UK-EU Parliamentary Partnership Assembly

12 December 2022

The Parliamentary Partnership Assembly (PPA) is a formal body established under the UK-EU Trade and Cooperation Agreement (TCA). It plays an important role in overseeing the implementation of the TCA and all future UK-EU agreements.

The second meeting of the PPA took place in London on 7-8 November. This report provides a summary of the role of Senedd Members in the PPA, the main proceedings of the meeting and sets out proposals for how Senedd engagement in the work of the PPA could be developed in future.

Huw Irranca-Davies, MS, Chair of the Legislation, Justice and Constitution Committee and Luke Fletcher, MS, a member of the Economy, Trade and Rural Affairs Committee participated in the second meeting and the report has therefore been agreed by them in that capacity.



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1. The Parliamentary Partnership Assembly

The UK-EU, the Trade and Cooperation Agreement (TCA) provides for the establishment of a UK-EU Parliamentary Partnership Assembly (PPA) as part of its governance structure. This governance structure will oversee the TCA and all future UK-EU agreements.

The TCA provides that the PPA should include members of the European Parliament and UK Parliament. The PPA has an important role to play in providing oversight of the implementation of the agreement.

It is the only body that can jointly hold the TCA Partnership Council to account. The Partnership Council is the body with overall responsibility for the TCA. It is made up of European Commission representatives and UK Government Ministers.

The PPA:

 can request information on the TCA and future UK-EU agreements from the Partnership Council, which must provide the information;

- must be informed of decisions and recommendations of the Partnership Council; and
- may make recommendations to the Partnership Council.

The PPA has also adopted <u>its own rules of procedure</u> since its establishment which set out how it will operate in practice.

The PPA is chaired jointly be a representative of the UK Parliament and of the European Parliament. The current Co-chairs are Sir Oliver Heald MP and Natalie Loiseau MEP. A full list of <u>UK</u> and <u>EU</u> parliament delegations can be found on their respective websites.

An infographic setting out where the PPA sits within the overarching governance framework can be found in this Senedd Research <u>guide</u>.

The role of the Senedd

The TCA does not provide a formal role for the UK's devolved legislatures nor the EU's regions and cities or civil? society in the work of the PPA. However, given that large parts of the TCA fall within areas of devolved competence or have an impact on them, the rules of procedure adopted by the UK and EU parliaments allow for the devolved legislatures and other EU institutions to be invited to attend meetings as observers.

Observer status means that representatives from the devolved legislatures do not have ordinary speaking rights during Plenary sessions and have no voting rights.

The Senedd was invited to send two Senedd Members to the first two meetings of the PPA. The Senedd's Chair's Forum has decided that, given their respective remits, the Senedd should be represented by the Chair or a Member of the Legislation, Justice and Constitution Committee and the Chair or a Member of the Economy, Trade and Rural Affairs Committee.

2. Second meeting

The operation of the PPA as a meaningful forum evolved significantly during the second meeting, held on 7-8 November 2022.

We were able to fully participate in the important discussions that took place in the working group sessions and spoke during the Plenary session about how the devolved legislatures and European civil society could be involved in the work of the PPA.

The <u>agenda</u> provides the full details of speakers and sessions. <u>Webstream</u> recordings of the Plenary proceedings over the two days are also available.

Northern Ireland

Although the Northern Ireland Protocol forms part of the Withdrawal Agreement and not the TCA, the need to find a negotiated solution to the issues raised by the Northern Ireland Protocol has dominated discussions in all PPA sessions. It was welcome that Members of the Northern Ireland Assembly were able to attend the meeting to set out for themselves the issues facing Northern Ireland.

European Commission Vice-President Šefčovič and the UK Government's Europe Minister Leo Doherty provided an update on the ongoing negotiations ns to seek to resolve the issues related to the Protocol. They reported a constructive tone to the discussions. Vice-President Šefčovič <u>said</u> the disagreement came down to 'minimal checks versus no checks'. He called for the Northern Ireland Protocol Bill, currently proceeding through UK Parliament, to be withdrawn. He asked UK delegation members to recognise that it has not been easy for the EU to proceed with negotiations whilst the Bill continues to proceed through the UK Parliament

Minister Doherty <u>said</u> that it was clear that the Protocol has caused economic and political 'problems' in Northern Ireland but that the UK Government was engaged in constructive discussions with the EU to find a solution. He said the Northern Ireland Protocol Bill will continue to proceed through the UK Parliament but will not be expedited. He emphasised the UK Government's desire to find a negotiated outcome.

The need to urgently find pragmatic and negotiated solutions to the issues related to the Protocol was expressed by Members of both delegations, including the need to address the democratic deficit in Northern Ireland and to engage its Assembly Members and citizens in the negotiations.

Implementation of the TCA

The PPA considered general issues related to the implementation of the TCA agreement. Members identified several areas where there is support for deeper cooperation between the UK and the EU including many areas of interest to the Senedd. These include cooperation on research and development, energy security, climate change and the green transition, student and youth mobility and the mutual recognition of professional qualifications.

The Minister Doherty and Vice-President Šefčovič agree that the governance structures of the TCA are broadly functioning well.

Minister Doherty identified areas in which progress has been made such as on energy and an agreement of the mutual recognition of architecture qualifications. However, he also <u>said</u> the UK Government believes the implementation of some elements of the TCA need to be 'accelerated'. In particular the UK Government would like to see further progress on UK participation in EU funding programmes, on reducing barriers for UK businesses to register for VAT for online sales in the EU and energy transmission.

Vice-President Šefčovič <u>said</u> that on many areas such as fisheries and civil society engagement progress is being made. However, he said that the EU was playing close attention to the UK's adherence to level playing field commitments in the TCA. He reiterated the EU's view that the TCA is not and cannot be a replacement for membership of the EU's Single Market. He said that the UK is free to diverge from the EU but this will lead to greater friction and increased trading costs.

Vice-President Šefčovič reiterated the European Commission's view that there is a fundamental link between the implementation of the TCA and the full implementation by the UK of the Withdrawal Agreement including the Northern Ireland Protocol.

Energy cooperation

The PPA adopted its first recommendation to the Partnership Council on energy cooperation. The recommendation demonstrates the intent of the PPA to use the powers provided to it under the TCA to hold the Partnership Council to account.

At the heart of the recommendation is the unwavering support of PPA members for Ukraine and the need to respond urgently to the energy crisis created by Russia's invasion of Ukraine.

The recommendation:

- Sets out the imperative need for the EU and the UK to cooperate as closely as possible to ensure the security of supply and effective functioning of the energy market in the winters of 2022-23 and 2023-24;
- Calls for the building of further interconnectors between the UK and the EU;
- Calls on both parties to produce concrete solutions to ensure more efficient electricity trading arrangements;
- Calls for support for joint UK-EU projects to promote renewable energy and, in particular, to follow through on commitments made to develop offshore renewable energy;
- Calls for the Memorandum of Understanding between the UK and the North Sea Energy Cooperation grouping to be adopted as soon as possible¹.

Support for further collaboration on energy security, climate change cooperation and the transition to renewable energy was evident in Plenary discussions. Steps to sign a Memorandum of Understanding between the UK and the North Sea Energy Cooperation (NSEC) grouping was welcomed by the UK Government, EU Commission and delegates.

Future relationship

Members of the PPA identified several areas where there is common interest on further collaboration. Many of these are in areas of importance to Wales. However, all speakers to the Plenary identified that trust needs to be re-built between both sides before more in-depth discussion can take place on further areas of cooperation.

The EU's then Ambassador to the UK, João Vale del Almeida and Deputy Minister for European Affairs, Marek Havrda, representing the Czech Presidency of the EU, stressed that resolving the issues related to the Northern Ireland Protocol and full implementation of all international agreements between the UK and the EU are a pre-requisite to deeper collaboration on other areas. Both said however,

¹ The North Sea Energy Cooperation Grouping brings together eight EU Member States with Norway to discuss the development of renewable energy and offshore grids in the North Sea.

that if the issues related to the Protocol can be resolved then there is support from the EU for cooperation in a number of areas.

A number of speakers welcomed the UK's participation in the newly formed <u>European Political Community</u> (EPC). The EPC brings together leaders from 44 European countries including the EU's 27 Member States, Western Balkan states, the UK, EFTA states, Ukraine, Georgia, Moldova, Armenia, Azerbaijan and Turkey.

Citizens' rights, touring artists and security and defence cooperation

These issues formed the basis of discussions in a series of working groups in which we participated fully. We raised issues identified by the work of Senedd Committees. In particular the Equality and Social Justice Committee and the Culture, Communication, Welsh Language, Sport and International Relations (CCWSLIR) Committee.

Each of the workshops agreed a series of conclusions and outcomes which the PPA members agreed will be shared with the Partnership Council.

Citizens' rights outcomes:

- -There should no diminution of rights for citizens, noting the democratic deficit arising with a particular need to focus on citizens in Northern Ireland and the challenges they face;
- -We note that difficulties remain with the implementation of the EU settlement scheme, including the number and uncertainty of those with pre-settled status, engaging with the digital process and the lack of physical evidence of status; and we invite the Partnership Council to provide its own analysis of the current settlement scheme.
- -Noted and welcome the work of the Independent Monitoring Authority in the UK; and compare this with the lack of support for organisations advocating for British citizens in Member States.
- -We note that different nationalities are treated differently by the UK when applying for work visas, and in particular, we invite the Partnership Council to set out if it has considered a future mobility scheme for young people between the UK and the EU.

Touring artists

- The lack of an agreement on touring artists in the TCA is creating problems, especially for young and emerging artists;
- -The Partnership Council should encourage the EU and the UK to negotiate a comprehensive agreement to allow artists to tour freely in the EU and the UK;
- -In the meantime, the Partnership Council should look at steps that can be taken now to lessen the burdens that the current rules create.

Cooperation on defence and security

- With the Russian attack on Ukraine acting as a security wake up call, how will the UK and the EU consider how their relationship and cooperation needs to evolve to take this into account and ensure Ukraine receives the support it needs?
- -There should be a more regular systematic dialogue on issues of strategic interest to the UK and the EU, and invite the Partnership Council to consider how this might be achieved, for example taking the EU/US Trade and Technology Committee as a template and extending it to a trilateral format with the UK?:

The practical steps that can be taken by the UK and EU under the TCA to improve dialogue and operational cooperation against wide-ranging hybrid threats, in particular cybercrime, for example through UK participation in relevant PESCO projects?

3. Role of Senedd

Engagement of the members of the devolved legislatures in the proceedings of this second meeting of the PPA was much improved. Work is now needed to embed these approaches in future

meetings and to make the most of the engagement and scrutiny opportunities it affords the Senedd.

Senedd Members are not currently full members of the UK delegation. We don't have formal speaking rights during Plenary sessions and have no voting rights.

However, we were able to participate fully in working group discussions during the second meeting and the Plenary session included a formal agenda item on the engagement of the devolved legislature and European civil society in the work of the PPA.

During this agenda item we set out the importance of the TCA to Wales, the responsibilities the Welsh Government and Senedd have for its implementation in devolved areas and the seriousness with which the Senedd has approached this task during the Sixth Senedd. We made a positive case for the inclusion of devolved legislatures in the work of the PPA.

Taken together, these two initiatives were incredibly important for further developing the cooperation between the devolved legislatures and the PPA. We hope this progress is solidified in future sessions and its work programme as it develops.

As welcome as these developments are more work could be done, to embed the contribution of the devolved legislatures and other EU institutions in the work of the PPA and by us as a Senedd to better engage Welsh stakeholders on the Senedd's work with the PPA.

We hope the production of this report marks the beginning of further engagement between the PPA and Senedd business and committees. We hope that sharing this summary of proceedings will not only aid scrutiny of governments and implementation of the TCA but also encourage Senedd Members and committees to make the most of the opportunities for engagement between the Senedd and PPA members.

Welsh civil society organisations have found opportunities to engage and work collaboratively with European counterparts more difficult post-Brexit. We hope to develop better engagement with Welsh stakeholders on the work of the PPA.

Recent developments, such as the EPC and themes that emerged from the second meeting of the PPA, may warrant consideration of a joint scrutiny session of Senedd committees working on UK-EU issues with a UK Minister. Joint engagement with EU institutions could also be considered.

In particular, to further develop the relationship between the Senedd and the PPA, we recommend:

- 1. That the improvements made to the participation of the devolved legislatures in the formal meetings of the PPA are now embedded as ordinary working practice.
- **2.** That consideration continue to be given by the Bureau of the PPA to devolved legislatures being able to participate in Plenary discussions on areas of devolved competence.
- **3.** That Senedd representatives and relevant Senedd committees work together to develop informal relationships with UK and EU delegation members outside of the formal PPA meetings on areas of common interest.
- **4.** That reports on the outcomes of sessions are routinely shared and drawn to the attention of relevant Senedd committees and the Welsh Government.
- **5.** That mechanisms are developed to engage with Welsh civil society on the work of the Senedd on the PPA both in advance of the formal meetings to shape the contributions made by Senedd members and after meetings to feedback on proceedings and the responses received to priority issues.