Welsh Parliament

UK-EU Parliamentary Partnership Assembly: Third meeting summary report

October 2023

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 third meeting of the PPA took place in Brussels on 3-4 July. This report provides a summary of the issues discussed of importance to Wales. The summary report of the last meeting of the PPA made five recommendations on development of Senedd engagement with the PPA. This report reflects on how those have been taken forward between the second and third meetings.

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 third meeting and the report has therefore been agreed by them in that capacity.



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Issues of importance to the Senedd and Wales

The UK-EU, the Trade and Cooperation Agreement (TCA) covers large areas that fall within devolved competence or have a significant impact on them. You can find more information about what these are, how these affect Wales and the role of the PPA in the Senedd Research guides and infographics on the agreement.

In a signal that the agreement on the Windsor Framework has changed the tone and atmosphere in UK-EU relations and the desire for further cooperation under the TCA, the agenda and discussions covered areas where further future cooperation may be possible and where there is common interest from both sides in further collaboration.

You can <u>watch</u> the proceedings in full on the European Parliament UK delegation website.

" A more positive trajectory"

Implementation of the Northern Ireland Protocol and the terms of the Windsor Framework is a significant issue for Welsh ports, businesses and citizens. The Senedd's Legislation, Justice and Constitution Committee and its Economy, Trade and Rural Affairs Committee are closely monitoring the impacts of its implementation on Wales.

European Commission Vice-President Šefčovič <u>remarked</u> that agreement of the Windsor Framework has set UK-EU relations on "a more positive trajectory". The UK Foreign Secretary, James Cleverly, <u>welcomed</u> the mutual trust, confidence and understanding grown between both parties. The more collaborative and cooperative atmosphere was notable and should be strongly welcomed.

Vice-President Šefčovič <u>emphasised</u> the need for work on the implementation of the Windsor Framework to be continued at pace. How implementation issues are resolved will be of significant interest to Wales. The Welsh Government has already <u>signalled</u> its intention to consent to regulations implementing the Framework in devolved areas.

Signs of further cooperation

The signing of the Memorandum of Understanding on Financial Services between the UK and EU was highlighted by both sides as a signal of how further cooperation could be agreed.

Securing energy supplies

In response to the joint recommendation on energy cooperation adopted by the PPA during its second meeting, the Partnership Council highlighted that the UK and EU have agreed to regular discussion on security of supply issues and that the UK has signed an MoU with the North Sea Energy Commission (NSEC) which includes cooperation on hybrid and joint projects, maritime spatial planning, financing of renewable energy projects and exchange of best practice. In our pre-briefing to the UK delegation we highlighted the importance of cooperation in the Irish Sea and Celtic Sea for renewable energy and interconnector projects in Wales and the hope cooperation in these areas can continue to be strengthened in similar ways to cooperation in the North Sea.

A call for global leadership on climate cooperation

The breakout group on climate energy <u>highlighted</u> the 'huge potential for cooperation between the EU and the UK' on delivery of net zero targets,

decarbonisation and reform of electricity markets. It called for cooperation on the development of carbon border adjustment mechanisms and a specialised committee on net zero to be created under the TCA governance structure.

The breakout group provided an opportunity to raise Senedd Committee work on the Welsh Government's net zero ambitions and policy and legislation in Wales aimed at tackling the climate crisis.

Accession to Horizon

The UK's accession to the Horizon research programme featured heavily in multiple sessions and breakout groups. Members from all sides in the PPA called on the UK Government and European Commission to conclude negotiations and reach an agreement as soon as possible.

In the breakout groups and in our pre-briefing to the UK delegation we highlighted the importance to the research, innovation and higher education sector in Wales of rapid accession to the Horizon research programme. We emphasised that factors such as the potential quality of research partnerships and outcomes should factor in any value for money analysis concluded by the UK Government.

We welcome the subsequent announcement on the UK's association to Horizon.

A common desire to improve mobility

The ability of UK citizens and EU citizens to move between the UK and EU for study, work and leisure continues to be a key focus of PPA members.

The <u>breakout group on mobility</u> drew attention once again to the on-going issues for the arts and culture sector of travelling and touring. We were able to highlight evidence gathered on this issue by the Senedd's Culture Committee as part of its <u>Wales-Ireland inquiry</u> where issues remain despite the Common Travel Area. The breakout group reiterated the recommendation made previously to the TCA Partnership Council that the EU and UK should negotiate a comprehensive agreement to allow artists to tour and work in the EU and the UK.

The decreased opportunities and barriers to youth mobility and engagement remains of concern to PPA members. We highlighted the work of the Welsh Government's Taith learner exchange programme and its reciprocal elements. The <u>breakout group</u> encouraged the Partnership Council to facilitate the mobility of school children with identity cards and group permits.

On-going issues around settled and pre-settled status for EU citizens wishing to remain in the UK remains a concern. The <u>Senedd's Equality and Social Justice</u> <u>Committee</u> monitors this issue in Wales.

Including citizen voices through civil society cooperation

Horizon and youth mobility were identified by PPA members as a key element of improving civil society cooperation. Emphasising the common importance members from both sides place on resolving these issues.

Further engagement between the PPA and civil society dialogue on the UK-EU relationship is something PPA members are keen to explore. The Senedd and Welsh organisations have been active in supporting Wales and EU civil society engagement post-Brexit. The discussion of the issues provided an opportunity to draw attention to the importance of this work. Engagement of Welsh civil society in UK-EU relations is a key element of the Senedd's Legislation, Justice and Constitution Committee inquiry on UK-EU governance. The Committee hopes to report in advance of the next meeting of the PPA in December.

More room to cooperate on green industrial policy and trade?

The EU's Green Deal, Fit for 50 and the US Inflation Reduction Act formed the basis for discussions on further opportunities to cooperate on industrial policy. Lord Johnson, UK Minister for Investment <u>called</u> for close cooperation to produce resilient supply chains particularly in relation to the development of new technologies. Mr Richard Szostak, Direct for Western European Partners, European Commission <u>emphasised</u> the Commission's focus on fully implementing and realising the potential of the TCA before focussing on further areas of cooperation outside of the agreement. He further echoed Vice-President Šefčovič's message that further divergence will necessarily mean further barriers to trade. He reiterated Commission concerns about the Retained EU Law Act remain and that close attention will be paid by the EU to any legislative changes made. The Senedd refused consent to the Bill but the Act was passed by the UK Parliament without consent.

Our briefing for the UK delegation emphasised that Technical Barriers to Trade with the EU remain a key concern for many Welsh businesses.

"Unwavering condemnation of the unprovoked and unjustified war of aggression against Ukraine"

In its <u>second recommendation</u> to the Partnership Council, the PPA reiterated its unwavering condemnation of the war in Ukraine, its support for Ukraine and the need for cooperation between the EU and UK particularly in relation to an effective sanctions policy. It also called for an 'intensification of dialogue' on avenues for future cooperation and coordination on foreign and security related matters in general between the UK and the EU. It has asked the Partnership Council to report back on its recommendation before the next meeting in December 2023.

The Senedd has been unanimous in supporting motions that condemn the war and express solidarity with the people of Ukraine.

2. Senedd engagement in the work of the PPA

Devolved legislatures have much to contribute to the work of the PPA as this report shows. Devolved members' positive contribution to the work of breakout groups and the valuable opportunity to raise issues and good practice from Wales in those groups clearly demonstrates the benefits of our inclusion.

Our <u>summary report</u> on the second meeting of the PPA made five recommendations to further develop the relationship between the Senedd and the PPA. Progress has been made on several recommendations but we'll continue to work and press for further progress on others.

Recommendation 1: Improvements made to the participation of devolved legislatures in the PPA are now embedded as ordinary working practice.

Recommendation 2: 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. The inclusion of breakout groups on the agenda for the second time and the invitation for devolved members to fully participate in these demonstrates that positive developments made at the second meeting are being embedded. We value the opportunity this provides to contribute to the important discussions taking place. The publication of the points raised by the breakout groups by both institutions is also very welcome and helps aids transparency and engagement with the PPA.

Whilst appreciating the limited time available to all members of the PPA to contribute during plenary debates, we continue to press for time to be found for devolved legislatures to speak in plenary debates on areas of devolved competence. The PPA plays a hugely important role in strengthening relationships between the UK and the EU and the devolved legislatures can make a positive contribution to the development of ideas and sharing of good practice.

In a similar way the contribution of European regional representatives and wider civil society can only strengthen the work of the PPA.

We provided a written briefing in advance of the meeting to the UK delegation to raise issues of specific importance to the Senedd and Wales. We hope this proved useful in informing the contributions of the UK delegation. We also met with a Vice-Chair the Rt.Hon Hilary Benn in advance. We will continue to seek to develop our relationship and engagement with UK delegation members.

Recommendation 3: The Senedd representatives and relevant Senedd committees work together on the development of the relationship with UK and EU delegation members outside of formal PPA meetings.

Recommendation 4: The reports on outcomes of the session are routinely shared and drawn to the attention of relevant Senedd committees and Welsh Government.

We drew our last report to the attention of relevant Senedd committees and the First Minister for Wales. We're grateful for their positive response and continue to engage with them.

The Senedd's Legislation, Justice and Constitution Committee has invited sister committees in other UK legislatures to participate in its inquiry on UK-EU Governance and met with MEPs from the EU's delegation during its visit to Brussels in September.

Other Senedd Committees have plans to visit Brussels over the next 12 months to discuss issues relevant to the work of the PPA and will continue to seek to build relationship with counterparts in their respective areas.

We take note of the calls from the European Commission in particular to raise the political profile of the TCA and its governance structures and will continue to raise awareness of the PPA's important work.

Recommendation 5: That mechanisms are developed to engage with Welsh civil society on the work of Senedd members in the PPA, both in advance of the formal meetings and after meetings to feedback on proceedings.

We were able to engage informally with stakeholders ahead of this third meeting and used this information to inform our briefing to the UK delegation and contributions in the breakout groups. We're grateful to those stakeholders who were able to provide a steer at such short notice. A key challenge in seeking to engage formally with stakeholders ahead of meetings is that agendas haven't been received until, at most, a week in advance.

Whilst this limits the opportunities available to formally engage with stakeholders on specific agenda items, there are opportunities to engage stakeholders on issues of importance to them in general in advance of meetings and to seek to influence the contents of the agenda. There are also opportunities to raise awareness of any issues identified through more formal stakeholder engagement with both delegations outside of the formal meetings.

In addition, we will seek further opportunities to coordinate work on the PPA with that done by Senedd Members on the UK-Committee of the Regions Contact Group to seek to maximise opportunities available to raise issues of importance to Wales.