set out in detail the specific capability improvements it will be seeking, the mechanisms it will put in place for pursuing them, and the objectives and milestones it will use to monitor progress.*
117. *We ask the Government to clarify whether it sees the UK-EU Security and Defence Partnership as a sufficient mechanism for cooperation with the EU, or whether it plans to pursue a closer and even more formalised relationship.*
118. **Although Members of the Committee hold a variety of views on the future UK-EU relationship, we all agree that NATO remains the cornerstone of European defence. Any more formalised approach to cooperation between the UK and the EU in the areas of security and defence must be designed to be complementary to NATO.**

Defence industrial cooperation

119. Giving evidence ahead of the May summit, witnesses representing the UK’s defence industry called in particular for “industrial components” in any UK-EU security and defence pact. The defence industry representative body ADS told us that this would help “foster deeper collaboration across pan-European supply chains and strengthen UK export opportunities”.¹⁶⁰ They further recommended a “bespoke and comprehensive defence and security industrial cooperation agreement covering shared capability challenges”. Such an agreement should include a “formal mechanism for UK-EU dialogue on defence”, combined with “robust legal and technical arrangements for

¹⁵⁹ [Q 177](#) (the Minister for the Cabinet Office, the Minister for Europe)

¹⁶⁰ Written evidence from ADS Group ([RES0049](#))

secure information-sharing, and a clear framework to protect export controls (and alignment, where appropriate) and intellectual property rights”.¹⁶¹

120. More specifically, in terms of defence industrial cooperation, representatives of the defence industry underlined challenges related to defence research and development (R&D). Jason Alderwick of the defence firm MBDA UK noted the way in which the EU has developed in the R&D, science and technology and capability development space “from being almost a non-provider of resourcing ... to being potentially the third-largest provider of defence R&D in the EU”,¹⁶² after France and then Germany.¹⁶³ Phil Siveter of Thales added that there was “a global competition for driving local R&D investment across nation states, so the more we can be collaborative in ensuring that we have purposeful impact and provide a clear regulatory environment for industry to engage is the important piece”.¹⁶⁴ Lord Peach shared similar views, arguing that “we should grab that opportunity, speed up research and development, and then turn it more quickly into capability that is relevant”.¹⁶⁵
121. In terms of where the UK could contribute, Oriel Petry of Airbus gave the example of the European Defence Fund looking at R&D for the next generation of mid-sized tactical cargo aircraft: “there is an opportunity for the UK to offer the wing capability ... it would be a loss to UK growth and UK capability if we were not a part of it”.¹⁶⁶
122. When asked about the added value that the EU brings to the defence R&D process, given the role of bilateral or multilateral arrangements or organisations such as OCCAR,¹⁶⁷ Mr Siveter noted that “in some ways it does not matter where the money is—we just need to get the money and spend it correctly and purposefully together. As industry, our job is to make sure that we deliver the capability as quickly and effectively as we can”.¹⁶⁸ Ms Petry added that “as an industry, we respond to the demands that are set ... for us as a business, as you would expect, we are trying to stay agile and respond to the requirements, but I re-emphasise that the need is now to be really clear about what we want to achieve”.¹⁶⁹
123. When asked about the EU rules that mostly exclude non-Member States from EU-funded defence industry initiatives, Mr Alderwick noted that “there is no doubt at the moment that the terms and conditions within the rules preclude effective and meaningful third country industrial participation”. He added that “mutually assured collaboration rather than mutually assured disruption” should be the preferred outcome.¹⁷⁰
124. Our witnesses noted that any UK-EU defence industrial collaboration would have financial implications for the UK. With a view to any prospective UK-EU agreement on defence industry cooperation, Mr Alderwick pointed to

161 Written evidence from ADS Group ([RES0049](#))

162 [Q 51](#) (Jason Alderwick)

163 [Q 51](#) (Jason Alderwick)

164 [Q 51](#) (Phil Siveter)

165 [Q 63](#) (Lord Peach)

166 [Q 51](#) (Oriel Petry)

167 OCCAR is the Organisation for Joint Armament Cooperation, a European intergovernmental organisation facilitating and managing collaborative armament programmes between Belgium, France, Germany, Italy, Spain and the UK; see [OCCAR](#).

168 [Q 51](#) (Phil Siveter)

169 [Q 51](#) (Oriel Petry)

170 [Q 53](#) (Jason Alderwick)

the example of Horizon Europe, noting that “the UK is now fully associated but there is a clawback mechanism”. He said: “Pay to play is quite logical from a UK perspective; it has been done before, so it seems reasonable”.¹⁷¹ He added:

“There is a well-known mantra trotted out by a lot of Europeans at the moment: ‘EU programmes, EU money only’. You therefore have to bring resourcing, which I think the UK would, pragmatically, as it would on any other kind of multinational programme where it provides resourcing and technology into that programme”.¹⁷²

125. Our witnesses representing the defence industry also expressed support for an administrative agreement with the European Defence Agency (EDA) and further collaboration on PESCO projects.¹⁷³
126. Our witnesses did not see a reset of the UK-EU relationship in security and defence on the one hand, and pursuing bilateral defence cooperation with EU Member States on the other, as an either/or process. They all underlined that there is a need for clarity on what the Government wants to achieve and for coherence (“picking, focusing and prioritising”).¹⁷⁴ Ms Petry said: “the risk with doing everything is that you duplicate, so it is really important we do not duplicate. We should think carefully where we are doing the joint work”.¹⁷⁵
127. The call for a pragmatic approach to UK-EU defence cooperation expressed by representatives of the UK’s defence industry was repeated by Lord Sedwill, who noted the changing international environment and unpredictability brought by the first months of the new US Administration.¹⁷⁶
128. Lord Sedwill was also cautious about the view that greater European defence cooperation and capability might necessitate a choice between Europe and the US. He said: “there is a great deal we can do long before we get into a position whereby European defence industrial capability is so competitive with American (...) that it becomes a genuine choice”. He said, therefore, that it would not “be wise to allow ourselves to make an entirely binary choice” between the EU and the US, especially since “in the short term, there is no alternative, given our dependence on the Americans, but to continue to depend upon the Americans”. He further warned against “this becoming a zero-sum choice”, because it would have a negative operational, and not only political, impact.¹⁷⁷

Security Action for Europe (SAFE)

129. While the text of the UK-EU Security and Defence Partnership indicated possible “Security and Defence initiatives, policies and instruments”, the Government’s summit package ‘explainer’ further clarifies that through the Partnership the Government expects:

“to set the framework for closer cooperation and joint investment in our defence industrial base—the UK and the EU have set out an ambition

171 [Q 56](#) (Jason Alderwick); see also paragraph 224.

172 [Q 56](#) (Jason Alderwick)

173 [Q 57](#) (Oriël Petry, Phil Siveter, Jason Alderwick)

174 [Q 59](#) (Jason Alderwick)

175 [Q 59](#) (Oriël Petry)

176 [Q 62](#) (Lord Sedwill)

177 [Q 62](#) (Lord Sedwill)

to explore possibilities for mutually beneficial cooperation created by the EU's €150bn Security Action for Europe (SAFE) instrument which, once adopted, could lead to a more resilient and competitive UK and EU industrial base".¹⁷⁸

130. The Minister for Europe said that "clearly, the security and defence partnership that we signed was a prerequisite to participation in what is known as SAFE, and the regulation was agreed afterwards".¹⁷⁹ He later added that "getting an agreement on this was a key part of what we set out to achieve on 19 May, but also what we hope to achieve going forward". The discussion "is live and urgent" and the Government are "keen to conclude" the negotiations over UK's access to SAFE "as soon as possible".¹⁸⁰
131. The Minister for Europe further clarified that for a non-Member State to be eligible to take part in joint purchases which have SAFE funding, joint purchases will have to involve at least two states—an EU Member State with SAFE funding, and a second state. He noted: "We look to be part of that process and very much hope it will deliver results across the board in terms of capability, jobs and defence investment here in the UK and beyond".¹⁸¹
132. The Minister for Europe also noted that the Government welcomes "efforts to enhance European defence production", underlining that this contributes to NATO and collective European security. He stated firmly that, "as other Ministers across government have set out, we have a 'NATO first' policy, which remains the bedrock of our security".¹⁸²
133. When discussing European defence capabilities overall, the Minister for Europe used the comparison of "interlocking strands in the same muscle: we build these different strands and the more we flex them, whether in defence industrial co-operation or in what we do together, the muscle becomes stronger". He noted that British defence companies are already working across Europe, so participation in SAFE, in the Government's assessment, "is about enhancing those opportunities to ensure we do not fracture that defence industrial base and, as we have set in our own example with the strategic defence review, to ensure that we are able to generate the capabilities, both conventional and in terms of new technologies, that are needed to respond to the threats".¹⁸³
134. Further focusing on SAFE, the Minister for Europe noted that it could both lead to economic growth, as "it could lead to significant opportunities for UK defence industries, which will generate more skilled, highly unionised jobs, which will be beneficial for all regions of the UK", and may also complement the Government's Strategic Defence and Security Review.¹⁸⁴ Details of SAFE are outlined in Appendix 8 of this report.
135. ***The UK's potential participation in projects under SAFE is one of the key aspects of the UK-EU Security and Defence Partnership. It is critical to ensure that the agreement provides clear strategic***

178 Cabinet Office, *UK-EU Summit: Explainer*, 19 May 2025

179 [Q 176](#) (the Minister for Europe)

180 [Q 176](#) (the Minister for Europe)

181 [Q 176](#) (the Minister for Europe)

182 [Q 176](#) (the Minister for Europe)

183 [Q 176](#) (the Minister for Europe)

184 [Q 176](#) (the Minister for Europe)

benefits to the UK's defence ecosystem. We ask the Government to keep us informed about the ongoing negotiations so we can effectively scrutinise the details of the prospective agreement.

136. *The evidence we received from representatives of the defence industry indicates that their main priority is clarity and prioritisation. We therefore ask the Government to clarify how the UK's possible access to SAFE will contribute to existing and forthcoming bilateral defence agreements with EU Member States.*
137. *Given that the UK is negotiating access to SAFE as a non-Member State, it is imperative that the agreement includes safeguards related to legal and technical arrangements for security information sharing, and a clear framework to protect export controls and the UK's intellectual property rights. It is also essential that the cost implications of participating in SAFE are properly understood, both direct and in future liabilities, and defined in the UK's access arrangements.*
138. *We think it important that the negotiations on the UK's access to SAFE keep pace with the rapidly evolving threats from Russia to European security. As soon as the negotiations are concluded, we ask the Government to update the Committee and we invite the Minister for Europe to give evidence to the Committee as soon as possible.*

UK engagement with the EU Common Security and Defence Policy (CSDP)

139. The UK-EU SDP noted that “the UK and the EU will explore cooperation” in the areas of peace mediation, conflict prevention, stabilisation and resolution, and crisis management, “including cooperation in the field of CSDP”,¹⁸⁵ and that the UK “will consider its participation in the EU CSDP civilian and military crisis management, in geographical areas of common interest, upon the invitation of the EU”.¹⁸⁶ The UK will also “be invited to observe and/or participate in the EU crisis management exercises under CSDP”.¹⁸⁷
140. The Conservative European Forum noted that, as an EU Member State, “the UK played a pivotal role in shaping CSDP operations”, including Operation Althea (Bosnia and Herzegovina) and Operation Atalanta (an anti-piracy mission off the Horn of Africa).¹⁸⁸
141. Bruce Williams MBE, former Deputy Director General of the EU Military Staff, pointed out the key challenge related to possible UK participation in CSDP missions, namely that “third state status confers no authority on such a state when participating under CSDP”. The assumption is that the non-Member State “accepts all EU timelines, policies and procedures” and that it will not be directly involved in any preparatory work (such as the concept of operations or the operation plan).¹⁸⁹

185 FCDO/MoD, [UK-EU SDP](#), 19 May 2025, Article 15

186 FCDO/MoD, [UK-EU SDP](#), 19 May 2025, Article 17

187 FCDO/MoD, [UK-EU SDP](#), 19 May 2025, Article 18

188 Written evidence from The Conservative European Forum ([RES0033](#))

189 Written evidence from Bruce Williams MBE ([RES0012](#))

142. Sir Bernard Jenkin MP identified other possible drawbacks. He said that an agreement with the EU to participate in CSDP and other “mechanisms of the EU”, including PESCO and the EDA, would be “wrong in principle” and, from a short-term perspective, “would make it more difficult to persuade President Trump that the US should remain fully committed to NATO”. Sir Bernard also said that the Government did not have an “electoral mandate to join CSDP, PESCO, etc.” since the Labour Party’s General Election manifesto “provides no basis for entering into any permanent arrangements”.¹⁹⁰
143. The UK-EU Security and Defence Partnership also envisages the UK’s participation in the PESCO Military Mobility project, and that “possibilities for establishing an Administrative Arrangement between the UK and the European Defence Agency will also be explored” (see Box 3). Our witnesses differed on the extent to which these initiatives would benefit UK interests.¹⁹¹
144. *We invite the Government to clarify whether it is seeking UK participation in EU CSDP missions and, if so, on what basis it would assess possible participation, in particular given the operational and leadership constraints imposed by EU law on the participation of non-EU Member States.*
145. *We ask the Government to update us on progress towards joining the PESCO Military Mobility project and reaching an Administrative Arrangement with the European Defence Agency (EDA).*

Cooperation on criminal law enforcement

146. On cooperation on criminal law enforcement, the Common Understanding says:
- “The European Commission and the United Kingdom believe that there is scope for reinforcing cooperation through quicker, better and deeper implementation of Part Three of the Trade and Cooperation Agreement and by fully exploiting and building on its potential.”¹⁹²
147. The overarching ‘ask’ from our witnesses from the criminal law enforcement sector was for as much automation and streamlining as possible in the processes for cooperation with the EU. This was in order to reduce the risks of gaps and errors, increase the likelihood of valuable information coming to light even without specific targeting, and reduce the administrative burdens on officials.¹⁹³
148. Among the original objectives for the reset set out in Labour’s 2024 General Election manifesto was to “ensure access to real-time intelligence” now that the UK no longer has access to the Schengen Information System II (SIS II) database.¹⁹⁴ The Common Understanding makes no direct reference to this issue. Our witnesses updated us on the development of the alternative platform, I-LEAP, which is an Interpol rather than EU system. Deputy Chief Constable Peter Ayling of the National Police Chiefs’ Council said that the

190 Written evidence from Sir Bernard Jenkin MP ([RES0053](#))

191 [QQ 8](#) (Armida van Rij), [57](#) (Phil Siveter, Jason Alderwick) and written evidence from The Conservative European Forum ([RES0033](#)), Veterans for Britain ([RES0046](#)), ADS ([RES0049](#)), European Movement UK ([RES0051](#)), Sir Bernard Jenkin MP ([RES0053](#)), European Movement in Scotland ([RES0057](#)) and Ian Bond and Luigi Scazzieri ([RES0067](#))

192 Cabinet Office, *Common Understanding*, 19 May 2025, para 49

193 For example, [QQ 77, 79](#) (Robert Jones, Peter Ayling)

194 Labour Party, *Change: Labour Party Manifesto 2024*, June 2024

“real prize” would be a multilateral agreement with EU Member States that would enable real-time alert sharing via I-LEAP.¹⁹⁵

149. The Common Understanding refers to the exchange of a number of different types of data for criminal law enforcement purposes:

- The UK and European Commission will “explore ways to reinforce” exchanges of fingerprint and DNA data and criminal records of third-country nationals, “in the light of technical developments”.¹⁹⁶ The UK and EU already exchange the first two of these, as part of the UK’s access to the EU’s Prüm database, but the UK does not currently have access to the ECRIS-TCN system, which would provide the criminal records in the EU of third-country nationals.¹⁹⁷
- The Common Understanding commits the two parties to “explore extending the exchange of data to facial images”.¹⁹⁸ This refers to the question of whether and how the UK might participate in the latest version of the Prüm system, which was centralised and expanded in 2024 to include facial images and access to police records.¹⁹⁹ Robert Jones of the National Crime Agency told us: “we need to be part of it”.²⁰⁰
- The UK and European Commission “acknowledge the requirement” in the TCA “to set up automated searching of vehicle registration data”.²⁰¹ The UK has had to develop the technical capability to share this data, but the Home Office said in August that “pre-connection evaluation procedures with the EU are underway”.²⁰²
- The Common Understanding notes that the authorities in one jurisdiction face “difficulties” in obtaining “data from electronic communication and other relevant service providers offering services in the other jurisdiction”, and says that the two parties will “examine ... potential solutions”.²⁰³

Robert Jones of the National Crime Agency told us that it would also be useful to be able to exchange larger datasets with the EU more easily, in order to be better able to tackle criminal networks rather than merely individuals.²⁰⁴

150. On mutual legal assistance (a method of cooperation between states for obtaining assistance in the investigation or prosecution of criminal offences), the Common Understanding states that the UK and European Commission should “intensify technical work ... with the aim to further streamline ... cooperation”.²⁰⁵ Our witnesses said that they would welcome measures that would speed up instigating investigations in, and obtaining evidence

195 [Q 78](#) (Peter Ayling)

196 Cabinet Office, [Common Understanding](#), 19 May 2025, para 53

197 Correspondence, [Security Minister to Audrey Nicoll MSP, Convener, Criminal Justice Committee, Scottish Parliament](#), 28 August 2025

198 Cabinet Office, [Common Understanding](#), 19 May 2025, para 53

199 We wrote to the then Government on this issue: see correspondence, [Chair of the European Affairs Committee to the Minister of State for Security re: Prüm II](#), 2 May 2024

200 [Q 82](#) (Robert Jones)

201 Cabinet Office, [Common Understanding](#), 19 May 2025, para 53

202 Correspondence, [Security Minister to the Chair of the European Affairs Committee re: Prüm Vehicle Registration Data \(VRD\) Exchange](#), 20 May 2024; [Security Minister to Audrey Nicoll MSP, Convener, Criminal Justice Committee, Scottish Parliament](#), 28 August 2025

203 Cabinet Office, [Common Understanding](#), 19 May 2025, para 54

204 [Q 78](#) (Robert Jones)

205 Cabinet Office, [Common Understanding](#), 19 May 2025, para 49

from, EU Member States.²⁰⁶ Joanne Jakymec of the Crown Prosecution Service (CPS) noted that the forms that UK authorities now use to request investigations in EU Member States, and to pursue asset recovery processes, were more burdensome than their EU equivalents.²⁰⁷

151. On the surrender of criminal suspects, the Common Understanding states that the UK and European Commission will “explore opportunities to enhance the timeliness, efficiency and effectiveness of the provisions” of the TCA in this field.²⁰⁸ Ms Jakymec noted that in some EU states, judges will issue a TCA arrest warrant only if the suspect has a clear connection to the UK, which is a higher threshold than applies for the issuing of the EU’s European Arrest Warrant (EAW).²⁰⁹ The Government has indicated that the work outlined in the Common Understanding might include consideration of this issue.²¹⁰ Our witnesses suggested that it would be helpful if EAWs were visible on UK law enforcement information systems; and, more ambitiously, if the UK were to recognise EAWs—rather than only TCA warrants—as executable.²¹¹ Ms Jakymec advised us to take up with the Home Office the question of whether, in order for the UK to recognise EAWs, the TCA would need to be amended.²¹²
152. Ms Jakymec updated us on the situation with respect to EU Member States which invoke the provision in the TCA which allows states to bar the extradition of their own nationals to the UK. She commended the fact that Poland amended its domestic legislation in 2023 to enable such extraditions, but said that the CPS regards 13 EU countries as still exercising a nationality bar, affecting perhaps 5% of CPS-issued TCA warrants in 2024.²¹³
153. In the Common Understanding, the UK and European Commission “suggest that the EU Drugs Agency and the relevant United Kingdom authorities could conclude a working arrangement” on the reciprocal exchange of information on drugs risks and threats.²¹⁴ In its summit ‘explainer’ document, the Government said that it intended to agree such an arrangement,²¹⁵ but the Minister for the Cabinet Office provided no further detail when responding to written questions on this subject in the House of Commons in June 2025.²¹⁶
154. **The arrangements in the TCA for sharing data via the Prüm system will inevitably be impacted by the 2024 EU legislation introducing Prüm II. Apart from a brief exchange of letters between this Committee and the Home Office in 2024, we have heard nothing about whether or not the process included in the TCA covering the UK’s ongoing participation has been activated or about the Government’s plans to keep us informed of this process.**

206 Q 78 (Robert Jones)

207 Q 78 (Joanne Jakymec, Robert Jones)

208 Cabinet Office, *Common Understanding*, 19 May 2025, para 49

209 QQ 78, 80 (Joanne Jakymec)

210 Correspondence, *Security Minister to Audrey Nicoll MSP, Convener, Criminal Justice Committee, Scottish Parliament*, 28 August 2025

211 QQ 78–79 (Joanne Jakymec, Robert Jones)

212 Written evidence from Joanne Jakymec (RES0068)

213 Q 85 (Joanne Jakymec) and written evidence from Joanne Jakymec (RES0068)

214 Cabinet Office, *Common Understanding*, 19 May 2025, para 56

215 Cabinet Office, *UK-EU Summit: Explainer*, 19 May 2025

216 HC Written Answers, 55038 and 55040, Session 2024–26

155. *Our letter to the Government dated 2 May 2024 raised a number of concerns about the (then) proposal and the process by which the Government would keep Parliament informed about the UK's potential participation in Prüm II. We ask the Government to update us on its plans to discuss Prüm II with the EU and on how it intends to keep Parliament informed.*
156. **On extradition, we note that when the UK was an EU Member State both the European Commission and the Home Office published annual statistics highlighting requests for, and executions of, EAWs. It appears that this welcome practice has not been continued with regard to the TCA's equivalent arrangements for extradition. This makes it very difficult for us to assess the success of the TCA's extradition arrangements and the impact of the own-national extradition bar relied on by 13 of the 27 EU Member States.**
157. *We therefore ask the Government to provide the Committee with its own detailed assessment of the effectiveness (or otherwise) of the TCA's extradition arrangements and to explain, in its response to this report, why it no longer publishes annual statistics on EU-facing extradition requests and executions.*
158. *We also ask the Government to update us on plans for new information-sharing arrangements with the EU Drugs Agency.*

CHAPTER 4: THE NEXT PHASE: TRADE AND MOBILITY

Prospective new UK-EU agreements

159. As outlined in Chapter 2 above, in the Common Understanding agreed at their May 2025 summit the UK and the EU envisaged the negotiation of four potential new agreements—on the formation of a common Sanitary and Phytosanitary (SPS) area, the linking of the UK and EU Emissions Trading Schemes (ETSs), the establishment of a Youth Experience Scheme, and the UK’s participation in the EU’s internal electricity market. On the last of these, as far as we are aware, there have been no further formal developments since the summit. In this section of our report, we therefore focus on the other three prospective agreements, on which matters are moving more quickly.
160. Before negotiations can begin, the European Commission must formally recommend their opening, and the Member States in the Council must agree and formally give the Commission a mandate to act as the EU’s negotiator. Table 2 summarises the situation in this process as of 4 November 2025.²¹⁷

Table 2: From the Common Understanding to the negotiation of new UK-EU agreements

Subject of prospective new agreement	Stages in EU process		
	Commission recommendation for the opening of negotiations	Council agreement on the opening of negotiations	Negotiations opened
Common Sanitary and Phytosanitary (SPS) Area	16 July 2025 ²¹⁸		
Emissions Trading Schemes (ETS) linkage	16 July 2025		
Youth Experience Scheme	18 April 2024	20 June 2025	September 2025

Sources: As for paragraph 160

217 SPS agreement and ETS linkage agreement: European Commission, Recommendation for a Council Decision authorising the opening of negotiations between the European Union and the United Kingdom of Great Britain and Northern Ireland on a common sanitary and phytosanitary area between the European Union and the United Kingdom in respect of Great Britain and to link the United Kingdom and the Union’s greenhouse emissions trading systems (hereafter, Commission SPS and ETS Recommendation), [COM/2025/408 final](#), 16 July 2025; Youth experience scheme: European Commission, Recommendation for a Council Decision authorising the opening of negotiations for an agreement between the European Union and the United Kingdom of Great Britain and Northern Ireland on youth mobility, [COM/2024/169 final](#), 18 April 2024, and Council Decision (EU) 2025/1286 of 20 June 2025 authorising the opening of negotiations with the United Kingdom of Great Britain and Northern Ireland for an agreement on a youth experience scheme, [OJ L 2025/1286](#), 1 July 2025. If agreement is reached on the UK’s association to Erasmus+, this will be realised through amendments to the TCA made by the Specialised Committee on Participation in Union Programmes (using provisions in the TCA enabling it to do so), rather than through a new UK-EU agreement which requires a Commission mandate. The process was already followed for the UK’s association to the Horizon research programme.

218 The European Commission put forward a single proposal covering the opening of negotiations on both a common SPS area and the linking of the UK and EU ETSs. Legally these will be two separate agreements if they are reached.

161. Commission proposals on the opening of negotiations with the UK in these areas fall under the renewed EU scrutiny arrangements that were agreed in May 2025.²¹⁹ The Government sent us Explanatory Memoranda (EMs) in August.²²⁰ They were considered by the Committee at its meeting of 16 September.²²¹

Governance arrangements

162. In the Common Understanding, the UK and the EU agreed on the basic shape of the governance arrangements for their prospective new agreements on a common SPS area, ETS linkage, and, eventually, UK participation in the EU internal electricity market. These arrangements are to involve:
- The UK dynamically aligning with EU law in areas defined in the agreements. (For the SPS agreement, such alignment is to ensure that at any given time the UK and EU are both applying the same rules. This is to include the possibility, where there is a threat to the EU's food, sanitary or phytosanitary safety, of the UK applying the relevant EU rules immediately.)²²²
 - Dispute resolution by an independent arbitration panel, with an envisaged role for the Court of Justice of the EU (CJEU) "as the ultimate authority for all questions of EU law".²²³
 - A UK contribution to 'decision-shaping' in the areas where it dynamically aligns with EU law.²²⁴
 - For the SPS and ETS linkage agreements, a UK financial contribution towards the costs of the EU's activities in the relevant areas.²²⁵

219 Correspondence, *Minister for the Cabinet Office to the Chairs of the European Affairs Committee and Northern Ireland Scrutiny Committee*, 24 April 2025, and *Chair of the European Affairs Committee to the Minister for the Cabinet Office*, 8 May 2025. The European Commission's April 2024 recommendation on the opening of negotiations on what was then called a Youth Mobility Scheme did not fall within scope of the scrutiny arrangements that applied at that time. We therefore did not receive a Government EM on the document. We are thus considering a Government EM on the June 2025 Council Decision on the opening of negotiations, rather than an EM on the Commission recommendation, as our first item of formal scrutiny related to the proposed agreement.

220 HM Government, *Explanatory Memorandum on the negotiation of SPS and ETS agreements between the UK and EU*, 28 August 2025, and HM Government, *Explanatory Memorandum on the negotiation of a UK-EU Youth Experience Scheme*, 28 August 2025

221 Correspondence, *Chair of the European Affairs Committee to the Minister for the Cabinet Office on Sanitary & Phytosanitary Area and Emissions Trading Scheme*, 17 September 2025, and *Minister for the Cabinet Office to the Chair of the European Affairs Committee on Sanitary & Phytosanitary Area and Emissions Trading Scheme*, 27 October 2025; correspondence, *Chair of the European Affairs Committee to the Minister for the Cabinet Office on Youth Experience Scheme*, 17 September 2025, and *Minister for the Cabinet Office to the Chair of the European Affairs Committee on Youth Experience Scheme*, 27 October 2025

222 Cabinet Office, *Common Understanding*, 19 May 2025, paras 21, 27, 40

223 Cabinet Office, *Common Understanding*, 19 May 2025, paras 21, 29, 43

224 Cabinet Office, *Common Understanding*, 19 May 2025, paras 21, 30, 44. 'Decision-shaping' is the activity in which non-EU states may engage, through consultations, with the European Commission during its preparation of proposed EU legislation with which such states are to align. Hitherto, decision-shaping rights have applied only to the European Free Trade Association (EFTA) states that belong to the European Economic Area (EEA)—that is, Iceland, Liechtenstein and Norway. Decision-shaping rights are to be extended to Switzerland under that country's new package of agreements with the EU, if it comes into effect. As of October 2025, the new EU-Swiss package awaits signature and is to be subject to a referendum in Switzerland. We discussed prospective Swiss decision-shaping with the then Swiss Ambassador to London, HE Markus Leitner; see [Q 116](#) (Markus Leitner).

225 Cabinet Office, *Common Understanding*, 19 May 2025, paras 32, 42

163. The European Commission’s proposed mandate for the opening of SPS and ETS linkage negotiations included further proposed detail on these matters. The Commission:

- confirmed that it seeks to apply the principle of the “simultaneous” application of rules in the EU and the UK to the ETS linkage agreement, as well as the SPS agreement;²²⁶
- wishes the EU law that is to be “immediately” applicable to Great Britain to include the EU law that is applicable to imports from the rest of the world;²²⁷
- proposes that, in any dispute settlement process under the agreements, the arbitration tribunal would be obliged to refer any question of EU law to the CJEU and, on that question, would be bound by the CJEU ruling;²²⁸
- wishes the prospective agreements to enable measures to be taken in cases of non-compliance, to allow cross-retaliation with the TCA,²²⁹ and to be covered by the TCA’s safeguard clause;²³⁰ and,
- envisages that the prospective agreements would be supplementing agreements to the TCA and would use TCA governance structures.²³¹

Policy issues

Sanitary and Phytosanitary (SPS) agreement

164. On the prospective SPS agreement, the UK-EU Common Understanding said:

“the SPS agreement should cover sanitary, phytosanitary, food safety and general consumer protection rules applicable to the production, distribution and consumption of agrifood products, the regulation of live animals and pesticides, the rules on organics as well as marketing standards applicable to certain sectors or products. ... The United Kingdom should be able to take targeted action to protect its biosecurity and public health, in the same way as Member States under European Union law. In addition, the SPS agreement should include a short list of limited exceptions to dynamic alignment. An exception could only be agreed if: (i) it does not lead to lower standards as compared to European Union rules, (ii) it does not negatively affect European Union animals and goods being placed on the market in the United Kingdom

226 Commission SPS and ETS Recommendation, [COM/2025/408 final](#), 16 July 2025, Explanatory Memorandum para 5.13

227 Commission SPS and ETS Recommendation, [COM/2025/408 final](#), 16 July 2025, Explanatory Memorandum para 5.1.13 and Annex para 5

228 Commission SPS and ETS Recommendation, [COM/2025/408 final](#), 16 July 2025, Annex para 9

229 Commission SPS and ETS Recommendation, [COM/2025/408 final](#), 16 July 2025, Explanatory Memorandum para 5.1.7 and Annex para 12. In international trade disputes, “cross retaliation” allows a complaining party to an agreement (or agreements) to suspend concessions in a different sector, or under a different agreement, to the one where the violation occurred. Both the UK-EU Withdrawal Agreement and the TCA contain provisions for such action.

230 Commission SPS and ETS Recommendation, [COM/2025/408 final](#), 16 July 2025, Explanatory Memorandum para 5.1.7 and Annex para 13. The TCA’s safeguard measures clause is Article 773 and provides that either party may take unilateral measures “If serious economic, societal or environmental difficulties of a sectorial or regional nature ... that are liable to persist arise”.

231 Commission SPS and ETS Recommendation, [COM/2025/408 final](#), 16 July 2025, Explanatory Memorandum para 5.1.6 and Annex para 11

in respect of Great Britain, and (iii) it respects the principle that only animals and goods compliant with European Union rules move into the European Union.”²³²

165. On the general question of dynamic alignment in the prospective SPS agreement, Tom Bradshaw of the NFU said that, while his organisation had been “pushing for equivalence, rather than full dynamic alignment, [its] primary ambition was to reduce the friction at the borders, to try to build back some of the lost trade. ... This should help build back that market ... We cannot have everything.”²³³
166. The European Commission’s Recommendation for the opening of negotiations essentially repeats the wording of the Common Understanding. However, on the question of UK exceptions to dynamic alignment, it states that the prospective agreement “may” include them, rather than “should”.²³⁴
167. The Government has confirmed that it will be seeking some exceptions.²³⁵ In particular, the then Secretary of State for Environment, Food and Rural Affairs, the Rt Hon Steve Reed MP, said that the UK would seek to be able to continue with gene-editing.²³⁶ Tom Bradshaw of the NFU said that this would be his “priority carve-out”, but warned that it would be complex to secure because of the difficulty of tracing products used as ingredients.²³⁷ However, the European Commission, Council and Parliament are negotiating the first EU legislation regulating gene-editing, and Professor Emily Lydgate suggested that, if the EU approach were to evolve towards the UK’s, it might make the SPS negotiations “a little easier”.²³⁸ Mr Bradshaw said that the question of UK exceptions might also arise with respect to some plant protection products permitted in the UK but not in the EU.²³⁹
168. The question of potential UK exceptions to dynamic alignment overlaps to some extent with a second issue which our witnesses indicated would arise in the negotiation of an SPS agreement, namely the treatment of areas where there has been regulatory divergence between the UK and the EU since the TCA took effect.²⁴⁰ In addition to gene editing, Professor Emily Lydgate identified pesticides, plant protection products and maximum residue levels, food additives and contaminants and animal welfare standards as the main SPS areas where divergence has occurred.²⁴¹
169. Questions concerning regulatory divergence and alignment rest on a third issue identified by our witnesses, namely the scope of the prospective agreement. Elspeth Macdonald of the Scottish Fishermen’s Federation warned against any “scope creep beyond strict and genuine SPS arrangements into fisheries management arrangements”,²⁴² while Professor Emily Lydgate

232 Cabinet Office, *Common Understanding*, 19 May 2025, paras 24, 26

233 [Q 154](#) (Tom Bradshaw)

234 Commission SPS and ETS Recommendation, [COM\(2025\) 408 final](#), 16 July 2025, Explanatory Memorandum para 5.1.14 and Annex para 6

235 [Q 181](#) (the Minister for the Cabinet Office)

236 House of Commons Environment, Food and Rural Affairs Committee, *Inquiry into Work of the Department and its arm’s-length bodies*, 20 May 2025, [QQ 183–184, 261](#) (the Secretary of State for Environment, Food and Rural Affairs)

237 [Q 151](#) (Tom Bradshaw)

238 [Q 151](#) (Emily Lydgate)

239 [QQ 145–147](#) (Tom Bradshaw)

240 For example, [QQ 147](#) (Tom Bradshaw), [171](#) (Elspeth Macdonald)

241 [Q 153](#) (Emily Lydgate)

242 [Q 173](#) (Elspeth MacDonald)

foresaw a negotiation about the boundary between SPS marketing standards and technical barriers to trade.²⁴³

170. Our witnesses who supported an SPS agreement were keen that it should be put in place as soon as possible.²⁴⁴ When he gave evidence in June 2025, Tom Bradshaw of the NFU said that the Government was telling his organisation that the earliest an agreement would be implemented was 1 January 2027.²⁴⁵ In late August, the Minister for the Cabinet Office confirmed that he aimed for the SPS agreement to be implemented “by 2027”.²⁴⁶
171. In late October 2025 we received a reply from the Minister for the Cabinet Office to our letter to him arising from the Government’s Explanatory Memorandum on the prospective SPS agreement negotiations.²⁴⁷ The Minister said:

“Regarding the timeline for negotiations for ETS and SPS, we expect talks to begin in the autumn of this year (once the Commission’s mandate has been agreed by the European Council), with an aim to conclude both as soon as possible. We will of course keep your Committee updated, including with further details about expected financial contributions, at regular intervals as these discussions progress.”²⁴⁸

172. *With respect to the prospective SPS agreement with the EU, we ask the Government to confirm how it plans to handle the issues of i) future UK exceptions to dynamic alignment, and ii) UK-EU regulatory divergence that has already occurred, and to respond on whether it sees exceptions in these areas as an essential part of the promised agreement. We also ask for further information on what the Government would see as a fair financial cost to pay for the prospective SPS and ETS linkage arrangements.*
173. *Our evidence showed that stakeholders need clarity at the earliest opportunity about the timescale for the conclusion and implementation of the prospective SPS agreement and about its practical consequences for those it will affect. We urge the Government to provide such clarity as soon as possible.*

Emissions Trading Schemes (ETS) linkage

174. On the prospective ETS linkage agreement, the Common Understanding said:

“the agreement should cover all aspects of the functioning of an ETS link. ... The sectors falling in the scope of the ETS linking agreement should be clearly defined to avoid risks of carbon leakage and competitive distortions. Among others, this scope should include the

243 [QQ 147](#) (Emily Lydgate), [173](#) (Elspeth Macdonald)

244 For example, [QQ 167](#), [171](#) (Tavish Scott)

245 [Q 147](#) (Tom Bradshaw)

246 Minister for the Cabinet Office, speech and Q&A to The Spectator, 27 August 2025, via Sky News, YouTube, [Labour calls for a UK-EU permanent trade deal and attacks Farage on Brexit](#) [accessed 25 September 2025]

247 HM Government, [Explanatory Memorandum on the negotiation of SPS and ETS agreements between the UK and EU](#), 28 August 2025, and correspondence, [Chair of the European Affairs Committee to the Minister for the Cabinet Office re: Sanitary and Phytosanitary Area/Emissions Trading Scheme](#), 17 September 2025

248 Correspondence, [Minister for the Cabinet Office to the Chair of the European Affairs Committee on Sanitary and Phytosanitary Area and Emissions Trading Scheme](#), 27 October 2025

sectors of electricity generation, industrial heat generation (excluding the individual heating of houses), industry, domestic and international maritime transport and domestic and international aviation. The agreement should provide for a procedure to further expand the list of sectors to be covered by the linking agreement. ... The United Kingdom cap and the United Kingdom reduction pathway will be guided by the United Kingdom's Climate Change Act obligations and Nationally Determined Contributions. They should be at least as ambitious as the European Union cap and the European Union reduction pathway.”²⁴⁹

175. The European Commission's Recommendation for the opening of ETS linkage negotiations broadly repeated the wording of the Common Understanding. However, in its Explanatory Memorandum on the document, the Government noted that, in one respect, the Commission's text “goes beyond what was agreed in the Common Understanding”. It noted that the Commission's proposal states that “The scope of dynamic alignment should also include all the provisions of the EU financial regulatory and supervisory framework applicable to trade in allowances of the Union emission trading system (EU ETS) and derivatives thereof.”²⁵⁰ The Government therefore said that it would discuss in the negotiations with the EU “how to ensure the agreement avoids competitive distortions”.²⁵¹
176. Our evidence indicated that the scope of the prospective ETS linkage agreement might be an issue in other respects too. Adam Berman of Energy UK suggested that the inclusion of international maritime transport in the prospective UK-EU system was “probably the biggest and most complex” issue, given that the sector is not currently included in the UK ETS.²⁵² However, Mr Berman also suggested that, given the nature of the UK's current emissions reductions targets, the expansion of the UK scheme to include international maritime was “probably going to happen anyway”.²⁵³
177. Our witnesses suggested that the emissions cap to be placed on the new linked system, the calculation and allocation of emissions allowances, and the stability mechanism for the new linked market were also likely to be important issues.²⁵⁴ Adam Berman of Energy UK also identified the security of the computer system (the register) which will record emissions allowances in the linked arrangement as a further issue which would need to be resolved.²⁵⁵
178. Given the imminence with which the EU's CBAM will become fully operational (January 2026), Energy UK called for the negotiations on ETS linkage to be concluded by the end of 2025.²⁵⁶

Youth Experience Scheme

179. On the negotiation of the proposed Youth Experience Scheme, the Common Understanding said that UK and EU should work towards:

249 Cabinet Office, *Common Understanding*, 19 May 2025, paras 35 and 38-39

250 Commission SPS and ETS Recommendation, *COM(2025) 408 final*, 16 July 2025, Explanatory Memorandum para 5.1.19 and Annex para 25

251 HM Government, *Explanatory Memorandum on the negotiation of SPS and ETS agreements between the UK and EU*, 28 August 2025

252 *Q 94* (Adam Berman)

253 *Q 94* (Adam Berman)

254 *Q 94* (Adam Berman, Silke Goldberg)

255 *Q 94* (Adam Berman)

256 Written evidence from Energy UK (*RES0043*)

“a balanced youth experience scheme on terms to be mutually agreed. The scheme should facilitate the participation of young people from the European Union and the United Kingdom in various activities, such as work, studies, au-pairing, volunteering, or simply travelling for a limited period of time. It should provide a dedicated visa path and ensure that the overall number of participants is acceptable to both sides.”²⁵⁷

180. The negotiations will engage the question of a cap on the numbers of EU young people who are permitted to participate and come to the UK. The Minister for the Cabinet Office told us in July that he saw the scheme with the EU “working rather like the 13 schemes” that the UK already has with other jurisdictions, all of which involve caps.²⁵⁸ At the end of August, the Government’s Explanatory Memorandum stated that: “We have agreed that any scheme will be capped”.²⁵⁹ However, the EU’s negotiating mandate for the agreement does not appear to make any reference to a cap.²⁶⁰
181. The Government’s Explanatory Memorandum also said that any arrangement would “need to be consistent with existing schemes, including being subject to a visa requirement, no access to benefits and no dependants”.²⁶¹
182. *We ask the Government to tell us when it aims to conclude negotiations with the EU on a Youth Experience Scheme and bring the new Scheme into operation. We further ask the Government to provide more information about the basis for its statement that a cap on the numbers participating has been agreed.*
183. *Given the frequency with which we heard complaints about slow visa processing times during our inquiry, in both the UK and the EU, it is important that the Government ensures that the administration of the new visa for the Youth Experience Scheme runs smoothly and swiftly from the outset. We recommend that the Government also presses EU Member States to ensure that the same applies to the administration of the new EU visa for UK participants in the Scheme.*
184. *The prospective agreements with the EU on a common SPS area, ETS linkage, and a Youth Experience Scheme involve substantive policy*

257 Cabinet Office, [Common Understanding](#), 19 May 2025, para 13

258 [Q 184](#) (the Minister for the Cabinet Office). We considered a possible UK-EU youth mobility scheme in the context of the UK’s other youth mobility schemes in our 2023 report [The future UK-EU relationship](#) (4th Report, Session 2022–23, HL Paper 184).

259 HM Government, [Explanatory Memorandum on the negotiation of a UK-EU Youth Experience Scheme](#), 28 August 2025

260 European Commission, Recommendation for a Council Decision authorising the opening of negotiations for an agreement between the European Union and the United Kingdom of Great Britain and Northern Ireland on youth mobility, [COM/2024/169 final](#), 18 April 2024, and Council Decision (EU) 2025/1286 of 20 June 2025 authorising the opening of negotiations with the United Kingdom of Great Britain and Northern Ireland for an agreement on a youth experience scheme, [OJ L 2025/1286](#), 1 July 2025

261 HM Government, [Explanatory Memorandum on the negotiation of a UK-EU Youth Experience Scheme](#), 28 August 2025; see also Cabinet Office, [UK-EU Summit: Explainer](#), 19 May 2025. On the issues around the negotiation of the Youth Experience Scheme, the Government’s Spokesperson in the Lords for the Cabinet Office told the House on 29 October: “[The Government is] working with the EU towards the establishment of a balanced youth experience scheme. We have agreed that any scheme will be subject to an allotted number of places and to a visa requirement, and time limited. We have also been clear that it should be in line with the UK’s existing schemes. The exact parameters will be subject to discussion and negotiations, which are under way. Noble Lords will understand that I cannot comment in detail on ongoing negotiations. ... discussions are actively under way, and we hope to bring forward responses with details of the scheme in the coming months.”; HL Deb, 29 October 2025, [cols 1366–67](#)

issues, and their negotiation could be technically complex. While respecting the need to protect the Government's negotiating stance, it is important in terms of parliamentary scrutiny and transparency that this Committee is kept informed about the negotiations. We ask the Government to clarify in its response to this report how it intends to keep us informed. We would welcome, at the very least, private briefings on their progress.

185. *We note that the Government has agreed with the EU to negotiate SPS and ETS linkage agreements that include a dispute resolution mechanism. We would ask the Government for greater clarity on this, in particular whether the system will be based on international arbitration, and the specific role of the Court of Justice of the EU (CJEU).*

UK association to Erasmus+

186. The Common Understanding says that the UK and EU “should work towards” the UK’s association to the Erasmus+ programme. The detailed terms of the association, including financial terms, should “ensure a fair balance as regards the contributions of and benefits to the [UK]”.²⁶²
187. The Minister for the Cabinet Office said that the Government’s approach to association to Erasmus+ would be based on value-for-money.²⁶³ In the Government’s summit ‘explainer’ document, it said that it would take forward work on this issue “on the clear mutual understanding that the UK will only associate to Erasmus+ on significantly improved financial terms.”²⁶⁴
188. In debate on 21 October, the Government’s Spokesperson in the Lords for the Cabinet Office told the House:

“The UK has agreed to work towards association to the Erasmus+ programme, on financial terms to be mutually agreed, which should ensure a fair balance as regards the contributions of and benefits to the UK. Negotiations are under way, and noble Lords will understand that I cannot comment in detail on ongoing negotiations. ... we are considering possible timelines for the UK’s association as part of ongoing discussions, including whether association for 2027–28 is feasible, although timelines are extremely tight. To use Civil Service language, we are moving at pace. We will bring forward the final agreement of any negotiations to your Lordships’ House in the usual way”.²⁶⁵

189. *We welcome the fact that negotiations are underway with the EU on the UK’s association to Erasmus+ and that the Government is thus making progress on this issue. We ask the Government to set out in more detail the criteria against which it will assess the specific conditions of the UK’s prospective participation in Erasmus+. We also ask the Government to tell us when it aims to conclude negotiations with the EU on the UK’s association to Erasmus+ and to bring the scheme into operation in and for the UK. We further ask the Government to state how it plans to ensure that the UK’s participation in Erasmus+ brings added value to UK universities, businesses and*

262 Cabinet Office, *Common Understanding*, 19 May 2025, para 14

263 [Q 184](#) (the Minister for the Cabinet Office)

264 Cabinet Office, *UK-EU Summit: Explainer*, 19 May 2025

265 HL Deb, 21 October 2025, [col 628](#)

the third sector. We also ask the Government to explain how it sees an agreement on the UK's association to Erasmus+ interacting with the UK's existing Turing Scheme arrangements.

Remaining Government priorities

Touring artists in the EU

190. As outlined in Chapter 2 above, the Government made helping the situation of UK artists seeking to tour in the EU one of its priorities for the reset. On this issue, the Common Understanding said only:

“The European Commission and the United Kingdom recognise the value of travel and cultural and artistic exchanges, including the activities of touring artists. They will continue their efforts to support travel and cultural exchange.”²⁶⁶

191. The Minister for the Cabinet Office said the issue of touring artists was “certainly something we want to continue to make progress on”.²⁶⁷
192. The Independent Society of Musicians (ISM) and UK Music proposed a set of UK-EU measures that they said would assist UK-based creatives seeking to tour in the EU, including:
- a visa waiver agreement to cover creatives and support staff undertaking work in the EU for up to 90 in 180 days, which the ISM said could take the form of a declaration or supplementing agreement to the TCA;²⁶⁸
 - the creation of a touring visa that would enable more extensive stays in the EU, equivalent to the UK's Creative Worker visa route;²⁶⁹
 - a waiver from the requirement for carnets;²⁷⁰ and,
 - an exemption from cabotage rules for tours, which would require amending the TCA.²⁷¹
193. The ISM and UK Music also identified a set of steps that they said would assist the situation of touring artists that the UK authorities could take unilaterally. These included: issuing A1 forms more quickly (an HMRC responsibility);²⁷² reducing the costs of carnets in the UK;²⁷³ issuing Musical

266 Cabinet Office, *Common Understanding*, 19 May 2025, para 15

267 [Q 184](#) (the Minister for the Cabinet Office)

268 [Q 106](#) (Deborah Annetts) and written evidence from UK Music ([RES0037](#)) and the Independent Society of Musicians (ISM) ([RES0080](#)). The evidence from the ISM included an illustrative draft Visa Waiver Agreement prepared for the Society by Sarah Lee KC.

269 Written evidence from UK Music ([RES0037](#)) and the Independent Society of Musicians ([RES0080](#))

270 [Q 108](#) (Deborah Annetts) and written evidence from UK Music ([RES0037](#)) and the Independent Society of Musicians ([RES0080](#))

271 Written evidence from UK Music ([RES0037](#)) and the Independent Society of Musicians ([RES0080](#))

272 [QQ 103, 108](#) (Deborah Annetts) and written evidence from UK Music ([RES0037](#)) and the Independent Society of Musicians ([RES0080](#)). A1 forms are required by those working temporarily in the EU, EEA or Switzerland as proof of liability for National Insurance in the UK, in order to avoid double taxation.

273 [Q 108](#) (Deborah Annetts) and written evidence from UK Music ([RES0037](#)) and the Independent Society of Musicians ([RES0080](#)). A carnet is required for the temporary export of commercial samples, trade fair or exhibition goods and professional equipment—such as that required for creative productions—from the UK into jurisdictions including the EU. Carnets are issued by the London Chamber of Commerce and Industry and the Authorised Chamber Network, but the ISM told us that governments in some countries subsidise the cost.

Instrument Certificates more quickly;²⁷⁴ and making St Pancras a CITES-designated point of entry and exit.²⁷⁵

194. Deborah Annetts of the ISM suggested that, by opening up a discussion between the UK and EU about new visa arrangements, the prospective Youth Experience Scheme might be helpful to those seeking more flexibility in this area for touring creatives.²⁷⁶
195. The ISM also suggested that the UK should look to re-engage with the EU Creative Europe programme.²⁷⁷ This was also supported by the Scottish Advisory Forum on Europe, British Screen Forum, UK Music, and the UK Coalition for Cultural Diversity.²⁷⁸
196. ***The challenges faced by UK artists seeking to tour in the EU remain high on the agenda of this Committee. We have been following this issue closely since Brexit. We find it unsatisfactory that no progress seems to have been made. We therefore ask the Government to step up the pace of work with the EU with the aim of an early agreement. We further ask the Government to update us on its activity with respect to the unilateral measures that our witnesses said would help UK-based creatives wishing to tour in the EU.***

Mutual recognition of professional qualifications and professional mobility

197. On the Government's reset priority of the mutual recognition of professional qualifications (MRPQ), the Common Understanding said:

"The United Kingdom and the European Commission will set up dedicated dialogues on the implementation of the Trade and Cooperation Agreement, as regards entry and temporary stay of natural persons for business purposes, including the sponsorship scheme, and the recognition of professional qualifications."²⁷⁹

274 [Q 103](#) (Deborah Annetts) and written evidence from UK Music ([RES0037](#)) and the Independent Society of Musicians ([RES0080](#)). Issuing Musical Instrument Certificates is the responsibility of the Animal and Plant Health Agency (APHA), as the UK's Management Authority under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

275 [Q 108](#) (Deborah Annetts) and written evidence from UK Music ([RES0037](#)) and the Independent Society of Musicians ([RES0080](#)). Musicians with CITES-listed materials in their instruments can exit and enter the UK only through CITES-designated points. With respect to St Pancras, the ISM told us that the Department for Environment, Food and Rural Affairs (DEFRA) had told them that Eurostar and UK Border Force were "unwilling to support a designation due to capacity and customer flow concerns"; written evidence from the Independent Society of Musicians ([RES0080](#)). Baroness Twycross, Lords Minister at the Department for Culture, Media and Sport, told the House on 11 September that there were "no plans ... to make St Pancras International a CITES-designated port"; HL Deb, 11 September 2025, [col 1637](#). The ISM's written submission referred to DEFRA now conducting a "yearly review process" for CITES-designated points of entry and exit. We also note that, while we have been preparing this report, DEFRA has been holding a public consultation on possible reforms to the UK's CITES legislation and implementation. The consultation document contained no dedicated measures for travelling musicians but indicated that a fee might be applied to Musical Instrument Certificates (which are currently free), in the interests of full cost recovery at APHA; DEFRA, *Consultation on proposals to amend the assimilated UK Wildlife Trade Regulations, consultation document*, September 2025, via webpage: DEFRA, [CITES Reform Proposals consultation](#).

276 [Q 109](#) (Deborah Annetts). On work visas, see also, for example, written evidence from the Events Industry Alliance ([RES0015](#)).

277 Written evidence from the Independent Society of Musicians ([RES0080](#)). Creative Europe is the EU's main programme aimed at supporting the culture and audiovisual sectors.

278 Written evidence from the Scottish Advisory Forum on Europe ([RES0010](#)), British Screen Forum ([RES0029](#)), UK Music ([RES0037](#)) and UK Coalition for Cultural Diversity ([RES0048](#))

279 Cabinet Office, [Common Understanding](#), 19 May 2025, para 46

198. As with touring artists, the Minister for the Cabinet Office said that “the mutual recognition of professional qualifications is something we want to continue to pursue and make progress on.”²⁸⁰
199. However, as outlined in Chapter 2, our evidence indicated that, while MRPQ would assist certain professions, the general UK-EU regime for professional and business mobility was a more widely-held concern. This included the 90-in-180-days rule governing the amount of time that may be spent in the Schengen zone, and the range of activities that are permitted under the current EU business visa.²⁸¹
200. A number of witnesses highlighted the provision of the TCA that specifies that, as part of the scheduled TCA implementation review in 2026, the UK and EU “shall review their legal framework relating to trade in services and investment”, “with a view to introducing possible improvements” to the relevant parts of the TCA.²⁸²
201. *The Common Understanding proposes that the UK and EU address the issue of mutual recognition of professional qualifications in the wider context of arrangements for professional mobility under the TCA. We ask the Government, in its response to this report, to update us on the way in which the UK-EU dialogues proposed in the Common Understanding are being taken forward, and the scope of these discussions.*
202. *Given previous UK-EU engagement on mutual recognition of professional qualifications, we further ask the Government what evidence it has that the EU may change its position compared to that which it held during the negotiation of the TCA. We invite the Government to set out the improvements that it will propose, if any, to the TCA legal framework on trade in services as part of the review of this issue that is due to take place as part of the wider TCA implementation review in 2026.*

Further issues

203. We received a substantial amount of evidence on policy areas in which witnesses called for a closer UK-EU relationship or greater cooperation but which were not mentioned in the Common Understanding.²⁸³ Here, we note our evidence in only two areas, in reflection of the volume of submissions concerning them which we received, and their importance to the UK economy.

280 [Q 185](#) (the Minister for the Cabinet Office)

281 [Q 103](#) (Marco Cillario) and written evidence from the Law Society ([RES0013](#)), Events Industry Alliance ([RES0015](#)), Association of Foreign Banks ([RES0021](#)), Lloyd’s ([RES0023](#)), Federation of Small Businesses (FSB) ([RES0024](#)), Bar Council ([RES0036](#)) and Institute of Directors (IoD) ([RES0071](#))

282 Written evidence from the Law Society ([RES0013](#)); see TCA, [QJL 149](#), 30 April 2021, Article 126.

283 For example, environmental policy, medical research, disability rights and cooperation against human trafficking, as well as further measures on energy, public health, economic security and trade defence; see, for example, written evidence from Matilde Ventrella and Sonia Morani Foadi ([RES0009](#)), Eleanor Brooks ([RES0014](#)), CHEM Trust ([RES0016](#)), Cancer Research UK ([RES0022](#)), Oceana ([RES0026](#)), Simon Roberts ([RES0038](#)), the Nuffield Trust ([RES0039](#)) and Energy UK ([RES0043](#)).

Trade in goods

204. Anton Spisak said that facilitating goods trade should be one of the UK's priorities for the EU relationship, but UK in a Changing Europe said that it was "notable how little the Government's proposals [for the reset] will do to help goods trade", given that the UK's goods exports since Brexit have performed less well than services, and given the Government's growth agenda.²⁸⁴
205. Witnesses raised three measures in particular which they said might facilitate UK-EU goods trade:
- UK accession to the PEM Convention (the Regional Convention on Pan-Euro-Mediterranean preferential rules of origin).²⁸⁵ We heard that there were arguments both for and against this move,²⁸⁶ and during the course of our inquiry there were a range of media reports about the extent to which the UK and EU might be open to the step.²⁸⁷ In its Trade Strategy, published in June, the Government said that "The question of UK accession ... merits further review" and that it would be engaging business and PEM member countries to consider the possibility.²⁸⁸
 - Measures to ease customs processes and cooperation.²⁸⁹
 - Mutual recognition of product standards and, in particular, conformity assessments.²⁹⁰
206. We note the Product Regulation and Metrology Act 2025, which gives ministers powers to make regulatory decisions regarding the marketing and

284 [Q 29](#) (Anton Spisak) and written evidence from UK in a Changing Europe ([RES0072](#))

285 [QQ 26](#) (Shanker Singham), [29](#) (Shanker Singham), [39](#) (Sam Lowe), [47](#) (Sam Lowe). The PEM Convention is the Regional Convention on Pan-Euro-Mediterranean preferential rules of origin. It establishes common rules of origin among participating states, and allows diagonal cumulation—that is, component products from a third country count as domestic for the purposes of meeting the rules of origin requirements for trade preferences under a free trade agreement (FTA) between two other states. This facilitates the development of international supply chains. The PEM Convention came into force in 2012 and a revised simplified version on 1 January 2025. The Convention currently has 25 contracting parties, covering 51 countries and jurisdictions: the EU (for its 27 Member States); Switzerland, Norway, Iceland and Liechtenstein (the EFTA Member States); Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, the Palestinian Authority in respect of the West Bank and Gaza, Syria, Tunisia and Turkey (the participants in the EU's Barcelona Process); Albania, Bosnia and Herzegovina, North Macedonia, Montenegro, Serbia and Kosovo (the participants in the EU's Stabilisation and Association Process); Denmark in respect of the Faroe Islands; and Moldova, Ukraine and Georgia. A country may apply to join the PEM Convention if it has an FTA which provides for preferential rules of origin in force with at least one PEM participant. The PEM Joint Committee (comprising all PEM parties) decides by unanimity on the admission of applicant states. For further information see European Commission, [PEM Convention](#).

286 [Q 47](#) (Sam Lowe)

287 BBC News, [EU 'could consider' UK joining pan-Europe customs scheme](#), 23 January 2025; Sky News, [Rachel Reeves 'absolutely happy' to look at joining EU customs group](#), 26 January 2025; Financial Times, [EU blocks Britain's attempts to join pan-European trading bloc](#), 2 July 2025 [paywall]

288 HM Government, *The UK's Trade Strategy*, June 2025, [CP1339](#)

289 [QQ 25](#) (Shanker Singham), [29](#) (Shanker Singham) and written evidence from the American Chamber of Commerce to the EU ([RES0032](#))

290 [QQ 29](#) (Philip Rycroft, Anton Spisak, Shanker Singham), [38](#) (David Collins, Sam Lowe, Aslak Berg) and written evidence from CHEM Trust ([RES0016](#)), United Kingdom Accreditation Service ([RES0017](#)), Federation of Small Businesses (FSB) ([RES0024](#)), the British Standards Institution ([RES0035](#)) and Institute of Directors (IoD) ([RES0071](#))

use of products within the UK (including measurements and quantities).²⁹¹ Ministers made the first regulations under the Act in October 2025.²⁹²

207. ***We ask the Government to set out how it sees the Product Regulation and Metrology Act 2025 affecting UK-EU arrangements for trade in goods, and its intentions with respect to making further regulations under the Act.***
208. ***We ask the Government whether it plans to raise issues in the area of goods trade as part of the future agenda for UK-EU cooperation.***

Financial services

209. Witnesses from the financial services sector made some specific proposals for the UK-EU relationship in their field (such as an extension of the UK's senior manager regime to include people holding equivalent positions in the EU, to facilitate access for them to the UK sector).²⁹³ However, many of the 'asks' that we heard from the financial services sector concerned general—rather than sector-specific—features of the UK-relationship, such as professional mobility, or the Youth Experience Scheme, or data adequacy.
210. Our witnesses told us that, to a considerable extent, the UK-EU relationship in financial services was less to do with formal market access and other provisions in the TCA than with regulatory dialogue and cooperation outside it, primarily in the Joint EU-UK Financial Regulatory Forum (which held its fourth meeting on 1 October).²⁹⁴
211. Our witnesses suggested that the EU's focus on growth, and in particular its plans for a Savings and Investment Union to increase the availability of capital, might offer an opportunity for the UK to highlight the advantages of a closer relationship with the UK in financial services. Professor Sarah Hall said that the European Commission's decision in 2025 to extend its equivalence decision for UK central counterparties "was quite a clear indication where the EU recognised that the UK had capabilities in market liquidity and clearing that were not easily replicated within the EU".²⁹⁵
212. ***We ask the Government whether it is content with the current framework for UK-EU cooperation on financial services.***

291 [Product Regulation and Metrology Act 2025](#)

292 The Noise Emission in the Environment by Equipment for Use Outdoors (Amendment and Transitional) Regulations 2025 ([SI 2025/1073](#))

293 [QQ 134, 142](#) (Miles Celic); see also written evidence from the London and International Insurance Brokers' Association ([RES0018](#)).

294 HM Treasury, [Joint Statement: EU-UK Financial Regulatory Forum - October 2025](#), 2 October 2025

295 [Q 136](#) (Sarah Hall)

CHAPTER 5: IMPLICATIONS FOR GOVERNMENT AND PARLIAMENT

Timelines, the TCA implementation review and the next UK-EU summit

213. As noted in Chapter 2, the Common Understanding commits the two parties to “proceed swiftly on the undertakings”²⁹⁶ it contains, but it does not set out any specific timelines, deadlines or targets for taking forward or delivering on the items in the agenda it outlines. As noted in Chapter 4, the Minister for the Cabinet Office has since said that he aims for the SPS agreement to be implemented “by 2027”.²⁹⁷ He and his counterpart in the European Commission, Commissioner for Trade and Economic Security Maroš Šefčovič, held their first dedicated meeting to take the post-summit agenda forward at their level on 17 September 2025.²⁹⁸

The next UK-EU summit

214. The Minister for the Cabinet Office has said, most recently in early September, that no date has yet been set for the next UK-EU summit.²⁹⁹ Although it might be expected that the next summit will take place roughly a year after its May 2025 predecessor, the Minister noted in late August simply that there will be “a summit in 2026”.³⁰⁰
215. The Minister has appeared to indicate that the next UK-EU summit will be the key event not only for delivering at least some of the Common Understanding undertakings, but also for identifying the next priorities to be taken forward with the EU. For example, he said that the mutual recognition of professional qualifications is something the Government wants to “continue to pursue and make progress on within this summit process”.³⁰¹

The TCA implementation review

216. The TCA specifies that the UK and EU are to “jointly review” its implementation five years after it enters into force—that is, by, in or from May 2026.³⁰² The Government has said little publicly about the timeline or process for this review on the UK side.³⁰³ Some witnesses advised that the implementation review should be kept limited, and separate from the reset process. For example, the Centre for Inclusive Trade Policy and UK Trade Policy Observatory noted that, by definition, the TCA implementation review

296 Cabinet Office, *Common Understanding*, 19 May 2025, para 1

297 Minister for the Cabinet Office, speech and Q&A to The Spectator, 27 August 2025, via Sky News, YouTube, [Labour calls for a UK-EU permanent trade deal and attacks Farage on Brexit](#) [accessed 25 September 2025]

298 Nick Thomas-Symonds (@NickTorfaen), X, [post on 17 September 2025](#)

299 House of Commons Foreign Affairs Committee, *Inquiry into The UK-EU reset: rebuilding a strategic partnership in uncertain times*, 8 September 2025, [Q 95](#) (the Minister for the Cabinet Office)

300 Minister for the Cabinet Office, speech and Q&A to The Spectator, 27 August 2025, via Sky News, YouTube, [Labour calls for a UK-EU permanent trade deal and attacks Farage on Brexit](#) [accessed 25 September 2025]

301 [Q 185](#) (the Minister for the Cabinet Office)

302 TCA, [OJ L 149](#), 30 April 2021, Article 776

303 Several of the UK’s other post-Brexit bilateral free trade agreements include such general review clauses, but none of the reviews that are required has yet become due. There is therefore no precedent for the TCA implementation review. For example, the reviews of the UK-Australia and UK-New Zealand Free Trade Agreements are due seven years after the agreements entered into force in 2023 (Article 32.6 and Article 30.3, respectively), and the review of the UK-Japan Comprehensive Economic Partnership Agreement is due 10 years after the agreement entered into force in 2021 (Article 24.1).

could only address issues that are in the TCA, which do not encompass the Government's full agenda for the EU relationship.³⁰⁴ Other witnesses urged a more ambitious approach to the TCA implementation review and identified a number of issues that might usefully be addressed that were not covered by the summit outcomes, such as the suggestion from UK in a Changing Europe that the exercise might consider the TCA's governance and engagement structures.³⁰⁵

217. Since the May 2025 summit, the Minister has said consistently that, with the reset, the Government had sought to “get ahead of the TCA review and not to wait until the TCA review to make changes”, and that the review has in effect been “overtaken” by the reset process.³⁰⁶
218. *We ask the Government to provide Parliament and other stakeholders with clarity as early as possible about the timing and process for, and scope of, the 2026 TCA implementation review, and the relationship between these and the next UK-EU summit, to help stakeholders to identify the most appropriate timing and channels to feed in their views.*

The nature of the UK-EU relationship after the May 2025 summit

219. Both before the May 2025 summit and since, we note the increased tempo of UK-EU engagement and dialogue. The Prime Minister and other ministers have attended formal and informal EU Council meetings to discuss issues of common concern, at the invitation of both EU institutional leaders and EU presidency countries.³⁰⁷ Ministers and officials appear to be speaking more routinely to counterparts in the European Commission and other EU institutions.
220. Our witnesses highlighted the significance of the sectoral participation in the EU Single Market, on the basis of UK alignment with EU law, that now seems to be in prospect as a feature of the UK-EU relationship. Professor Emily Lydgate told us that “deep sectoral alignment” of this sort meant that “the ‘no cherry-picking’ line is officially dead from the EU and, from the UK, it shows that the UK is not prioritising regulatory sovereignty and independence as an end in itself ... That is a huge shift on both sides”.³⁰⁸
221. There was consensus among our witnesses that the initial reset was unlikely to produce a new ‘steady state’ in the UK-EU relationship. Rather, our witnesses foresaw a future of further negotiations, in multiple areas, and a relationship that was likely to continue to evolve.³⁰⁹
222. Sectoral participation in areas of the Single Market, and quasi-permanent negotiations with the EU, were two respects in which several witnesses suggested that the UK's relationship with the EU was coming to resemble

304 Written evidence from the Centre for Inclusive Trade Policy and UK Trade Policy Observatory ([RES0075](#))

305 Written evidence from UK in a Changing Europe ([RES0072](#))

306 [Q 189](#) (the Minister for the Cabinet Office)

307 As listed in Appendix 5.

308 For discussion of sector-by-sector arrangements and ‘cherry-picking’, see, for example, [QQ 8](#) (Mujtaba Rahman), [41](#) (Sam Lowe, Aslak Berg)

309 For example, [QQ 12](#) (Wolfgang Münchau), [25, 27](#) (Philip Rycroft) and written evidence from Energy UK ([RES0043](#))

that of Switzerland.³¹⁰ (This was alongside continuing significant differences, such as Switzerland’s participation in freedom of movement.)

223. Although the summit decisions dealt with the scheduled expiry in June 2026 of the TCA energy title and the fisheries access adjustment period, the UK-EU relationship will still be marked by the expiry of various bilateral arrangements as a routine feature. With respect to issues that arose in our inquiry:

- The TCA energy title will require a formal annual rollover, in the first instance before 31 March 2027.
- In financial services, the European Commission’s latest equivalence decision for UK central counterparties (CCPs) expires on 30 June 2028.³¹¹
- Assuming that the UK’s EU data adequacy status is renewed in line with the European Commission’s July 2025 proposal, it will be scheduled to lapse again on 27 December 2031.
- The fisheries access arrangements agreed at the summit will expire in June 2038.

We received evidence calling for the replacement of such time-limited arrangements by permanent ones with respect to the energy title, financial services equivalence decisions, and data adequacy.³¹²

224. The Minister for the Cabinet Office accepted the principle that the UK could make a financial contribution as part of its participation in a specific EU arrangement or programme, as the previous Government had agreed to do as part of the UK’s association to the Horizon research programme.³¹³ The Minister has stated, however, that the UK will “not make a general contribution into the EU budget.”³¹⁴

225. A number of witnesses stressed the importance of continued implementation of the existing UK-EU agreements, the Withdrawal Agreement and the TCA. This applied to the EU, as well as the UK. Armida van Rij told us that a lack of full implementation by the UK “frustrates the EU”,³¹⁵ but Marco Cillario of the Law Society highlighted delays among Member States in implementing commitments on professional mobility.³¹⁶ The difficulties so far with the electricity trading arrangements foreseen in the TCA were the most obvious example of non-implementation that we encountered in our inquiry, but witnesses also highlighted, for example, ongoing challenges around UK citizens’ rights in the EU and EU citizens’ rights in the UK

310 [QQ 27](#) (Anton Spisak), [38](#), [42](#) (Aslak Berg, Sam Lowe)

311 European Commission, [Press Release: Commission extends time-limited equivalence for UK central counterparties](#), 31 January 2025; see [Q 134](#) (Miles Celic).

312 [Q 38](#) (David Collins) and written evidence from Lloyd’s ([RES0023](#)) and Energy UK ([RES0043](#))

313 See Decision No 1/2023 of the Specialised Committee on Participation in Union Programmes established by Article 8(1), point (s), of the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part, of 4 December 2023 adopting Protocols I and II and amending Annex 47 to the Trade and Cooperation Agreement, [QJ L 2023/2731](#), 5 December 2023. Before the UK’s association to Horizon was finalised, we discussed the issue in our 2023 report [The future UK-EU relationship](#) (4th Report, Session 2022–23, HL Paper 184).

314 [Q 184](#) (the Minister for the Cabinet Office)

315 [Q 12](#) (Armida van Rij)

316 [QQ 103–104](#) (Marco Cillario)

under the Withdrawal Agreement.³¹⁷ On 2 September, the Government published the UK's second biennial TCA implementation report.³¹⁸

226. **The evidence suggests that the UK-EU relationship is likely to feature an open-ended process of ongoing sectoral negotiations, with summits providing staging-posts and occasions for major decisions and agreements.**
227. **We retain an interest in the implementation of citizens' rights under the Withdrawal Agreement, with respect to both UK citizens in the EU and EU citizens in the UK.**
228. **The implementation of existing UK-EU agreements, by both parties, remains important. In this context, and given the importance we attach to parliamentary scrutiny, we welcome the fact that the Government has upheld its predecessor's commitment to publish a biennial TCA implementation report.**

Possible unilateral UK measures

229. During our inquiry we heard of a number of unilateral measures that the UK could take to facilitate UK-EU exchanges and cooperation. As outlined in Chapter 4 (paragraph 193), several of these concerned the situation of touring artists (namely issuing A1 forms more quickly, reducing the costs of carnets, issuing Musical Instrument Certificates more quickly and making St Pancras a CITES-designated point of entry and exit). Others were found across a wide range of fields and included:
- resuming delivery of the Single Trade Window, which was paused in the 2025/26 financial year;³¹⁹
 - measures to facilitate import and customs processes;³²⁰ and
 - recognising medicines authorised in the EU.³²¹
230. ***There are a number of steps which the Government could take unilaterally to facilitate UK-EU exchange and cooperation, across a wide range of fields. We ask the Government to set out whether it is pursuing any of the specific steps that we have identified in this section of our report, such as resuming delivery of the Single Trade Window or issuing A1 forms more quickly, and if so, to outline the action that it is taking.***
231. ***We also invite the Government to report as to whether taking unilateral action on such measures would assist its dealings with the EU and the Member States.***

317 Written evidence from Dr Owen Parker ([RES0006](#)), the Independent Monitoring Authority ([RES0030](#)) and The3million ([RES0065](#))

318 HM Government, *Trade and Cooperation Agreement implementation report, 2023–2024*, 2 September 2025

319 Written evidence from the Institute of Directors (IoD) ([RES0071](#)); see Written Statement, [HCWS188](#), 5 November 2024. The Single Trade Window is a digital platform intended to allow businesses to submit all information required for import, export and transit processes, by all authorities, only once and in a single location.

320 [QQ 25](#) (Shanker Singham), [29](#) (Shanker Singham)

321 [Q 38](#) (Aslak Berg)

The new UK-EU agreements: Institutional implications

The role of Parliament

Treaty scrutiny by Parliament

232. On 11 September 2025 the Lords International Agreements Committee (IAC) published its report on treaty scrutiny, *Treaty Scrutiny in Westminster: Addressing the Accountability Gap*.³²² It contains a number of conclusions and recommendations of relevance to our responsibility to scrutinise UK-EU relations in general and any UK-EU negotiations arising from the proposed reset in particular.
233. A number of the conclusions and recommendations in the IAC report are relevant to our Committee's work in scrutinising EU-UK agreements:
- (1) That there is a balance to be struck between the flexibility the Government needs to negotiate in the national interest and the transparency and scrutiny which the public interest requires (paragraph 69);
 - (2) That the devolved parliaments in Wales, Scotland and Northern Ireland have a legitimate interest in treaty scrutiny and the Government should consider how their concerns can be incorporated into the scrutiny process (paragraph 71);
 - (3) That the Government should engage with Parliament to start a serious dialogue about reform of the treaty scrutiny process (paragraph 73);
 - (4) That the Government should be ready to share with Parliament on request from a Committee engaged in treaty scrutiny the texts of significant new treaties in advance of their laying under the Constitutional Reform and Governance Act 2010 (CRAG) (paragraph 81);
 - (5) That the Government should uphold its prior commitments to notify Parliament about the commencement of significant bilateral and multilateral treaty negotiations and to provide on request private briefings to the relevant Committee (paragraph 86); and,
 - (6) That the Government should codify, within 12 months, all the commitments it has made concerning the operation of the treaty scrutiny process (paragraph 95).

Scrutiny of the new UK-EU agreements

234. The Minister for the Cabinet Office told the House of Commons Foreign Affairs Committee on 8 September that he "cannot anticipate what precise form" the prospective UK-EU agreements on a Common SPS Area, ETS linkage or a Youth Experience Scheme will take.³²³ However, as supplementing agreements to the TCA (and leaving aside the problems with CRAG-based scrutiny identified by the House's International Agreements Committee in its report outlined above), we expect these agreements to be potentially subject to the scrutiny requirements of the CRAG Act and so to

322 International Agreements Committee, *Treaty Scrutiny in Westminster: Addressing the Accountability Gap* (10th Report, Session 2024–26, HL Paper 168)

323 House of Commons Foreign Affairs Committee, *Inquiry into The UK-EU reset: rebuilding a strategic partnership in uncertain times*, 8 September 2025, [Q 119](#) (the Minister for the Cabinet Office)

come to our Committee for scrutiny. In support of this stance, we would point to the imminent EU-UK Competition Cooperation Agreement which was politically agreed in 2024 and which the Government has indicated to us will be laid under CRAG.³²⁴

235. Alongside scrutiny of the new agreements, there will be a process for implementing them in UK law. The Government has announced that the prospective SPS agreement will be implemented through a piece of primary legislation,³²⁵ and the Minister for the Cabinet Office promised us that “the SPS [agreement] will not happen without an enormous role for Parliament.”³²⁶
236. The energy lawyer Silke Goldberg told us that, “arguably”, there would be no need for primary legislation to enable an ETS linkage agreement.³²⁷
237. ***We expect the Government to facilitate parliamentary scrutiny of the new UK-EU agreements that are planned to follow the commitments made at the May 2025 summit.***

Parliament’s role in an ongoing system of dynamic alignment

238. In its proposed negotiating mandates for the SPS and ETS linkage agreements, the European Commission envisages that each agreement will list the body of EU law that is in scope of the agreement, as it exists at the time of signature. Subsequent relevant EU law would then be incorporated into the agreement by a joint committee, within a given deadline, and would “constitute an obligation for the Parties”. The document states: “If the deadline is not met, the parties should be able to submit the case to dispute settlement.”³²⁸
239. This prospective process would engage Parliament in two ways:
- scrutiny of decision-making by the UK Government and the European Commission in the joint committee, under the European scrutiny process currently conducted by our Committee; and
 - the domestic legislative process for transposing relevant EU law into UK law.
240. UK in a Changing Europe said that the UK would need to develop “robust systems for the adoption of EU law”, but that this could be “challenging”—especially with respect to SPS, given the volume and frequency of technical changes to EU regulation in this field.³²⁹ On the basis of our discussion of the Swiss SPS case with Professor Emily Lydgate in particular, it seems that one key issue will be the point(s) in the process at which Parliament has a say, and the status of the relevant EU law in the UK pending the completion of any domestic processes.

324 Correspondence, *Minister for the Cabinet Office and Minister for Employment Rights, Competition and Markets to the Chair of the European Affairs Committee*, 5 November 2024. The letter from the Ministers said: “Should the agreement be signed, it will be formally laid before Parliament for scrutiny under the provisions of the Constitutional Reform and Governance Act 2010 (CRAG). We expect this to take place in 2025.”

325 HC Deb, 22 May 2025, [col 454WH](#)

326 [Q 181](#) (the Minister for the Cabinet Office)

327 [Q 93](#) (Silke Goldberg). Energy UK and National Grid held the same view; see written evidence from Energy UK ([RES0043](#)) and National Grid ([RES0069](#)).

328 Commission SPS and ETS Recommendation, [COM/2025/408 final](#), 16 July 2025, Annex para 4

329 Written evidence from UK in a Changing Europe ([RES0072](#))

241. *Dynamic alignment will have significant implications for Parliament. We look forward to engaging with the Government on this matter in coming months. We ask the Government to set out how it envisages that a scrutiny system for dynamic alignment would work and how it plans to ensure that Parliament can play a full scrutiny role in this new area of activity.*
242. *We note that the increased levels of UK-EU cooperation in various areas that are in prospect will also increase Parliament's scrutiny role. We expect the Government to engage with us on any revisions that will be appropriate to our current scrutiny arrangements.*

Government resources and functions

243. Even before the May 2025 summit, witnesses raised a number of issues related to government resources, capabilities and activities:
- Several witnesses noted the difficulties of, and resource requirements involved in, tracking the development of EU law on an ongoing basis, in the absence of any such monitoring which is published or otherwise channelled to stakeholders by the Government.³³⁰
 - Several witnesses said that the UK Mission to the EU (UKMis) could usefully be doing more to engage businesses and other stakeholders in Brussels, in pursuit of UK interests.³³¹
244. The outcomes of the UK-EU summit suggest areas that are likely to require increased Government attention:
- A UK commitment to dynamic alignment will increase the need for EU legislative monitoring. William Bain of the British Chamber of Commerce told us that the Department for Business and Trade was developing some capability “around the legislative pipeline coming from Brussels” and that there is “a step change in the role of Whitehall ... but it needs to have the resources to make sure it can conduct this operation properly”.³³²
 - UK participation in ‘decision-shaping’ will be a new function to be taken on by UKMis.³³³
245. We note that our own European scrutiny arrangements with the Government will need to be revised and that the volume of EU documents and Government Explanatory Memoranda coming through the system for scrutiny will increase.

330 For example, written evidence from the Constitution, Europe, External Affairs and Culture Committee, Scottish Parliament ([RES0001](#)), Agricultural Industries Confederation ([RES0002](#)) and Federation of Small Businesses (FSB) ([RES0024](#)). The Northern Ireland Scrutiny Committee considered this issue in its recent report *Northern Ireland after Brexit: Strengthening Northern Ireland's voice in the context of the Windsor Framework* (1st Report, Session 2024–26, HL Paper 182)

331 [QQ 32](#) (Anton Spisak), [114](#) (Marco Cillario)

332 [Q 156](#) (William Bain)

333 The Northern Ireland Scrutiny Committee considered the role of UKMis, in particular in relation to the Northern Ireland Executive, in its recent report *Northern Ireland after Brexit: Strengthening Northern Ireland's voice in the context of the Windsor Framework* (1st Report, Session 2024–26, HL Paper 182).

246. The Government told us that:

- The EU Relations Secretariat in the Cabinet Office consists of 73-76 members of staff.³³⁴
- UKMis has 125-140 staff, comprising 110-120 staff from the FCDO and 15-20 from other Departments.³³⁵

247. On the basis of figures provided by UK Ambassador to the EU Lindsay Croisdale-Appleby to Parliament in 2022, this would mean that the Mission now is roughly the same overall size as during the 2000s, and that it had continued to shrink back down from its expanded Brexit-era scale, in line with plans outlined by Mr Croisdale-Appleby in his 2022 appearance. At that time, Mr Croisdale-Appleby said that the reduction from Brexit-era staffing levels was appropriate given that “there are some areas where we interact rather less with the EU than we would have done in the past”.³³⁶

248. *We ask the Government to set out how it is planning to monitor EU law and implement UK alignment under the prospective agreements on SPS and ETS linkage, in terms of both its own internal machinery and the routine provision of information to Parliament (and other stakeholders), so that we may fulfil our scrutiny mandate.*

249. *We ask the Government whether it has plans to increase financial and personnel resources in the Cabinet Office and/or UKMis proportionally to the increased level of engagement with the EU, or whether it considers current resourcing sufficient to achieve its objectives.*

250. *We ask the Government to set out how it envisages the UK making a meaningful contribution to EU decision-shaping and what it is doing to prepare for this new activity (including through engagement with other non-EU states with decision-shaping rights). We further ask whether it expects Parliament to be involved in decision-shaping, and, if so, how.*

334 Supplementary written evidence from HM Government ([RES0082](#))

335 Supplementary written evidence from HM Government ([RES0082](#))

336 House of Commons European Scrutiny Committee, *Inquiry into The UK's EU representation: what has changed and how is it working?*, 15 June 2022, [Q 4](#) (Lindsay Croisdale-Appleby)

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

Introduction

1. The Government's reset of relations with the EU and bilateral relations with European states is a process not an event, and there is no clarity about the endpoint. This has therefore not been the time to draw definitive conclusions. In this report, we consider only events under the present Government to October 2025, acknowledging that the reset is likely to be a longer-term process that will shape the post-Brexit UK-EU relationship. (Paragraph 5)

The May 2025 UK-EU summit in the reset process

2. We regret that the Government did not produce a White Paper or similar paper on its objectives for its reset of UK relations with the EU and with individual countries, as this would have made it possible for Parliament and other stakeholders to engage more effectively with the Government on the policy-making process and the content of policy, and to scrutinise more fully the extent to which the Government met its objectives. (Paragraph 20)
3. In its first 16 months in office, the Government has taken the first important steps towards achieving the objectives it set itself for the reset. Building on measures taken by its predecessors, the Government has intensified its engagement with the EU and its Member States and established a notably closer relationship in many areas. (Paragraph 24)
4. The machinery-of-government arrangements established since July 2024 for the handling of the UK-EU relationship replicate, to a large extent, the practice of previous periods when EU policy was driven from the Cabinet Office. On the basis of the evidence we received, and our experience of dealing with the Government, they seem to be effective. (Paragraph 29)
5. We welcome the fact that the Minister for the Cabinet Office and the Europe Minister are making a point of appearing together in front of us and other select committees, suggesting that they wish to highlight the close working relationship between the Cabinet Office and the FCDO on European policy. (Paragraph 30)
6. We note that the Government's specific policy objectives for the reset have evolved significantly over time. (Paragraph 49)
7. All of the Government's specific reset objectives found support in our evidence, albeit to varying degrees. Most of our witnesses agreed that the Government had identified areas where there was scope for a closer UK-EU relationship. However, we also heard some doubts about the direction of travel of the security and defence agreement, aspects of the possible SPS agreement, and the likelihood of real progress on touring artists and MRPQ. (Paragraph 50)
8. There was consensus among our witnesses that the overall economic impact of the Government's reset objectives, if all were achieved, would be marginal, albeit positive. (Paragraph 51)
9. *To our knowledge, before the May 2025 summit the Government had not referred to the possibility of the UK participating in the EU's internal electricity market. We also note that none of our witnesses raised this policy as an aim prior to the summit.*

We ask the Government to set out how and why it came to agree with the EU that exploring this proposal should be a summit outcome. (Paragraph 61)

10. *We ask the Government to set out the relationship between the ongoing work on the alternative electricity trading arrangements foreseen in the TCA and the new exploration of possible UK participation in the EU internal electricity market. We further ask the Government to tell us when it expects the current electricity trading arrangements to be superseded. (Paragraph 62)*
11. It is unsatisfactory that successive Governments have pursued significant changes to the Trade and Cooperation Agreement without any opportunity for this Committee to fulfil its Parliamentary responsibility to oversee and scrutinise UK-EU agreements. (Paragraph 67)
12. *We ask the Government, in its response to this report, to confirm that the requirement to review the implementation of the TCA's fisheries heading in 2030 continues to apply and, if so, to set out what the review might comprise, given the decision to agree fisheries access arrangements to 2038. We also ask how the Government intends to involve Parliament, particularly this Committee, in this process. (Paragraph 79)*
13. We consider the Government's Explanatory Memoranda on the fisheries access agreement and the decision on the energy title to be unsatisfactory in both timing—appearing as they did after the agreements had already been reached—and substance, in that they provided no new information about how the agreements had been reached or their impact. We consider that future EMs must be prepared to a higher standard if confidence in the process is to be maintained. (Paragraph 86)
14. *The reset agreement gives the EU certainty about the extension of the fisheries access arrangements for 12 years, while the renewal of the energy title remains on an annual basis. The new arrangements provide a degree of political comfort that the TCA energy title will continue to apply beyond 2027, notwithstanding the uncertainty created by the need for formal annual renewal. We ask the Government to set out the rationale behind these arrangements and to set out its degree of confidence that the energy provisions will not be used as leverage by the EU in future. (Paragraph 87)*
15. The Government has made progress in achieving its reset objectives. It has negotiated a security pact with the EU. It has also secured the EU's agreement to “work towards” its objectives of a Sanitary and Phytosanitary (SPS) agreement, and an agreement to link the UK and EU Emissions Trading Schemes. (Paragraph 88)
16. *However, there has been little, if any, progress on the Government's other objectives, of further law enforcement cooperation, help for touring artists, and mutual recognition of professional qualifications. It would be helpful to know whether the obstacles to progress are on the EU side and, if so, whether these are likely to be overcome in the near future. (Paragraph 89)*
17. The new UK-EU agreements envisaged in the outcomes of the May 2025 summit—on a Common Sanitary and Phytosanitary (SPS) Area, the linking of Emissions Trading Schemes, UK participation in the EU internal electricity market, and a Youth Experience Scheme, as well as UK association to Erasmus+—remain to be agreed. At the time we prepared this report, formal negotiations had begun only on the Youth Experience

Scheme and UK association to Erasmus+, and there was no agreed target date for completing any of them. (Paragraph 90)

18. The Youth Experience Scheme, as well as UK association to Erasmus+, were not included among the Government's initial priorities for the reset, although they were key negotiating priorities of the EU. (Paragraph 91)
19. We welcome the fact that, if enacted, the European Commission's proposal to extend data adequacy status for the UK until 2031 would avoid significant disruption to UK-EU cooperation across the board. (Paragraph 95)
20. We agree with the Minister that the UK's bilateral cooperation with key European states such as France and Germany and its relationship with the EU should be complementary and mutually reinforcing. (Paragraph 106)
21. We welcome deepened bilateral cooperation with France and Germany and look forward to the defence agreement with Poland. This is all the more important in the wider context in which threats to European security are becoming ever more apparent. (Paragraph 107)

The next phase: Foreign policy, security, defence and law enforcement cooperation

22. We welcome the Security and Defence Partnership signed between the UK and the EU in May 2025, recognising the continental security and defence challenges facing the UK and EU and providing a framework for pragmatic partnership cooperation. (Paragraph 113)
23. We note the identification in the Security and Defence Partnership of areas of shared concern, where both sides express ambitions for cooperation. These include areas which usually fall outside the traditional approach to security and defence, including the economy, corruption and illicit finance, irregular migration, climate and global health. (Paragraph 114)
24. *We ask the Government to explain what practical difference the Partnership will make to the level of dialogue already existing between the UK and the EU, and how it intends to assess and prioritise possible future areas of cooperation outlined in the Partnership.* (Paragraph 115)
25. *We note that, in most cases, the Security and Defence Partnership expresses an ambition to enhance existing mechanisms of cooperation, or to explore possible future opportunities. At this early stage it is perhaps inevitable that the Partnership has so far amounted only to a set of aspirations, but its success will be measured by the degree to which it improves the overall defence and security of Europe. We ask the Government to set out in detail the specific capability improvements it will be seeking, the mechanisms it will put in place for pursuing them, and the objectives and milestones it will use to monitor progress.* (Paragraph 116)
26. *We ask the Government to clarify whether it sees the UK-EU Security and Defence Partnership as a sufficient mechanism for cooperation with the EU, or whether it plans to pursue a closer and even more formalised relationship.* (Paragraph 117)
27. Although Members of the Committee hold a variety of views on the future UK-EU relationship, we all agree that NATO remains the cornerstone of European defence. Any more formalised approach to cooperation between the UK and the EU in the areas of security and defence must be designed to be complementary to NATO. (Paragraph 118)

28. *The UK's potential participation in projects under SAFE is one of the key aspects of the UK-EU Security and Defence Partnership. It is critical to ensure that the agreement provides clear strategic benefits to the UK's defence ecosystem. We ask the Government to keep us informed about the ongoing negotiations so we can effectively scrutinise the details of the prospective agreement. (Paragraph 135)*
29. *The evidence we received from representatives of the defence industry indicates that their main priority is clarity and prioritisation. We therefore ask the Government to clarify how the UK's possible access to SAFE will contribute to existing and forthcoming bilateral defence agreements with EU Member States. (Paragraph 136)*
30. *Given that the UK is negotiating access to SAFE as a non-Member State, it is imperative that the agreement includes safeguards related to legal and technical arrangements for security information sharing, and a clear framework to protect export controls and the UK's intellectual property rights. It is also essential that the cost implications of participating in SAFE are properly understood, both direct and in future liabilities, and defined in the UK's access arrangements. (Paragraph 137)*
31. *We think it important that the negotiations on the UK's access to SAFE keep pace with the rapidly evolving threats from Russia to European security. As soon as the negotiations are concluded, we ask the Government to update the Committee and we invite the Minister for Europe to give evidence to the Committee as soon as possible. (Paragraph 138)*
32. *We invite the Government to clarify whether it is seeking UK participation in EU CSDP missions and, if so, on what basis it would assess possible participation, in particular given the operational and leadership constraints imposed by EU law on the participation of non-EU Member States. (Paragraph 144)*
33. *We ask the Government to update us on progress towards joining the PESCO Military Mobility project and reaching an Administrative Arrangement with the European Defence Agency (EDA). (Paragraph 145)*
34. *The arrangements in the TCA for sharing data via the Prüm system will inevitably be impacted by the 2024 EU legislation introducing Prüm II. Apart from a brief exchange of letters between this Committee and the Home Office in 2024, we have heard nothing about whether or not the process included in the TCA covering the UK's ongoing participation has been activated or about the Government's plans to keep us informed of this process. (Paragraph 154)*
35. *Our letter to the Government dated 2 May 2024 raised a number of concerns about the (then) proposal and the process by which the Government would keep Parliament informed about the UK's potential participation in Prüm II. We ask the Government to update us on its plans to discuss Prüm II with the EU and on how it intends to keep Parliament informed. (Paragraph 155)*
36. *On extradition, we note that when the UK was an EU Member State both the European Commission and the Home Office published annual statistics highlighting requests for, and executions of, EAWs. It appears that this welcome practice has not been continued with regard to the TCA's equivalent arrangements for extradition. This makes it very difficult for us to assess the success of the TCA's extradition arrangements and the impact of the own-national extradition bar relied on by 13 of the 27 EU Member States. (Paragraph 156)*

37. *We therefore ask the Government to provide the Committee with its own detailed assessment of the effectiveness (or otherwise) of the TCA's extradition arrangements and to explain, in its response to this report, why it no longer publishes annual statistics on EU-facing extradition requests and executions. (Paragraph 157)*
38. *We also ask the Government to update us on plans for new information-sharing arrangements with the EU Drugs Agency. (Paragraph 158)*

The next phase: Trade and mobility

39. *With respect to the prospective SPS agreement with the EU, we ask the Government to confirm how it plans to handle the issues of i) future UK exceptions to dynamic alignment, and ii) UK-EU regulatory divergence that has already occurred, and to respond on whether it sees exceptions in these areas as an essential part of the promised agreement. We also ask for further information on what the Government would see as a fair financial cost to pay for the prospective SPS and ETS linkage arrangements. (Paragraph 172)*
40. *Our evidence showed that stakeholders need clarity at the earliest opportunity about the timescale for the conclusion and implementation of the prospective SPS agreement and about its practical consequences for those it will affect. We urge the Government to provide such clarity as soon as possible. (Paragraph 173)*
41. *We ask the Government to tell us when it aims to conclude negotiations with the EU on a Youth Experience Scheme and bring the new Scheme into operation. We further ask the Government to provide more information about the basis for its statement that a cap on the numbers participating has been agreed. (Paragraph 182)*
42. *Given the frequency with which we heard complaints about slow visa processing times during our inquiry, in both the UK and the EU, it is important that the Government ensures that the administration of the new visa for the Youth Experience Scheme runs smoothly and swiftly from the outset. We recommend that the Government also presses EU Member States to ensure that the same applies to the administration of the new EU visa for UK participants in the Scheme. (Paragraph 183)*
43. *The prospective agreements with the EU on a common SPS area, ETS linkage, and a Youth Experience Scheme involve substantive policy issues, and their negotiation could be technically complex. While respecting the need to protect the Government's negotiating stance, it is important in terms of parliamentary scrutiny and transparency that this Committee is kept informed about the negotiations. We ask the Government to clarify in its response to this report how it intends to keep us informed. We would welcome, at the very least, private briefings on their progress. (Paragraph 184)*
44. *We note that the Government has agreed with the EU to negotiate SPS and ETS linkage agreements that include a dispute resolution mechanism. We would ask the Government for greater clarity on this, in particular whether the system will be based on international arbitration, and the specific role of the Court of Justice of the EU (CJEU). (Paragraph 185)*
45. *We welcome the fact that negotiations are underway with the EU on the UK's association to Erasmus+ and that the Government is thus making progress on this issue. We ask the Government to set out in more detail the criteria against which it will assess the specific conditions of the UK's prospective participation in Erasmus+. We also ask the Government to tell us when it aims to conclude negotiations with the EU on the UK's association to Erasmus+ and to bring the scheme into operation in and for the UK. We further ask the Government to state how it plans to ensure*

that the UK's participation in Erasmus+ brings added value to UK universities, businesses and the third sector. We also ask the Government to explain how it sees an agreement on the UK's association to Erasmus+ interacting with the UK's existing Turing Scheme arrangements. (Paragraph 189)

46. *The challenges faced by UK artists seeking to tour in the EU remain high on the agenda of this Committee. We have been following this issue closely since Brexit. We find it unsatisfactory that no progress seems to have been made. We therefore ask the Government to step up the pace of work with the EU with the aim of an early agreement. We further ask the Government to update us on its activity with respect to the unilateral measures that our witnesses said would help UK-based creatives wishing to tour in the EU. (Paragraph 196)*
47. *The Common Understanding proposes that the UK and EU address the issue of mutual recognition of professional qualifications in the wider context of arrangements for professional mobility under the TCA. We ask the Government, in its response to this report, to update us on the way in which the UK-EU dialogues proposed in the Common Understanding are being taken forward, and the scope of these discussions. (Paragraph 201)*
48. *Given previous UK-EU engagement on mutual recognition of professional qualifications, we further ask the Government what evidence it has that the EU may change its position compared to that which it held during the negotiation of the TCA. We invite the Government to set out the improvements that it will propose, if any, to the TCA legal framework on trade in services as part of the review of this issue that is due to take place as part of the wider TCA implementation review in 2026. (Paragraph 202)*
49. *We ask the Government to set out how it sees the Product Regulation and Metrology Act 2025 affecting UK-EU arrangements for trade in goods, and its intentions with respect to making further regulations under the Act. (Paragraph 207)*
50. *We ask the Government whether it plans to raise issues in the area of goods trade as part of the future agenda for UK-EU cooperation. (Paragraph 208)*
51. *We ask the Government whether it is content with the current framework for UK-EU cooperation on financial services. (Paragraph 212)*

Implications for Government and Parliament

52. *We ask the Government to provide Parliament and other stakeholders with clarity as early as possible about the timing and process for, and scope of, the 2026 TCA implementation review, and the relationship between these and the next UK-EU summit, to help stakeholders to identify the most appropriate timing and channels to feed in their views. (Paragraph 218)*
53. *The evidence suggests that the UK-EU relationship is likely to feature an open-ended process of ongoing sectoral negotiations, with summits providing staging-posts and occasions for major decisions and agreements. (Paragraph 226)*
54. *We retain an interest in the implementation of citizens' rights under the Withdrawal Agreement, with respect to both UK citizens in the EU and EU citizens in the UK. (Paragraph 227)*
55. *The implementation of existing UK-EU agreements, by both parties, remains important. In this context, and given the importance we attach to*

parliamentary scrutiny, we welcome the fact that the Government has upheld its predecessor's commitment to publish a biennial TCA implementation report. (Paragraph 228)

56. *There are a number of steps which the Government could take unilaterally to facilitate UK-EU exchange and cooperation, across a wide range of fields. We ask the Government to set out whether it is pursuing any of the specific steps that we have identified in this section of our report, such as resuming delivery of the Single Trade Window or issuing A1 forms more quickly, and if so, to outline the action that it is taking.* (Paragraph 230)
57. *We also invite the Government to report as to whether taking unilateral action on such measures would assist its dealings with the EU and the Member States.* (Paragraph 231)
58. *We expect the Government to facilitate parliamentary scrutiny of the new UK-EU agreements that are planned to follow the commitments made at the May 2025 summit.* (Paragraph 237)
59. *Dynamic alignment will have significant implications for Parliament. We look forward to engaging with the Government on this matter in coming months. We ask the Government to set out how it envisages that a scrutiny system for dynamic alignment would work and how it plans to ensure that Parliament can play a full scrutiny role in this new area of activity.* (Paragraph 241)
60. *We note that the increased levels of UK-EU cooperation in various areas that are in prospect will also increase Parliament's scrutiny role. We expect the Government to engage with us on any revisions that will be appropriate to our current scrutiny arrangements.* (Paragraph 242)
61. *We ask the Government to set out how it is planning to monitor EU law and implement UK alignment under the prospective agreements on SPS and ETS linkage, in terms of both its own internal machinery and the routine provision of information to Parliament (and other stakeholders), so that we may fulfil our scrutiny mandate.* (Paragraph 248)
62. *We ask the Government whether it has plans to increase financial and personnel resources in the Cabinet Office and/or UKMis proportionally to the increased level of engagement with the EU, or whether it considers current resourcing sufficient to achieve its objectives.* (Paragraph 249)
63. *We ask the Government to set out how it envisages the UK making a meaningful contribution to EU decision-shaping and what it is doing to prepare for this new activity (including through engagement with other non-EU states with decision-shaping rights). We further ask whether it expects Parliament to be involved in decision-shaping, and, if so, how.* (Paragraph 250)

APPENDIX 1: LIST OF MEMBERS AND DECLARATIONS OF INTEREST

Members

Lord Ricketts (Chair)
 Lord Adonis (until 30 January 2025)
 Baroness Anelay of St Johns
 Baroness Ashton of Upholland
 Baroness Blackstone (until 30 January 2025)
 Lord Frost (from 30 January 2025)
 Baroness Hayter of Kentish Town
 Lord Jackson of Peterborough
 Baroness Lawlor (until 30 January 2025)
 Baroness Ludford
 Baroness Nicholson of Winterbourne
 Baroness Scott of Needham Market (until 30 January 2025)
 Lord Stirrup
 Baroness Suttie (from 30 January 2025)
 Duke of Wellington
 Lord Whitty (from 30 January 2025)
 Baroness Winterton of Doncaster (from 30 January 2025)

Declarations of Interest

Lord Ricketts
No relevant interests declared
 Lord Adonis
No relevant interests declared
 Baroness Anelay of St Johns
No relevant interests declared
 Baroness Ashton of Upholland
No relevant interests declared
 Baroness Blackstone
No relevant interests declared
 Lord Frost
No relevant interests declared
 Baroness Hayter of Kentish Town
No relevant interests declared
 Lord Jackson of Peterborough
No relevant interests declared
 Baroness Lawlor
No relevant interests declared
 Baroness Ludford
No relevant interests declared
 Baroness Nicholson of Winterbourne
No relevant interests declared
 Baroness Scott of Needham Market
No relevant interests declared
 Lord Stirrup
No relevant interests declared
 Baroness Suttie
No relevant interests declared
 The Duke of Wellington

No relevant interests declared

Lord Whitty

No relevant interests declared

Baroness Winterton of Doncaster

No relevant interests declared

A full list of Members' interests can be found in the Register of Lords' Interests:

<https://www.parliament.uk/hlregister>.

APPENDIX 2: LIST OF EVIDENCE AND COMMITTEE ACTIVITY

Evidence is published online at <https://committees.parliament.uk/work/8830/the-ukeu-reset/publications/> and available for inspection at the Parliamentary Archives (02072195314).

Evidence in alphabetical order

The 3million	RES0065
ABI (Association of British Insurers)	RES0079
ABTA - The Travel Association	RES0019
ADS Group	RES0049
Agricultural Industries Confederation (AIC)	RES0002
Sir Richard Aikens, retired judge, Brick Court Chambers	QQ 13–24
Jason Alderwick, Director of UK Government and Political Affairs, MBDA UK	QQ 49–60
American Chamber of Commerce	RES0032
Association for Financial Markets in Europe	RES0034
Association of Foreign Banks	RES0021
Deputy Chief Constable Peter Ayling, International Criminality and EU Exit Lead, National Police Chiefs' Council (NPCC)	QQ 77–91
William Bain, Head of Trade Policy, British Chambers of Commerce (BCC)	QQ 145–160
The Bar Council	RES0036
Professor Catherine Barnard, Professor of European Law, University of Cambridge	QQ 13–24
Aslak Berg, Research Fellow, Centre for European Reform (CER)	QQ 36–48
Best for Britain	RES0003
Boardwave	RES0073
Ian Bond, Deputy Director, Centre for European Reform (CER); Dr Luigi Scazzieri, Assistant Director, CER	RES0067
British Screen Forum	RES0029
British Standards Institution	RES0035

Dr Eleanor Brooks, University of Edinburgh	RES0014	
Bryant Research	RES0066	
Professor Graham Butler, Full Professor of Law at University of Southern Denmark, and Linnaeus University, Sweden		QQ 13–24
Cancer Research UK	RES0022	
Miles Celic OBE, Chief Executive, TheCityUK		QQ 130–144
The Centre for Inclusive Trade Policy (CITP) and the UK Trade Policy Observatory (UKTPO)	RES0075	
CHEM Trust	RES0016	
Chester Zoo	RES0008	
TheCityUK / International Regulatory Strategy Group	RES0056	
Professor David Collins, Professor of International Economic Law, City University of London		QQ 36–48
Constitution, Europe, External Affairs and Culture Committee, Scottish Parliament	RES0001	
Conservative European Forum	RES0033	
Mr Cook	RES0004	
Caroline Dawson, Partner, Clifford Chance		QQ 130–144
Stephen Doughty MP, Minister of State (Europe, North America and Overseas Territories), FCDO		QQ 175–190
Energy UK	RES0043	QQ 92–102 , Adam Berman, Director of Policy and Advocacy
Erasmus Student Network	RES0040	
European Movement in Scotland	RES0057	
European Movement UK	RES0051	
Events Industry Alliance	RES0015	
Federation of Small Businesses (FSB)	RES0024	
France Visa Free	RES0076	
Getlink	RES0060	

Silke Goldberg, Partner, Herbert Smith Freehills	QQ 92–102	
Alberto Groff, Deputy Ambassador of Switzerland to the United Kingdom	QQ 115–129	
Professor Sarah Hall, Professor of Geography, University of Cambridge, and Deputy Director, UK in a Changing Europe	RES0077	QQ 130–144
HM Government	RES0042 RES0082	
The Horticultural Trades Association (HTA)	RES0031	
Immigration Law Practitioners' Association (ILPA)	RES0064	
The Independent Monitoring Authority (IMA)	RES0030	
Independent Society of Musicians (ISM)	RES0080	QQ 103–114 , Deborah Annetts, Chief Executive
Institute of Directors (IoD)	RES0071	
Institute for European Environmental Policy (IEEP UK)	RES0055	
International Underwriting Association	RES0041	
Joanne Jakymec, Chief Crown Prosecutor, International, London and South-East Division, Crown Prosecution Service (CPS)	RES0068	QQ 77–91
Sir Bernard Jenkin MP	RES0053	
Robert Jones CBE, Director General (Operations), National Crime Agency (NCA)		QQ 77–91
Law Society	RES0013	QQ 103–114 , Marco Cillario, International Policy Manager
His Excellency Markus Leitner, Ambassador of Switzerland to the United Kingdom		QQ 115–129
LIM MILLIBAND	RES0028	
Lloyd's	RES0023	
Lloyds Market Association	RES0045	
London & International Insurance Brokers' Association	RES0018	

Sam Lowe, Partner, Flint Global	QQ 36–48	
Professor Emily Lydgate, Professor of Environmental Law, University of Sussex	QQ 145–160	
Mars UK	RES0070	
Dr Benjamin Martill, Senior Lecturer in Politics and International Relations, University of Edinburgh; Dr Monika Sus, Associate Professor, Polish Academy of Sciences	RES0059	
Wolfgang Münchau, Co-founder and Director, Eurointelligence	QQ 1–12	
National Grid	RES0069	QQ 92–102 , Matt Hinde, Head of EU Affairs
National Farmers Union (NFU)	RES0020	QQ 145–160 , Tom Bradshaw, President
New Europeans Association Ltd. (New Europeans UK)	RES0050	
Nord Pool	RES0078	
The Nuffield Trust	RES0039	
Professor Charlotte O’Brien, Professor of Law, University of York; Dr Alice Welsh, Lecturer in Law, University of York	RES0062	
Oceana	RES0026	
Dr Owen Parker, Senior Lecturer in European Politics, University of Sheffield	RES0006	
Lord Peach KG GBE KCB DL	QQ 61–73	
Oriel Petry, Head of Airbus Group UK Public Affairs	QQ 49–60	
Professor David Phinnemore, Queen’s University Belfast	RES0025	
Vice Admiral (Retd) Duncan Potts CB	RES0011	QQ 74–76
Pulley Transport Ltd	RES0058	
Quality Meat Scotland	RES0007	
Mujtaba Rahman, Managing Director, Europe, Eurasia Group	QQ 1–12	
Chris Ranford, Chair, National Federation of Fishermen’s Organisations (NFFO)	QQ 161–174	

Dr Simon Roberts, University of Nottingham	RES0038	
Dr Lee Rotherham	RES0052	
Royal Institute of British Architects (RIBA)	RES0081	QQ 103–114 , Muyiwa Oki, President
Philip Rycroft, former Permanent Secretary, Department for Exiting the European Union (DExEU)		QQ 25–35
San Francisco Symphony	RES0061	
The Scottish Advisory Forum on Europe (SAFE)	RES0010	
Lord Sedwill GCMG		QQ 61–73
Shanker Singham, Chairman and CEO, Competere Ltd		QQ 25–35
Phil Siveter, UK CEO, Thales		QQ 49–60
Society of Spanish Researchers in the UK	RES0073	
Anton Spisak, Associate Fellow, Centre for European Reform (CER)		QQ 25–35
Tavish Scott, CEO, Salmon Scotland		QQ 161–174
Nick Scott, Manager, Law & Climate Change, Centre for Climate Engagement; Markus Gehring, Associate Professor, University of Cambridge; Aastha Kapoor, Junior Researcher, Centre for Climate Engagement	RES0054	
Scottish Fishermen's Federation (SFF)	RES0083	QQ 161–174 , Elspeth Macdonald, CEO
Rt Hon Nick Thomas-Symonds MP, Paymaster General and Minister for the Cabinet Office (Minister for the Constitution and European Union Relations)		QQ 175–190
UK in a Changing Europe	RES0072	
UK Music	RES0036	
UK Coalition for Cultural Diversity	RES0048	
UK Transport in Europe	RES0047	
United Kingdom Accreditation Service	RES0017	

Professor Simon Usherwood, Department of Politics and International Relations, Open University	<u>RES0044</u>	
Armida van Rij, Senior Research Fellow, Europe Programme, Chatham House		<u>QQ 1–12</u>
Dr Matilde Ventrella, Senior Lecturer in Law, Liverpool John Moores University; Professor Sonia Morani Foadi, Professor of Law, Oxford Brookes University	<u>RES0009</u>	
Veterans for Britain	<u>RES0046</u>	
Rear Admiral (Retd) Bruce Williams CBE	<u>RES0012</u>	<u>QQ 74–76</u>

Published engagement and visit notes

[Brussels visit note](#)

APPENDIX 3: CALL FOR EVIDENCE

The Government has announced that it is seeking a reset of the UK's relations with the EU—covering security and defence, in order to “address common threats and challenges”; and trade, in order to “break down barriers”.

The House of Lords European Affairs Committee is launching an inquiry into the reset. The inquiry will have two main themes:

- the substance of the reset as it has emerged so far (involving questions about what the reset is or should be); and
- the process for achieving the objectives of the reset (involving questions about how the Government pursues it with the EU, and the role of devolved administrations and other interested parties in the UK).

The Committee invites interested individuals and organisations to submit written evidence to the inquiry by 9.00am on 2 April 2025. Public evidence sessions are expected to take place from late January 2025, and the Committee aims to report to the House later in the year.

Background

The UK-EU relationship is governed by the Withdrawal Agreement, which entered into force when the UK left the EU on 31 January 2020, and the Trade and Cooperation Agreement (TCA), which has been in effect since 1 January 2021. The TCA is fundamentally a free trade agreement under which UK-EU goods trade is largely free of tariffs and quotas. It covers some aspects of trade in services but not others. It includes provisions for an overarching governance arrangement and for UK-EU cooperation in some areas, notably law enforcement. It does not include provision for cooperation on foreign and security policy.

The new Government elected in July 2024 has announced that it seeks a reset of the UK's relationship with the EU. It seeks closer cooperation, and specifically new agreements with the EU in two broad areas in particular: security and defence; and trade. The Government has made clear that the UK will not rejoin the EU Single Market or the Customs Union, nor participate in EU freedom of movement of people.

In pursuit of the reset, the Government has already deepened engagement with the EU. The two sides have agreed that there should be regular UK-EU summits—with the first expected in the first half of 2025—and a six-monthly ‘strategic dialogue’ on foreign policy. The Government has also made machinery-of-government changes in Whitehall for the handling of EU affairs, moving departmental responsibility for EU relations from the FCDO to the Cabinet Office and appointing a Minister there with responsibility for the EU relationship.

At the same time as the Government seeks new discretionary negotiations with the EU, two sets of provisions in the TCA—on energy and fisheries—are due to expire in June 2026, and the two sides are also due to conduct a review of the TCA as a whole before the fifth anniversary of its coming-into-force. In addition, the EU consistently stresses the importance it attaches to full UK implementation of the two main existing UK-EU agreements.

The reset promises to be a complex process, involving negotiations with the EU across multiple policy areas. Neither side has yet defined its objectives in detail. The policies of the new US Administration will also be an important part of the

context in which the reset negotiations take place. The Committee's inquiry will scrutinise the Government's policy against this changing political landscape.

The European Affairs Committee and its predecessor European Union Committee have conducted extensive detailed inquiries into the nature of the post-Brexit UK-EU relationship under the TCA, producing reports on the institutional framework (2021), trade in goods (2021), trade in services (2021), food, environment, energy and health (2021), policing, law enforcement and security (2021), financial services (2022), the future relationship as a whole (2023), and foreign and security policy cooperation following Russia's invasion of Ukraine (2024).

Contributing evidence

The Committee encourages anyone with expertise in or experience of the matters under consideration in its inquiry, whether from the UK or abroad, to submit written evidence.

Diversity comes in many forms, and hearing a range of different perspectives means that committees are better informed and can more effectively scrutinise public policy and legislation. Committees can undertake their role most effectively when they hear from a wide range of individuals, sectors or groups in society affected by a particular policy or piece of legislation. We encourage anyone with experience or expertise of an issue under investigation by a Select Committee to share their views with the Committee, with the full knowledge that their views have value and are welcome.

If you wish to contribute your experience and expertise to this inquiry, please respond to the questions below. There is no obligation to answer every question, or address every topic. If there are developments that mean you would like to add to your initial submission you may make a supplementary submission.

Questions

The substance of the reset

1. What should the reset seek to achieve in order to serve the British national interest? What would a successful reset of UK-EU relations look like?
 - (a) What is your assessment of the Government's aims and approach to the reset? Is the Government being too ambitious, or not ambitious enough?
 - (b) Should the Government have any 'red lines' for the UK-EU reset?
 - (c) To what extent are the EU's existing arrangements for cooperating with non-Member States an obstacle to the reset? Should the Government seek to negotiate new forms of cooperation in some areas?
2. What impact are the priorities and domestic politics of individual EU Member States likely to have on the UK-EU reset?
3. How are the policies of the new US Administration likely to affect the UK-EU reset?
4. What should be the scope and priorities for the UK-EU security pact that the Government is seeking?
5. In the area of trade and mobility of people, the Government has identified three priorities for negotiation with the EU: a veterinary/SPS agreement;

mutual recognition of professional qualifications (MRPQs); and easier access for UK touring artists in the EU. Are these the right priorities? Are they achievable? Are there other sectors which the Government should be including in the reset—for example, in the field of financial services?

6. In trade, what is—or could be—the relationship between the UK-EU reset and the UK's current or potential relationships beyond Europe?
7. As part of its reset plans, how should the Government deal with the expiry in 2026 of TCA provisions on fisheries and energy?

The reset process

8. In the context of the overall reset, how should the Government approach the scheduled review of the TCA?
9. As it pursues its reset objectives, how can the Government influence the EU most effectively—including through the role of bilateral relations with European countries and the UK's position in other European multilateral organisations?
10. As it pursues the reset, are there lessons that the Government could usefully learn from other non-EU countries—such as Switzerland, Norway or Canada?
11. Will the UK's new machinery-of-government arrangements enable the Government to be as effective as possible in its engagement with the EU? If not, what further modifications would you advise?
12. How can the Government most effectively engage with and inform the devolved Administrations and legislatures, the public, parliamentarians and business and other domestic stakeholders with respect to the reset process? Are there lessons that the Government could learn from the UK's negotiation of post-Brexit trade agreements with partners other than the EU?
13. Is it necessary or desirable for the results of any UK-EU reset to take legally binding form? If so, what legal form should be taken by any new UK-EU agreements, and what would be the implications for parliamentary scrutiny?

APPENDIX 4: NOTE ON THE COMMITTEE'S VISIT TO BRUSSELS

The Committee visited Brussels on 28–29 April 2025. The Members in attendance were:

Lord Ricketts
 Baroness Ashton of Upholland
 Baroness Hayter of Kentish Town
 Lord Jackson of Peterborough
 Baroness Ludford
 Baroness Nicholson of Winterbourne
 Lord Stirrup
 Baroness Suttie
 Duke of Wellington
 Lord Whitty
 Baroness Winterton of Doncaster

During its visit the Committee had meetings with:

- UK Ambassador to the EU HE Lindsay Croisdale-Appleby and policy officials at the UK Mission to the EU (UKMis)
- Ambassador Pedro Lourtie, Head of Cabinet, President of the European Council
- John Watson, Deputy Secretary-General, European Commission
- Simon Mordue, Deputy Secretary-General, European External Action Service
- Sandro Gozi MEP, Thijs Reuten MEP and Hannes Heide MEP
- Officials from the Brussels offices of the Scottish Government, Welsh Government, and Northern Ireland Executive
- Officials from the Norwegian Mission to the EU
- Officials of the British Chamber of Commerce (EU and Belgium) and representatives of member firms
- Pieter Cleppe, Editor-in-Chief, Brussels-report.eu
- Jim Cloos, Secretary-General, Trans-European Policy Studies Association (TEPSA)
- Ignacio García Bercero, Non-Resident Fellow, Bruegel
- Almut Möller, Director for European and Global Affairs, European Policy Centre (EPC)
- Jan Pie, Secretary-General, and Burkard Schmitt, Security and Defence Director, ASD Europe
- Luisa Santos, Deputy Director General, Business Europe; Chair, EU TCA Domestic Advisory Group

Topics discussed

Topics discussed included:

The EU context

- the main issues and priorities on the EU's agenda;

- the EU's international position, with respect especially to the US and China;
- the EU's evolving role in defence;
- the EU enlargement process and its possible implications for the EU's institutional architecture;
- the EU's next Multiannual Financial Framework;

UK-EU relations

- the state of UK-EU cooperation under the TCA;
- implementation of the Withdrawal Agreement, Windsor Framework and TCA by both parties;
- attitudes to, and access for, the UK and UK interests in the EU institutions and among the Member States;
- the international context for the UK-EU relationship, particularly with respect to the US;

The Government's reset policy

- the Government's aims and priorities for the reset;
- the involvement of the devolved administrations in the reset;
- the EU's aims, priorities and process for the reset;
- the status of the reset talks and prospects for the May 2025 UK-EU summit;
- further policy areas that might be included in closer UK-EU cooperation;

EU relations with non-Member States

- the EU's treatment of non-Member States in a range of policy areas;
- the working of Norway's relationship with the EU as a non-Member State;
- the relevance or otherwise of Switzerland's relationship with the EU to the UK-EU relationship;

Foreign policy, security and defence cooperation

- the prospective UK-EU Security and Defence Partnership;
- the defence industry in the EU and the EU's internal debate about priorities for defence industrial policy;
- possible UK participation in EU defence industrial initiatives;
- the impact of international developments—especially the war in Ukraine and the role in it being taken by the UK—on UK-EU cooperation, European security policies and EU-NATO relations;
- formats for European security cooperation;
- international institutions;
- EU policies on international trade, development and economic security;
- areas for potential further UK-EU cooperation;
- cooperation on crime and international migration.

APPENDIX 5: SELECTED EVENTS IN THE UK-EU RESET, JULY 2024–OCTOBER 2025

2024

2 October: Prime Minister holds meetings with European Commission, Council and Parliament Presidents, Brussels. Prime Minister and European Commission President Ursula von der Leyen agree to “take forward [an] agenda of strengthened cooperation at pace” and to hold regular UK-EU summits, with the first slated for early 2025.

13 October: Foreign Secretary attends EU Foreign Affairs Council, Luxembourg. He and the then EU High Representative for Foreign Affairs and Security Policy, Josep Borrell, agree to work towards a UK-EU security partnership, and to hold six-monthly UK-EU foreign policy dialogues at their own level and a lower-level set of regular “strategic consultations” on a range of foreign policy issues.

9 December: Chancellor attends meeting of EU finance ministers, Brussels.

12 December: New President of the European Council António Costa holds meeting with the Prime Minister in London and invites him to attend informal EU Leaders’ Retreat focused on defence on 3 February.

2025

3 February: Prime Minister attends informal EU Leaders’ Retreat. Date of first UK-EU summit announced for 19 May.

18 March: Talks between the EU High Representative for Foreign Affairs and Security Policy Kaja Kallas and the Foreign and Defence Secretaries, London.

7 April: DSIT/DCMS Minister of State attends informal meeting of EU Culture and Media Ministers, Warsaw.

24 April: Prime Minister meeting with European Commission President Ursula von der Leyen, London.

7 May: Foreign Secretary attends informal meeting of EU Foreign Ministers (‘Gymnich’), Warsaw.

16 May: Prime Minister meeting with European Commission President Ursula von der Leyen on the sidelines of the European Political Community summit, Tirana.

19 May: First UK-EU summit, London.

30 August: Europe Minister attends informal meeting of EU Foreign Ministers (‘Gymnich’), Copenhagen.

4 September: Europe Minister holds first UK-EU dialogues under the Security and Defence Partnership on Ukraine and on the Western Balkans, with European External Action Service, London.

15 September: Europe Minister holds first UK-EU dialogue under the Security and Defence Partnership on hybrid threats, with European External Action Service, Brussels.

19 September: Chancellor attends informal meeting of EU finance ministers, Copenhagen.

22 October: First EU-UK Foreign and Security Policy Dialogue under the Security and Defence Partnership, between EU High Representative for Foreign Affairs and Security Policy Kaja Kallas and the Foreign and Defence Secretaries, London.

APPENDIX 6: EXISTING MODELS OF EU DEFENCE AND SECURITY COOPERATION WITH NON-MEMBER STATES

Canada and Norway have a long history of cooperation on foreign and security policy with the EU, but unlike the US, both have signed tailor-made agreements. Canada signed a Strategic Partnership Agreement (SPA) in 2016, while Norway signed a Security and Defence Partnership in May 2024.³³⁷

- The Canadian SPA goes beyond foreign policy to include aspects of trade, justice and home affairs cooperation, and consultation mechanisms on issues such as human rights, non-proliferation and disarmament and counter-terrorism. It is institutionalised through two bodies, the Joint Co-operation Committee (which recommends priority areas for cooperation) and the Joint Ministerial Committee (which is co-chaired by the Canadian foreign minister and the EU High Representative for Foreign Affairs and Security Policy [EU HR]).³³⁸
- The EU's Security and Defence Partnership with Norway includes an annual EU-Norway security and defence dialogue (at the level of Norwegian Secretaries of State and the European External Action Service [EEAS] Deputy Secretary General), annual working-level consultations, and an invitation to Norway to the Schuman Security and Defence Forum; the EU HR may also invite Norway to EU high-level meetings, including the European Council.³³⁹

337 European External Action Service, *Press Release: EU-Canada strategic partnership agreement*, 1 April 2017; European External Action Service, *Press Release: EU-Norway Security & Defence Partnership*, 28 May 2024

338 Written evidence from Ian Bond and Luigi Scazzieri ([RES0067](#))

339 Written evidence from Ian Bond and Luigi Scazzieri ([RES0067](#))

APPENDIX 7: INSTRUMENTS FOR EU RELATIONS WITH NON-MEMBER STATES IN SECURITY AND DEFENCE

- The **EU Strategic Compass**, adopted in March 2022, emphasised the need for partnerships with like-minded partners for the EU to be able to achieve its objectives in security and defence.³⁴⁰
- **Security and Defence Partnerships (SDP)** are the EU's preferred instrument for cooperation with many non-Member States. SDPs were launched shortly after the adoption of the Strategic Compass. They are non-binding instruments that provide comprehensive frameworks for cooperation and dialogue.³⁴¹ SDPs may vary in content, with each agreement tailored for a specific partnership. As of October 2025, the EU has signed SDPs with eight countries: Albania, Canada, Japan, Moldova, North Macedonia, Norway, South Korea and the UK. There have been reports that other countries, such as Australia,³⁴² and perhaps Switzerland,³⁴³ may follow.
- The EU's **Permanent Structured Cooperation (PESCO)** was established under the Common Security and Defence Policy (CSDP) in 2017. This builds on previous EU defence integration initiatives. PESCO is envisaged as "a framework and a structured process to gradually deepen defence cooperation to deliver the required capabilities to ... undertake the most demanding missions and thereby provide an improved security to EU citizens". 26 of the 27 Member States of the EU participate (Malta is the exception). Third countries can be invited to participate in PESCO projects if they meet conditions such as sharing "the values on which the EU is founded", having a political dialogue with the EU that covers defence and security aspects, and providing "substantial added value to a project, for example technical expertise or additional capabilities". There is a multi-stage process for third-party acceptance into a PESCO project, beginning with a request to participate and ultimately concluding with a Decision of the Council of the EU as to whether participation meets all necessary conditions.³⁴⁴
- The **European Defence Fund (EDF)** was established in 2021.³⁴⁵ According to the European Commission, this "financially support[s] consortia of companies from different member states undertaking cooperative defence research and development of defence products and technologies".³⁴⁶ €8 billion has been allocated to this fund in the 2021–2027 budget cycle.³⁴⁷ Nevertheless, as of 2020, joint procurement represented only 11% of the total defence armament acquisition of EU Member States.³⁴⁸ Full third-party involvement in the European Defence Fund is open only to members of the European Economic Area (EEA). Entities in other third countries can participate in collaborative projects but cannot be funded through the scheme.

340 European External Action Service, *A Strategic Compass for Security and Defence*, 2022

341 European External Action Service, *What we do: policies and actions. Partnerships*, 23 September 2025

342 European Council, *Press Release: Europe and Australia commit to security and defence partnership*, 17 June 2025

343 SWI swissinfo.ch, *Parliament in favour of Swiss defence partnership with EU*, 16 September 2025

344 Official website for *Permanent Structured Cooperation (PESCO)*

345 Regulation (EU) 2021/697 of the European Parliament and of the Council of 29 April 2021 establishing the European Defence Fund and repealing Regulation (EU) 2018/1092, *OJ L 170/149*, 12 May 2021

346 European Commission, *European Defence Fund*

347 European Commission, *Press Release: European Defence Fund: EU to invest €832 million in 41 ambitious defence industrial projects*, 26 June 2023

348 Bastian Giegrich and Ester Sabatino, *The (Sorry) State of EU Defense Cooperation*, Carnegie Europe, 6 October 2022

The Political Declaration published alongside the Withdrawal Agreement in 2019 stated that the UK and the EU would “consider” participation of UK entities in collaborative projects supported by the European Defence Fund, to “the extent possible under the conditions of Union law”.³⁴⁹

- The **European Defence Agency** (EDA) was established in 2004 and now supports all EU Member States in developing their military resources.³⁵⁰ It promotes collaboration, launches new initiatives and works to improve defence capabilities. It also “helps Member States that are willing to do so to develop joint defence capabilities” and “is a key facilitator in developing the capabilities that underpin the EU’s Common Security and Defence Policy (CSDP)”.³⁵¹
- EU **CSDP missions** are open to third country participation based on Article 37 of the Treaty on European Union (TEU), and Article 218 of the Treaty on the Functioning of the European Union (TFEU). Each cooperation is based on an individual participation agreement. There is also an option of a Framework Participation Agreement (FPA), defining the terms of participation of the third country, including initiation and termination, hierarchy and discipline of personnel, confidentiality of shared information and financing of missions.³⁵² The EU began to design FPAs with third countries in 2004. As of January 2025, there are 21 ongoing EU CSDP missions and operations, including 12 civilian, 8 military and 1 civilian and military initiative.³⁵³

349 HM Government, *Political Declaration setting out the framework for the future relationship between the European Union and the United Kingdom*, 19 October 2019, para 102

350 Council Decision (CFSP) 2015/1835 of 12 October 2015 defining the statute, seat and operational rules of the European Defence Agency (recast), [OJ L266/55](#), 13 October 2015. Denmark joined the EDA in March 2023.

351 European Union, *European Defence Agency (EDA)*

352 European Centre of Excellence for Civilian Crisis Management, *Frameworks for Participation Agreements in Crisis Management Missions between the EU and Third States*

353 European External Action Service, *What we do: policies and actions. Missions and Operations*, 30 January 2025

APPENDIX 8: SECURITY ACTION FOR EUROPE (SAFE)

SAFE, or the Security Action for Europe, is a new EU financial instrument designed to provide up to €150 billion in loans to Member States to boost European defence production and procurement.³⁵⁴

SAFE is considered to be the first pillar of the European Commission's ReArm Europe Plan/Readiness 2030, "which proposes to leverage over €800 billion in defence spending".³⁵⁵

The other pillars are: "boosting national defence funding by activating the Stability and Growth Pact's national escape clause; making EU instruments such as the cohesion funds more flexible to allow greater defence investment; complementing public funding with contributions from the European Investment Bank; and mobilising private capital".³⁵⁶

Key features

According to the Council Regulation (EU) establishing SAFE, it is not set to become a permanent feature. It is considered a "temporary" and an "emergency" instrument "to enable them to carry out the urgent and major public investments in the European Defence Technological and Industrial Base (EDTIB) which are required by the exceptional situation. This instrument aims to promote common procurement, allowing Member States to progress towards increased market efficiency in the defence sector".³⁵⁷

Funded by the EU raising money on capital markets, SAFE's goal is to accelerate defence investments, production capacity, speed up development of new defence products, secure supply chains, and address critical defence capability gaps. It aims at a reduction of costs for individual Member States, an increase in the efficiency of defence spending and an increase in the interoperability of armed forces.

SAFE is aimed at complementing and remaining consistent with the European Defence Fund, and drawing lessons from the European Defence Industry Reinforcement through Common Procurement Act (EDIRPA)³⁵⁸ and Act in Support of Ammunition Production (ASAP).³⁵⁹

Priority areas

The identified priority areas include:

- Category one: ammunition and missiles; artillery systems; small drones (NATO class 1) and related anti-drone systems; critical infrastructure protection; cyber and military mobility.

354 Regulation (EU) 2025/1106 of the Council of 27 May 2025 establishing the Security Action for Europe (SAFE) through the Reinforcement of the European Defence Industry Instrument, [OJ L 2025/1106](#), 28 May 2025

355 Council of the EU, [Press Release: SAFE: Council adopts €150 billion boost for joint procurement on European security and defence](#), 27 May 2025

356 Council of the EU, [Press Release: SAFE: Council adopts €150 billion boost for joint procurement on European security and defence](#), 27 May 2025

357 Regulation (EU) 2025/1106 of the Council of 27 May 2025 establishing the Security Action for Europe (SAFE) through the Reinforcement of the European Defence Industry Instrument, [OJ L 2025/1106](#), 28 May 2025

358 European Commission, [The European Defence Industry Reinforcement through Common Procurement Act](#)

359 European Commission, [The Act in Support of Ammunition Production \(ASAP\)](#)

- Category two: air and missile defence; drones other than small drones (NATO class 2 and 3) and related anti-drone systems; strategic enablers; space assets protection; artificial intelligence and electronic warfare.

Eligibility

Only EU Member States will be able to receive loans. They must be used to fund the joint purchases of military equipment.

To be eligible, a Member State must buy weapons:

- with another Member State, EEA EFTA country or Ukraine (special provision); or
- with accession countries (Albania, Bosnia-Herzegovina, North Macedonia, Moldova, Montenegro, Serbia); or
- with potential candidates (Kosovo); or
- with other countries that have signed Security and Defence Partnerships with the EU (Albania, Canada, Japan, Moldova, North Macedonia, Norway, South Korea and the UK). These countries may also be eligible to participate, should they successfully negotiate bilateral or multilateral agreements.

Defence equipment providers

- Companies established and having their executive management structures in the EU, EEA/EFTA or in Ukraine.

Also, in certain circumstances,

- Companies established in the EU but controlled by third state or third state entity
 - must be subject to screening and “appropriate mitigation measures”; or must provide guarantees verified by an EU Member State.
- Subcontractors outside of the EU, EEA/EFTA, Ukraine.
 - The cost of components originating from such country shall not be higher than 35%.
- Companies in third states that qualify for bilateral or multilateral agreements with the EU
 - Specific conditions still to be negotiated.

The deadline for formal applications for loans is set for 30 November 2025.

APPENDIX 9: MINUTES OF PROCEEDINGS ON THE REPORT

Tuesday, 4 November 2025

Present:

Lord Ricketts (Chair)
 Baroness Anelay of St Johns
 Baroness Ashton of Upholland
 Lord Frost
 Baroness Hayter of Kentish Town
 Lord Jackson of Peterborough
 Baroness Ludford
 Baroness Nicholson of Winterbourne
 Lord Stirrup
 Baroness Suttie
 The Duke of Wellington
 Lord Whitty
 Baroness Winterton of Doncaster

Apologies and Notices

All Members were present

The UK-EU Reset: Fourth report consideration

The Committee considered the draft report.

Amendments were agreed.

Lord Frost moved that the following alternative summary, which had been circulated to Members in advance, be agreed to in place of the Chair's draft summary:

“When it took office in July 2024 the Government began to implement its manifesto commitment to launch what it called a ‘reset’ of the UK’s relationship with the EU and its bilateral ties with key European countries. This report is the first assessment by a parliamentary committee of the progress the Government has made in achieving its objectives.

We conclude that the Government has taken the first steps in this process. It has intensified its dialogue with the EU and with countries such as France and Germany. But the reset is a process not an event, and it is not yet clear how far and how fast it will advance. The report therefore considers the extent to which UK interests have been met in the negotiations so far, but does not and cannot yet draw definitive conclusions on the overall reset.

The Government’s manifesto set out some initial priorities for the reset in the areas of European security and trade. Specifically, it proposed a security pact with the EU; a veterinary agreement to reduce border checks; to remove obstacles to UK-based artists seeking to tour in the EU; and to agree stronger arrangements with the EU on the mutual recognition of professional qualifications (MRPQ). It made clear that it would not be rejoining the customs union or the single market.

These objectives widened over time. In particular, the objective of a veterinary agreement became that of a full SPS (food, plant, and animal product) agreement,

and the linking of the UK and EU Emissions Trading Schemes (ETS) and the development of more efficient UK-EU electricity trading arrangements emerged as additional objectives. The process of developing negotiating objectives beyond the manifesto has not been transparent, and we regret the Government's failure to set out its intentions and objectives clearly in a White Paper before the negotiation, as this would have facilitated our task of holding the Government to account.

The EU set out its own objectives for the talks, noting in particular that an SPS agreement and ETS alignment could only be agreed on the basis of dynamic alignment with EU law, a role for the Court of Justice, and payment of a financial contribution. It advocated a UK-EU Youth Experience Scheme (which UK Ministers said was not part of their plans until a late stage in the negotiation) and UK accession to the Erasmus+ programme, and insisted on long-term fisheries access to UK waters as an essential precondition for a successful negotiation.

The evidence we heard from our witnesses was broadly, though not wholly, in support of the government's objectives. It was widely accepted that they would make little difference to UK economic outcomes. Representatives of sectoral industry groups supported the prospect of more fluid trade with the EU. The nature of the evidence process meant we heard little about the countervailing costs of the Government's proposed approach, in sovereignty and in direct taxpayer contributions to the EU budget.

Negotiations on this basis proceeded during the spring, culminating in the first major milestone in the reset process, the UK-EU Summit on 19 May. Leaders agreed three significant documents: a Joint Statement, which declared a new UK-EU Strategic Partnership; a Security and Defence Partnership; and a 'Common Understanding' on 'A renewed agenda for EU-UK cooperation'. Together, the summit documents set out a clear direction of travel and claimed to envisage an ambitious new phase in the UK-EU relationship.

The main elements of the Summit outcome are as follows:

- The UK and the EU achieved their common objective of a security and defence agreement.
- The UK secured a commitment from the EU to negotiate an SPS agreement and ETS linkage; and to consider possible participation in the EU internal electricity market, all on the basis of dynamic alignment with EU law with only a nebulous commitment to a "decision-shaping" role for the UK.
- The UK agreed to the EU's wish to negotiate a UK-EU Youth Experience Scheme (on which the UK and EU appear to have different understandings about whether there is a commitment to a cap on numbers) and participation in Erasmus+. The UK also agreed to abandon the planned recovery of full control of its fishing waters in June 2026 and to allow the EU continued access on the existing basis until June 2038 (a decision that is now fixed in law), seemingly in return for maintenance of the Energy Chapter of the Trade Agreement on an annual basis.
- The EU made no commitment other than to talk further about the Government's original objectives of smoothing EU access for touring artists and of improved MRPQ rules. They also made an unspecific commitment to improve UK access to e-Gates at EU airports.

Overall, this Summit outcome must be seen as somewhat unsatisfactory for the UK. The sole concrete outcomes were the fisheries agreement (negative for UK interests), the maintenance of the energy chapter (neutral), and the Security and Defence Partnership, largely a process agreement at this point, and the major advantage of which is to open the way to the UK's participation in the EU's new initiative for defence industrial cooperation (known as SAFE). The Government has secured none of its other initial objectives at this stage, and further negotiations are under way on only some of them. Even the opening of e-Gates appears to have been only partly delivered in practice.

On this basis we do not consider that the Government has made the best possible use of its negotiating hand. It has not used the leverage of the offer of the Security Partnership to secure firm commitments from the EU in other areas. It has agreed to SPS and ETS arrangements which - notwithstanding the commitment not to rejoin the single market - are similar to those of the EEA or of the new Swiss Framework Treaty. And it has made a long-term concession on fisheries access without any apparent return other than to maintain a talks process.

Accordingly, we seek further information from the Government on a range of issues concerning the negotiations and prospective new UK-EU arrangements. We ask the Government to set out in more detail what difference in practice they expect the Security Pact to make to European defence. We ask for greater detail of the budgetary costs of the new arrangements, notably of SAFE. We ask why the Government has been prepared to agree a dynamic alignment arrangement with the EU, what the role of the European Court of Justice will be, and how it proposes to implement the arrangement in UK law. And we ask the Government to provide more information about the basis for its statement that a cap on numbers participating in the Youth Experience Scheme has been agreed.

Finally, we seek clarity on the negotiating timetable, on the likely legal form of the new agreements, and on the Government's plans for ensuring they are subject to effective Parliamentary scrutiny. We also urge the Government to explain how future UK Parliamentary oversight of the dynamic alignment and decision-shaping arrangements will be ensured."

The Committee divided:

<i>Contents</i>	<i>Not-contents</i>	<i>Abstain</i>
Lord Frost	Baroness Ashton of Upholland	Baroness Anelay of St Johns
Lord Jackson of Peterborough	Baroness Hayter of Kentish Town	
Baroness Nicholson of Winterbourne	Baroness Ludford	
	Lord Ricketts	
	Lord Stirrup	
	Baroness Suttie	
	The Duke of Wellington	
	Lord Whitty	
	Baroness Winterton of Doncaster	

The amendment was disagreed to accordingly.

The Chair moved that the draft report, as amended, be the report of the Committee.

The Committee divided:

<i>Contents</i>	<i>Not-contents</i>	<i>Abstain</i>
Baroness Anelay of St Johns	Lord Frost	Baroness Nicholson of Winterbourne
Baroness Ashton of Upholland	Lord Jackson of Peterborough	
Baroness Hayter of Kentish Town		
Baroness Ludford		
Lord Ricketts		
Lord Stirrup		
Baroness Suttie		
The Duke of Wellington		
Lord Whitty		
Baroness Winterton of Doncaster		

The report, as amended, was agreed to accordingly.

The Committee thanked the Secretariat for its hard work in drafting the report.

Any other business

The Committee will next meet on 11 November 2025 at 3.30pm

APPENDIX 10: GLOSSARY OF ACRONYMS

APHA	Animal and Plant Health Agency
ASAP	Act in Support of Ammunition Production
CBAM	Carbon Border Adjustment Mechanism
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CJEU	Court of Justice of the European Union
CoE	Council of Europe
CSDP	Common Security and Defence Policy
CPS	Crown Prosecution Service
DCMS	Department for Culture, Media and Sport
DEFRA	Department for Environment, Food and Rural Affairs
DSIT	Department for Science, Innovation and Technology
EAW	European Arrest Warrant
EDA	European Defence Agency
EDF	European Defence Fund
EDIRPA	European Defence Industry Reinforcement through Common Procurement Act
EDTIB	European Defence Technological and Industrial Base
EEA	European Economic Area
EEAS	European External Action Service
EES	EU Entry/Exit System
EFTA	European Free Trade Association
EPC	European Political Community
ETS	Emissions Trading Scheme
EU HR	EU High Representative for Foreign Affairs and Security Policy
FCDO	Foreign, Commonwealth and Development Office
FPA	Framework Participation Agreement
FTA	Free Trade Agreement
IAC	House of Lords International Agreements Committee
MoD	Ministry of Defence
MRP	Mutual Recognition of Professional Qualifications
NSEC	North Seas Energy Cooperation
OCCAR	Organisation for Joint Armament Cooperation
OSCE	Organisation for Security and Cooperation in Europe
PEM Convention	Pan-Euro-Mediterranean Convention

PESCO	Permanent Structured Cooperation
R&D	Research and development
SAFE	Security Action for Europe
SALW	Small arms and light weapons
SDP	Security and Defence Partnership
SPA	Strategic Partnership Agreement
SPS	Sanitary and Phytosanitary
TCA	UK-EU Trade and Cooperation Agreement
TEU	Treaty on European Union
TFEU	Treaty on the Functioning of the European Union
UKMis	UK Mission to the European Union