

UK-EU Governance: Key Themes Arising from Visit

Legislation, Justice and Constitution Committee | 25 September 2023

Reference: RS23/6884

1. UK's current relationship with the EU

- The Committee heard that relations between the UK and EU have improved following the agreement of the Windsor Framework. Reaching an agreement on the Memorandum of Understanding on Financial Services was also seen as a positive step in rebuilding trust and 'normalising the relationship'.
- There remains a willingness and desire in the EU to cooperate with UK governments, institutions and civil society organisations. Many areas of mutual interest were mentioned where continued and deepened cooperation will be important.
- There also remain some areas of concern for EU institutions and organisations on action the UK is taking. These include matters such as freeports development, the Retained EU Law (Revocation and Reform) Act and the potential for deregulation in general. The Committee was told that regulatory cooperation is key to future cooperation and that divergence could be 'a monster of a problem'.
- The importance for the UK of continuing to monitor and shape EU legislation that could impact UK business and organisations was emphasised, particularly those outside the scope of TCA governance structures. The importance of following legal files and policies through



the EU's institutions and particularly European Parliamentary committees was highlighted.

1. Implementation of the Trade and Cooperation Agreement (TCA)

- The Committee heard that full and proper implementation of the TCA is key to deepen the relationship and for future cooperation.
- The Committee heard the view that 'only 10% of the TCA' was really fully in operation and that there was much more to be done to make full use of its provisions.
- The Committee was told one useful means of seeking to influence its implementation and development is to focus on 'granular' and 'practical' issues facing business and organisations. The EU DAG issues tracker was provided as an example of this to the Committee. The Committee heard that evidence of practical barriers could provide useful evidence to help shape discussions on implementation and development of the TCA.
- The Committee heard that the nature of TCA means that a lot of the power rests with the executive and that there is a limited role for parliaments in the governance structures.
- The Committee heard that comparatively, devolved government engagement is better in the TCA structures than in the Withdrawal Agreement with the exception of Northern Ireland which has specific role in relation to the Northern Ireland Protocol and Windsor Framework. However, there is a lack of shared understanding about what the UK Government's priorities are for implementation of the TCA and its development. Further collaboration and coordination is needed on this.
- The important role of sub-state actors, regions, local authorities and civil society in the implementation of the TCA and the development of UK-EU relations was emphasised. The Committee heard about the important work taking place by different actors in the UK and the EU at the sub-state level but also heard how these could be strengthened, better resourced and utilised. Coordination of various UK-EU meetings

and structures was identified as one way in which these opportunities for engagement could be maximised.

- The Committee heard about the importance of civil society cooperation both within the formal structures of the TCA and direct engagement outside of these structures. In relation to the Civil Society Forum (CSF) the Committee heard that there was room for the forum to evolve and allow for more participatory dialogue and discussion between UK and EU civil society groups. The importance of youth engagement in both the formal governance structures and by other mechanisms was also raised.
- Particular roles for the Committee were identified in promoting the avenues and opportunities for further UK-EU civil society engagement and seeking a UK-wide consensus on enhancing the role of sub-state nations, regions and local authorities in TCA implementation.

2. UK and devolved government relationship

- The Committee heard that there is good coordination in Brussels between the devolved governments and between the devolved governments and the UK Mission to the EU. There is good information sharing and cooperation events and promotional work.
- The Committee also heard of examples of good engagement and relationship building between the UK Mission and devolved governments with the EU institutions.
- It was highlighted to the Committee however that improvement is needed in the intra-UK intergovernmental structures on UK-EU issues and decision-making. The Committee heard that the level of interest, recognition and engagement with devolved governments was 'mixed' across Whitehall departments and is dependent on a department's awareness and previous experience of working on devolved issues.

3. UK-EU Parliamentary Partnership Assembly (PPA)

- There was broad support for the PPA and its work. The Committee was told that comparative to other similar bodies there is a high level of interest from high-ranking MEPs in its work.
- The need for the PPA to continue to evolve, to make the most of the powers provided to it in the TCA and to be a meaningful body was also emphasised. The Committee was told that PPA discussions have tended to either focus on the past or the future, i.e. areas of cooperation outside the TCA, but that it hadn't focussed as much on the 'now' and its core role in monitoring the implementation of the TCA. It was felt this could be a useful and important task for PPA.
- The need to link the work of the PPA to broader UK-EU work and consideration of the TCA in legislatures in the EU and UK was highlighted.
- The development of the roles of the devolved nations, European regions and authorities and civil society in the work of the PPA was welcomed but the Committee was told its work could be further enhanced by the development of these links or the creation of sub-structures on particular areas of work.

4. Third country status and soft power

- The Committee heard that the UK is still in the process of understanding its role as a 'third country' to the EU and how it engages on this basis. EU institutions also told the Committee that it too is in the process of recognising the changed status of the UK and working out how the relationship should operate.
- The importance of soft power in a variety of forms was emphasised to the Committee. The use and membership of networks which contain both organisations from EU Member States and UK governments and organisations were mentioned. Networks include the Vanguard Initiative and the Conference of Peripheral and Maritime Regions (CPMR). The Committee were told that such networks can provide

access to information and opportunities to shape EU policy through allied partners and regions that the UK would not otherwise have.

- Cultural and thematic events that help promote UK nations and emphasise areas of common interest were also identified as being important for maintaining relationships, building networks and contacts.
- The Committee heard that the UK's decision not to participate in Erasmus was still a source of regret for the EU. The Committee was told that, even if the scheme was not deemed value for money on a financial basis for the UK, there is much the UK could gain in diplomacy and soft power. For example, relationships with previous Erasmus alumni now working in the EU, relationships with European organisations and education institutions etc. The Committee heard that some UK organisations and governments have made good use of alumni of Erasmus and universities to build and maintain relationships. The Welsh Government's Taith programme was welcomed and had good recognition.
- Promoting areas of common interest, innovative policies and expertise were also identified as key elements in building and maintaining relationships. The Committee was told that, third countries need to 'use all tools available' to influence decisions and maintain relationships with the EU. The Welsh Government's work to promote the Wellbeing of Future Generations Act and the UBI pilot were mentioned as examples. The Green Alliance, established by Norway to collaborate on issues related to climate change and renewable energy, was also highlighted as a good example.
- The importance of developing collaborative rather than 'top-down' initiatives and events was emphasised. For example, not just holding events where UK expertise or information is shared but looking to collaborate with EU partners on the development of issues.
- The Committee was told that the UK Mission to the EU could seek to learn from devolved governments who have greater experience in using and capitalising on soft power in the EU due to their former statuses as sub-Member State nations inside the EU.

5. The future relationship

- In order to deepen UK-EU cooperation, the Committee heard that the UK first needs to focus on properly implementing and making full use of the current UK-EU agreements.
- The Committee heard about the importance of using the existing agreements as a 'foundation' for future cooperation. The Committee was told the UK should seek to do this first before looking at areas of cooperation outside the TCA. The Committee was told that the EU will ask 'do you have your own house in order' before it looks to build on the relationship.
- The importance of stability, reliability and a clear direction from the UK was also emphasised. The need for a clear understanding of what the UK and devolved governments wants was highlighted.
- Further areas of enhances cooperation were identified including fisheries, security and foreign policy and youth mobility.
- On the whole, there was a consensus that while 'the door is ajar' for further cooperation, the implementation review of the TCA in 2025/26 will not be a re-negotiation. The Committee was told that there could be an opportunity to look for improvements based on areas identified within the TCA but that the EU would not been keen 'to have a re-negotiation every five years'. There was consensus that the UK and EU could look for 'win-wins' within the scope of the TCA which could allow for further cooperation.
- The Committee was told that, as third country, the UK should seek to ensure it implements fully its current agreements and to use good will and trust generated from doing so to deepen collaboration.
- The Committee was told that the UK needs to 'speak the language of the EU' when seeking to develop the relationship further e.g. not talking about wholesale re-negotiation. It was told the UK needs to continue to update its 'understanding of how the EU views the UK' and fully understand EU priorities. The UK should continue to update 'its understanding of the future relationship' and look for areas of common interest, providing common solutions and 'not creating problems for the EU'.

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