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REPORT

on the implementation of the EU-UK Trade and Cooperation Agreement
(2022/2188(INI))

Committee on Foreign Affairs
Committee on International Trade

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CONTENTS

| | Page |
|---|-------------|
| MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION..... | 3 |
| EXPLANATORY STATEMENT - SUMMARY OF FACTS AND FINDINGS | 39 |
| OPINION OF THE COMMITTEE ON ECONOMIC AND MONETARY AFFAIRS | 45 |
| OPINION OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS | 54 |
| OPINION OF THE COMMITTEE ON INDUSTRY, RESEARCH AND ENERGY | 59 |
| OPINION OF THE COMMITTEE ON THE INTERNAL MARKET AND CONSUMER PROTECTION..... | 67 |
| OPINION OF THE COMMITTEE ON REGIONAL DEVELOPMENT..... | 75 |
| OPINION OF THE COMMITTEE ON AGRICULTURE AND RURAL DEVELOPMENT..... | 80 |
| OPINION OF THE COMMITTEE ON FISHERIES | 87 |
| OPINION OF THE COMMITTEE ON CULTURE AND EDUCATION | 94 |
| OPINION OF THE COMMITTEE ON CIVIL LIBERTIES, JUSTICE AND HOME AFFAIRS | 104 |
| ANNEX: LETTER OF THE COMMITTEE ON BUDGETS..... | 110 |
| ANNEX: LETTER OF THE COMMITTEE ON THE ENVIRONMENT, PUBLIC HEALTH AND FOOD SAFETY | 113 |
| INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE..... | 119 |
| FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE | 120 |

MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the implementation of the EU-UK Trade and Cooperation Agreement (2022/2188(INI))

The European Parliament,

- having regard to the Treaty on European Union and the Treaty on the Functioning of the European Union,
- having regard to 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 part¹ (the TCA),
- having regard to the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community² (the Withdrawal Agreement), including the Protocol on Ireland/Northern Ireland thereto (the Protocol),
- having regard to Article 524 of the TCA,
- having regard to the Commission report of 24 March 2022 on the implementation and application of the Trade and Cooperation Agreement between the European Union and the United Kingdom of Great Britain and Northern Ireland: 1 January – 31 December 2021 (COM(2022)0126),
- having regard to the Commission report of 15 March 2023 on the implementation and application of the Trade and Cooperation Agreement between the European Union and the United Kingdom of Great Britain and Northern Ireland: 1 January – 31 December 2022 (COM(2023)0118),
- having regard to its resolution of 12 February 2020 on the proposed mandate for negotiations for a new partnership with the United Kingdom of Great Britain and Northern Ireland³ with regard to Gibraltar and the Council's decision of 20 July 2021 authorising negotiations on Gibraltar,
- having regard to its resolutions of 18 January 2023 on the implementation of the common foreign and security policy – annual report 2022⁴ and on the implementation of the common security and defence policy – annual report 2022⁵,
- having regard to its resolution of 15 March 2023 on the implementation report on the Agreement on the withdrawal of the UK from the EU⁶,
- having regard to Regulation (EU) 2023/657 of the European Parliament and of the

¹ OJ L 149, 30.4.2021, p. 10.

² OJ L 29, 31.1.2020, p. 7.

³ OJ C 294, 23.7.2021, p. 18.

⁴ OJ C 214, 16.6.2023, p. 26.

⁵ OJ C 214, 16.6.2023, p. 54.

⁶ Texts adopted, P9_TA(2023)0080.

Council of 15 March 2023 laying down rules for the exercise of the Union's rights in the implementation and enforcement of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community and 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 part⁷,

- having regard to the meetings and positions of the EU-UK Parliamentary Partnership Assembly (PPA), in particular the statement by the Co-Chairs and the recommendation to the Partnership Council on EU-UK common efforts to support Ukraine and effective cooperation on sanctions, both adopted during its third session in Brussels on 3 and 4 July 2023, as well as the recommendation adopted on 8 November 2022 on EU-UK energy cooperation,
 - having regard to the statement by the European Council of 25 November 2018, the European Parliament resolution of 12 February 2020 on the proposed mandate for negotiations for a new partnership with the United Kingdom of Great Britain and Northern Ireland⁸, with regard to Gibraltar, and the Council decision of 5 October 2021 authorising negotiations on Gibraltar,
 - having regard to the European Convention on Human Rights,
 - having regard to the European Social Charter,
 - having regard to International Labour Organization (ILO) Conventions and Protocols, in particular the ILO's fundamental instruments,
 - having regard to Rule 54 of its Rules of Procedure, as well as Article 1(1)(e) of, and Annex 3 to, the decision of the Conference of Presidents of 12 December 2002 on the procedure for granting authorisation to draw up own-initiative reports,
 - having regard to the opinions of the Committee on Economic and Monetary Affairs, the Committee on Employment and Social Affairs, the Committee on Industry, Research and Energy, the Committee on the Internal Market and Consumer Protection, the Committee on Agriculture and Rural Development, the Committee on Fisheries, the Committee on Culture and Education, the Committee on Civil Liberties, Justice and Home Affairs and the Committee on Regional Development,
 - having regard to the letters from the Committee on the Environment, Public Health and Food Safety and the Committee on Budgets,
 - having regard to the report of the Committee on Foreign Affairs and the Committee on International Trade (A9-0331/2023),
- A. whereas the TCA covers a wide range of areas, including energy, fisheries, judicial cooperation in criminal matters, law enforcement, trade, transport and social security coordination, providing a comprehensive basis for the relationship between the parties, ensuring a level playing field and maintaining high standards in areas such as labour

⁷ OJ L 83, 22.3.2023, p. 1.

⁸ OJ C 294, 23.7.2021, p. 18.

rights, fair competition, State aid, environmental protection and sustainable development, as well as respect for fundamental rights;

- B. whereas the cultural and creative sectors are not included in the TCA, which mentions the term ‘education’ only in relation to cybersecurity and the need to educate citizens on related challenges;
- C. whereas, as a consequence of Brexit, EU citizens studying in the UK are no longer entitled to ‘home fees’, but must pay higher tuition fees as international students, making it prohibitively expensive for the vast majority of them and, in particular, penalising young students from socially disadvantaged backgrounds;
- D. whereas youth and school exchanges have been severely affected by Brexit; whereas there was a 50 % decrease in EU citizens enrolling in UK universities between 2020 and 2022;
- E. whereas the UK decided not to be part of the 2021-2027 European Solidarity Corps programme or the 2021-2027 Creative Europe programme;
- F. whereas freedom of movement has benefited all segments of the cultural and creative sectors, including the audiovisual sector, festivals, tour companies, bands, orchestras and dance and theatre companies, from both the EU and the UK; whereas the TCA applies a cultural exception, excluding audiovisual services from its scope, despite the EU and the UK sharing many of the same values in the fields of culture and education;
- G. whereas the UK remains a party to the European Convention on Transfrontier Television, and audiovisual works originating in the UK are considered ‘European works’ for the purposes of the Audiovisual Media Services Directive⁹ (AVMSD) in accordance with Article 1(1), point (n) and paragraph 3; whereas the UK implemented the AVMSD during the transition period as this legislation fell within the scope of retained EU law;
- H. whereas the TCA fails to develop the territorial dimension of the relationship between the UK and the EU; whereas the impact of the UK’s withdrawal from the EU varies among EU regions and the impact of the TCA at regional and local level is still unknown; whereas the UK’s withdrawal from the EU has negatively impacted regions and partners involved in Interreg projects and endangers territorial and cross-border cooperation and the existing relationships between the different regions and cities of the EU and the UK as a whole;
- I. whereas the TCA does not cover any decisions on the equivalence for financial services, the adequacy of the UK data protection regime, the free movement of people and services, or the UK’s sanitary and phytosanitary regime;
- J. whereas UK service suppliers, including in the area of financial services, no longer benefit from the ‘country-of-origin’ framework or ‘passporting’, which enables

⁹ Directive 2010/13/EU of 10 March 2010 on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services, OJ L 95, 15.4.2010, p. 1.

automatic access to the entire EU single market;

- K. whereas the Withdrawal Agreement and the TCA constitute a common framework for the UK's relationship with the EU; whereas both agreements have been agreed on and ratified by the EU and the UK and are legally binding treaties under international law; whereas the relationship between the EU and the UK must be based on full respect for and effective application of these international commitments;
- L. whereas implementation of the TCA is directly linked to the full implementation of the Withdrawal Agreement and the Protocol on Ireland and Northern Ireland; whereas its full implementation was delayed while the EU and the UK were finding common solutions to the practical challenges created in the implementation of the Protocol resulting from Brexit;
- M. whereas the Windsor Framework addresses the challenges that have arisen in the operation of the Protocol on Ireland and Northern Ireland over the first two years of its implementation and creates legal certainty, therefore, paving the way for full implementation; whereas the Windsor Framework covers a wide range of areas, such as customs, agri-food, medicines, State aid, VAT and excise duties; welcomes the UK Government's June 2023 guidance on the Windsor Framework and its commitment to ensuring full implementation¹⁰;
- N. whereas the conclusion of the Windsor Framework opens a new chapter in relations between the EU and the UK and offers the UK the opportunity to move forward with the implementation of the TCA and to have a positive and stable relationship;
- O. whereas the importance of transparency in international trade and investment is to the benefit of all stakeholders and parties; whereas a predictable commercial environment that fosters trade and investment between the EU and the UK is welcome;
- P. whereas the EU and the UK share common values and security interests, both in the immediate European neighbourhood and globally; whereas it was unfortunately not possible to agree on a structure for regular and in-depth consultations and cooperation on foreign affairs, security and defence policies; whereas the EU and the UK, as strong and reliable partners in the context of transatlantic relations and cooperation, would both greatly benefit from more comprehensive and better structured cooperation in the field of foreign, security and defence policy, including in the framework of NATO;
- Q. whereas the global consequences of the Russian Federation's unjustifiable and illegal war of aggression against Ukraine and the return of full-scale war to the European continent, as well as economic instability and the Russian Federation's deliberate instrumentalisation of energy volatility have resulted in immediate geopolitical uncertainty for EU citizens and for partners around the world; whereas, as a consequence, the UK and the EU should increase cooperation and coordination when assisting Ukraine and addressing the multifaceted consequences of the Russian Federation's aggressive behaviour, including disinformation campaigns and cyberattacks;
- R. whereas the TCA requires respect for and the promotion and effective implementation

¹⁰GOV.UK, '[The Windsor Framework - further detail and publications](#)', 29 September 2023.

of internationally recognised core labour standards, as defined in the fundamental ILO Conventions; whereas the fundamental right to organise, bargain and take action collectively is enshrined in international law and inherent to ensuring sustainable development and a level playing field as set out in the TCA; whereas the TCA commits to implementing far-reaching and comprehensive environmental and labour protection provisions, which are subject to dispute settlement mechanisms in the event of breaches;

- S. whereas the TCA requires respect for democracy, the rule of law and the protection of the fundamental rights and freedoms of individuals, including as set out in the Universal Declaration of Human Rights and the European Convention on Human Rights; whereas these rights serve as guiding principles for the work of the domestic advisory groups (DAGs), including in the TCA chapter; whereas the Council of Europe Commissioner for Human Rights has expressed concern about the overall human rights landscape in the UK;
- T. whereas it is the general assessment of the Commission that the TCA is a modern and comprehensive agreement, reflecting the EU's interests on trade and cooperation, while, at the same time, preserving the red lines that were established by the EU institutions and Member States during the UK's withdrawal process; whereas for the years 2021 and 2022, the Commission, in its annual implementation reports, established that, overall, the trade arrangements for goods and services established in the TCA have functioned well, despite minor implementation issues;
- U. whereas the common fisheries policy¹¹ requires the EU to promote and ensure the policy's objectives and principles in any fishing activity, regardless of geographical area, so as to provide a level playing field for EU and non-EU stakeholders; whereas the policy also requires the EU to cooperate internationally on the basis of the best available scientific knowledge and to fight illegal, unreported and unregulated (IUU) fishing;
- V. whereas Heading Five (Fisheries) of Part Two of the TCA recognises the importance of conserving and sustainably managing marine biological resources and ecosystems on the basis of the best available scientific advice, as well as the importance of promoting responsible and sustainable fishing and aquaculture activities, good fisheries governance and the role of trade in achieving these objectives;
- W. whereas the UK's withdrawal from the EU has had a severe impact on the EU fisheries fleet, resulting in the loss of quotas, the decommissioning of vessels and the disruption of long-established commercial enterprises and trade;
- X. whereas the Specialised Committee on Fisheries will prepare multiannual conservation and management strategies to serve as a basis for setting total allowable catches and other management measures, including for non-quota stocks, and for defining scientific data collection for fisheries management purposes as well as for sharing this data with scientific bodies so that they can provide the best possible scientific advice;
- Y. whereas the Protocol on access to waters, appended to the TCA as Annex 38, provides

¹¹ Regulation (EU) No 1380/2013 of the European Parliament and of the Council of 11 December 2013 on the Common Fisheries Policy, amending Council Regulations (EC) No 1954/2003 and (EC) No 1224/2009 and repealing Council Regulations (EC) No 2371/2002 and (EC) No 639/2004 and Council Decision 2004/585/EC, OJ L 354, 28.12.2013, p. 22.

for an ‘adjustment period’ from 1 January 2021 to 30 June 2026, during which each party will grant the other party’s vessels full access to its waters to fish for the species listed therein; whereas after this date, reciprocal access to waters and fisheries resources will be the subject of annual negotiations between the EU and the UK; underscores the need for clarity on the post-transition period in order to maintain investment in the sector;

- Z. whereas the TCA gradually reduces the share of fishing opportunities for the EU fleet in UK waters by 25 % by 2026, a reduction that will affect all segments of the EU fleet, in particular small-scale fishing;
- AA. whereas the UK unilaterally decided not to be part of the 2021-2027 Erasmus+ programme, covering the education, youth and sports sectors; whereas UK institutions can still be associated with Erasmus Mundus and the Jean Monnet actions;
- AB. whereas Erasmus+ is not just a mobility programme, but a powerful tool for exchanging knowledge, fostering academic cooperation, supporting individual development, creating strong and lasting links and promoting understanding between people from different cultural backgrounds, institutions and their members, as well as a wide range of stakeholders and their organisations and networks, contributing to the development of policies and practices;
- AC. whereas the UK was one of the most popular destinations for Erasmus+ participants up until the Brexit referendum;
- AD. whereas non-EU countries can join Erasmus+ and the European Solidarity Corps as associated countries;
- AE. whereas the Brexit Adjustment Reserve¹² (BAR) was established to provide support in countering the adverse consequences that Member States, regions and sectors have experienced as a result of the UK’s withdrawal from the EU and thus to mitigate the related negative impacts on economic, social and territorial cohesion; whereas the shift in quota shares from the EU to the UK over the transition period agreed in the TCA will have major negative economic consequences for EU fishers;
- AF. whereas the full implementation of the provisions of the Withdrawal Agreement in all areas, such as trade in goods and services, digital trade, intellectual property, public procurement, aviation and road transport, energy, fisheries, social security coordination, law enforcement and judicial cooperation in criminal matters, thematic cooperation and participation in EU programmes, is a precondition for maximising the beneficial impact on both cooperation partners;
- AG. whereas the TCA states that the UK and the EU share the objective of achieving a high level of consumer protection and must cooperate to that end;
- AH. whereas most collaboration efforts under the TCA have been partially or fully suspended pending a solution for implementing the Withdrawal Agreement, especially with regard to real-time customs data access; whereas areas of cooperation set up in the

¹² [Regulation \(EU\) 2021/1755 of the European Parliament and of the Council of 6 October 2021 establishing the Brexit Adjustment Reserve, OJ L 357, 8.10.2021, p. 1.](#)

TCA might receive renewed attention following the finalisation of the Windsor Framework in March 2023;

- AI. whereas, as a result, there has been little to no cooperation between EU and UK market surveillance and customs authorities on product safety, despite mandatory commitments under the TCA's chapter on technical barriers to trade; whereas UK authorities do not have access to the EU safety gate, nor does the EU have access to the new UK product safety database;
- AJ. whereas the UK Competition and Markets Authority is no longer part of the EU Consumer Protection Cooperation Network; whereas close cooperation and exchange of information between authorities is vital to ensure proper enforcement of consumer rights and should therefore be encouraged;
- AK. whereas, as of 2021, all exports from the UK to the EU are subject to customs procedures and checks; whereas the UK has delayed EU import checks four times since it left the EU;
- AL. whereas EU national customs authorities have raised concerns about both the correctness of operators' self-declarations of origin and the replies provided by the UK customs authorities concerning origin verifications; whereas the Trade Specialised Committee on Customs Cooperation and Rules of Origin has issued new guidance to support Member States;
- AM. whereas the TCA contains a chapter on small and medium-sized enterprises (SMEs), recognising the need to ensure an open and secure market for businesses, including SMEs, and seeks to ensure that their needs are taken into account in the implementation process, so that they can take advantage of it;
- AN. whereas the automatic recognition of professional qualifications, such as for lawyers, accountants and actuaries, no longer applies; whereas, instead, the agreement sets out a framework for cooperation between the EU and the UK on the recognition of professional qualifications, including the establishment of a dialogue to exchange information on recognition procedures and to develop guidelines for assessing qualifications; notes the particular difficulties that this creates on the island of Ireland;
- AO. whereas under the TCA, service suppliers or investors from the EU must not be treated any less favourably than UK operators in the UK and vice versa; whereas the non-discrimination principle applies to a wide range of economic activities, including the provision of services, the establishment of businesses and the protection of intellectual property rights;
- AP. whereas, under the TCA, the possibility of temporary secondments of highly skilled employees and short-term business trips between the EU and the UK is maintained; whereas this allows for the temporary cross-border provision of services by professionals in certain circumstances, such as for short-term projects or consultancy work; whereas professionals will still need to comply with relevant regulations in the country where they are providing services;
- AQ. whereas UK public procurement markets remain open to EU bidders and vice versa on an equal footing; whereas both parties must ensure that the procurement process is fair,

transparent and open to competition; whereas the UK and the EU have also agreed to maintain their existing procurement commitments under the World Trade Organization's Agreement on Government Procurement, which further opens up their public procurement markets to businesses from other countries;

- AR. whereas the EU and the UK are currently committed to maintaining regulatory and supervisory cooperation in the field of financial services; whereas this cooperative approach should underpin long-term EU-UK relations; whereas on 17 May 2023, the Commission adopted a draft UK-EU memorandum of understanding (MoU) on financial services cooperation, which has since been published and endorsed by the Council and signed by the Commission on behalf of the EU;
- AS. whereas the MoU makes it clear that the EU and the UK have the shared objective of preserving financial stability, market integrity and investor and consumer protection;
- AT. whereas the TCA is the only free trade agreement concluded by the EU establishing zero tariffs and zero quotas on all goods that comply with the appropriate rules of origin; whereas trade statistics for the period since the TCA's entry into force demonstrate that trade flows between the EU and the UK have been negatively impacted by the UK's withdrawal; whereas trade between the UK and the EU in goods and services has remained stagnant; whereas the EU's trade with other trading partners has grown much more than its trade with the UK over a comparable period;
- AU. whereas, for the further implementation of the TCA, particular monitoring efforts should be focused on possible regulatory divergences which will increase over time; whereas comprehensive regulatory cooperation between the parties is of the utmost importance; whereas it is a positive sign that no official complaints were received from stakeholders about the implementation of the TCA through the Commission's online tool during 2022; whereas the European institutions continue to engage regularly with stakeholders to discuss the practical aspects of the implementation of the TCA;
- AV. whereas, in terms of the EU's internal implementation process of the TCA, the EU legislators completed the necessary regulatory framework by adopting Regulation (EU) 2023/657 of 15 March 2023 laying down rules for the exercise of the Union's rights in the implementation and enforcement of the Withdrawal Agreement and the TCA;

Main conclusions

1. Recalls that the conclusion of the TCA limits the negative consequences of the UK's withdrawal from the EU and establishes a cooperation framework which should form the basis of a strong and constructive future partnership, avoiding the most disruptive elements of a 'no-deal' scenario and providing legal certainty for citizens and businesses;
2. Underlines that the TCA is one of the most ambitious and comprehensive trade agreements which the EU has concluded with a third country; stresses, however, that it does not and cannot be a substitute for EU membership and the corresponding access to the single market and the Customs Union;
3. Underlines the importance of assessing and addressing potential challenges in the application of the Withdrawal Agreement and the TCA as early as possible, in order to

avoid further delays in their application;

4. Welcomes the Windsor Framework and underlines the specific situation of Northern Ireland, thanks to its unique position with access to both the EU and UK internal markets; calls for the swift implementation of the Windsor Framework in order to ensure lasting certainty and predictability for businesses and people in Northern Ireland, to protect the all-island economy, safeguard the Good Friday Agreement in all its dimensions, ensure smooth trade and cooperation, as well as safeguarding the integrity of the single market and the Customs Union and ensuring the smooth implementation of the Withdrawal Agreement and the TCA;
5. Welcomes the fact that the British Government has announced its intention to suspend work on the Northern Ireland Protocol Bill and to allow it to lapse; encourages the British Government to take the specific circumstances of Northern Ireland into account when proposing new laws or regulations;
6. Welcomes the fact that the Windsor Framework establishes new rules on sharing customs data in order to enable real-time access; takes note of the recommendation of the EU-UK Joint Committee of 24 March 2023 on the subject of enforcement and market surveillance¹³; stresses the need for effective mechanisms to ensure compliance with regulatory requirements in order to provide legal certainty for both businesses, especially SMEs, and citizens, enhance consumer protection and guarantee a level playing field; suggests the establishment of a one-stop shop in Belfast where people and businesses could get the assistance they need to navigate the new arrangements set out in the Windsor Framework;
7. Welcomes the positive initiatives included in the Windsor Framework, such as the proposal on medicines to ensure that people in Northern Ireland have access to all medicines at the same time and under the same conditions as people in Great Britain, and the proposal on sanitary and phytosanitary (SPS) measures, while keeping in mind that the transport of animals should respect animal welfare; calls on the Commission to monitor the proper implementation of the agreements, to safeguard the integrity of the single market and to prevent the unlawful distribution of medicines, SPS- and agricultural products marketed for Northern Ireland in the EU's single market, while ensuring that they remain in Northern Ireland; calls for the Commission to monitor the acknowledgement of the 'One Health' approach as an integrated and unifying approach that aims to sustainably balance and optimise the health of people, animals and ecosystems;
8. Stresses that the EU has reacted quickly to implement the Windsor Framework and now expects the UK to promptly implement its part thereof; considers it essential that both parties fully comply with the Withdrawal Agreement, the Protocol and the Windsor Framework in order to facilitate the UK's access to the EU single market under the TCA, while preserving the integrity of the single market and the Customs Union, fostering fair competition and ensuring legal certainty for EU companies when trading with the UK;

¹³ Recommendation No 1/2023 of the Joint Committee established by the Agreement on the Withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community of 24 March 2023 on market surveillance and enforcement (OJ L 102, 17.4.2023, p. 84).

9. Is deeply concerned by the Retained EU Law Act, which creates uncertainty for businesses and stakeholders on both sides of the Channel and could remove existing rights derived from EU law from workers in the UK; stresses the need to carefully analyse its impact and implement measures to mitigate the adverse effects; is deeply concerned, furthermore, by the adoption of the Strikes (Minimum Service Levels) Act, which could restrict the fundamental right of workers to withdraw their labour;
10. Underlines that Article 524 of the TCA provides that cooperation is based on the parties' and Member States' long-standing respect for democracy, the rule of law and the protection of the fundamental rights and freedoms of individuals, including as set out in the Universal Declaration of Human Rights and the European Convention on Human Rights, and on the importance of giving effect to the rights and freedoms guaranteed by that convention domestically; is therefore deeply concerned by the Illegal Migration Act, which passed through the UK Parliament on 26 April 2023, and, if adopted, could have the potential to diverge from the European Convention on Human Rights, causing clear divergence between the two parties and could, according to the TCA, lead to the termination of law enforcement cooperation between the UK and the EU;
11. Welcomes the UK Government's continued commitment to the PEACE programme, which plays a key role for cooperation between Northern Ireland and the border regions of Ireland; notes the fact that the 2021-2027 PEACE PLUS programme was formally adopted by the Commission in July 2022;

Institutional framework

12. Welcomes the full operationalisation of the TCA's institutional framework in 2022 and the good functioning of the joint bodies under the Agreement; underlines the importance of the institutional structures for the smooth implementation of the EU-UK TCA and calls for continued transparency in the implementation of the agreements concluded between both sides; stresses that, in order to ensure that the TCA is fully implemented, all relevant legal instruments should be employed and leveraged, including those related to market access, as well as all countervailing and response measures and dispute settlement mechanisms provided for by the TCA; urges the Commission and the Council to ensure that all decisions taken under the TCA respect the prerogatives of the different institutions and follow the appropriate legislative processes;
13. Regrets that the sectoral working groups under the Trade Specialised Committee on Technical Barriers to Trade have not yet been convened;
14. Welcomes the swift setting up of the EU-UK PPA and notes that three meetings have already taken place in 2022 and 2023, with another one scheduled for late 2023; considers that the PPA provides a good framework for parliamentary cooperation and open exchanges between parliamentarians on topics of common interest and for parliamentary scrutiny of decision-making with regard to the implementation of the TCA; calls on the PPA to provide increased scrutiny of the implementation of the TCA and the Windsor Framework; requests that special attention be paid to Northern Ireland, due to its specific situation; calls for the devolved territories of Northern Ireland, Scotland and Wales to have greater involvement in the EU-UK PPA;

15. Welcomes the establishment of the EU DAG in accordance with Article 13 of the TCA, composed of 24 representatives of civil society organisations and six representatives of the European Economic and Social Committee; notes that the first meeting of the EU DAG and the UK DAG was held on 3 October 2022; recalls that reinforcement of customs cooperation between the parties has emerged as a very important issue at these meetings; notes that the EU DAG has published an issue tracker on the implementation of the TCA; welcomes the joint declaration issued as an outcome of this meeting; underlines the need for well-balanced and representative DAGs, including proportionate representation of employers' organisations and trade unions, and geographical representation of all parts of the UK;
16. Underlines the importance of the close involvement of civil society in the implementation of the TCA; notes that the first meeting of the Civil Society Forum was held on 4 October 2022, bringing together civil society representatives from the EU and the UK, in accordance with Article 14 of the TCA; notes that the EU representatives included employers' and workers' organisations, as well as academics and non-governmental bodies;
17. Stresses the importance of strong EU and UK civil society involvement, including regional and local authorities employers' organisations and trade unions, as well as non-governmental organisations, in the implementation of the TCA, in accordance with Articles 13 and 14 thereof; calls for representatives of the fisheries sector, regional authorities, coastal communities and other stakeholders to be actively involved in the monitoring and implementation of the TCA; urges the Commission, to that effect, to promote the establishment of a domestic internal fisheries advisory group, without prejudice to the existing advisory councils; notes with regret the absence of organisations specifically representing young people among the UK civil society organisations selected to participate in the TCA Civil Society Forum;
18. Reaffirms Parliament's commitment to closely monitor the implementation of the TCA; in close cooperation with the EU DAG; recalls that the Commission should fully and immediately provide Parliament with information relating to the implementation of the TCA to ensure adequate scrutiny, if necessary on a confidential basis and including its participation in the Joint Committee, the Partnership Council, the trade specialised committees and working groups; welcomes the continued good cooperation between Parliament and the Commission; calls for Parliament's participation in any future review procedure for the agreements;
19. Recalls that Gibraltar was not included in the territorial scope of the TCA between the EU and the UK, and that separate EU-UK agreements on Gibraltar require the prior agreement of the Kingdom of Spain;

Trade

20. Recalls that the TCA provides a comprehensive and ambitious basis for the relationship between the parties, in particular for EU-UK trade, while ensuring a level playing field for fair competition and sustainable development; recalls that the TCA is a unique free trade agreement in the history of the EU, as it focuses on limiting divergence rather than promoting convergence between trading partners; recalls that the TCA is also unique as it provides for zero tariffs and zero quotas for EU-UK trade;

21. Takes note of the fact that even with these unprecedented trade arrangements with a third country, EU-UK trade flows have been far more stagnant for goods and less dynamic for services between 2016 and 2022 than EU trade with other international partners and that, therefore, the withdrawal of the UK from the EU has had, as expected, a negative impact on EU-UK trade flows, due to the creation of significant non-tariff barriers creating additional costs on both sides; recalls that this outcome is only one of the negative consequences of the UK's withdrawal and is a direct result of the type of Brexit chosen by the UK Government;
22. Takes note of the Commission's assessment that overall, the trade arrangements in goods and services established in the TCA are working well, although certain implementation difficulties have persisted, such as the sponsorship scheme for the entry and temporary stay of natural persons for business purposes and the verification of origin for applying preferential tariff treatment;
23. Takes note of the fact that it is a logical consequence of the UK's withdrawal from the EU and, in particular, the ending of freedom of movement, that the opportunities in the EU for the UK's largely service-based economy have been reduced;
24. Welcomes the fact that the Partnership Council has started to work on a case-by-case basis on the recognition of professional qualifications, as these provisions can facilitate the movement of professionals in the areas of mutual interest;
25. Calls on the Commission to assess the level of protection of EU geographical indications in the UK and maintains its call for both parties to activate the 'rendez-vous' clause on the future protection of geographical indications registered after 2021;
26. Reiterates that the TCA is the delicate outcome of long and difficult negotiations and that it should therefore be fully implemented in good faith, as should the Withdrawal Agreement, in particular the Protocol on Ireland and Northern Ireland, and the recent Windsor Framework, for the mutual benefit of both parties; calls on both parties to make full use of the TCA's huge potential to facilitate EU-UK trade to the greatest extent possible, while bearing in mind that the advantages of membership in terms of access to the EU single market and to the Customs Union, as well as of participation in other common and flanking policies, cannot, under any circumstances, be replicated through a free trade agreement;
27. Agrees with the Commission that the horizontal and product-specific rules in the TCA are satisfactory and that product-specific rules should not be revisited beyond technical adaptations, as these rules strike a fair balance while contributing to the Union's overarching objective of achieving strategic autonomy in essential sectors; calls, however, for reasonable solutions to be found with regard to the upcoming changes to the rules of origin for electric vehicles, given the difficulties encountered by EU manufacturers in sourcing parts, in particular batteries, from within the EU; points out that any exception would risk shifting investment away from the EU and should be assessed in the light of the European economic security strategy; encourages the UK to consider re-joining the Regional Convention on pan-Euro-Mediterranean preferential rules of origin (PEM Convention); calls for the UK and the EU, as like-minded partners, to explore new avenues for cooperation on the supply of raw materials, the development of net-zero technologies and of emerging technologies, 'Green Corridors' and other

global trade issues, both bilaterally and within the World Trade Organization (WTO); calls on the Commission to look into the added value of the development of an EU macro-region for the North Sea to encourage closer EU-UK cooperation in this respect;

28. Takes note of the further postponement of the implementation of certain UK import procedures and checks, in particular SPS checks, on products coming from the EU; calls on the UK Government to clarify the schedule and requirements in order to avoid further uncertainty for businesses, and to digitalise and simplify UK customs procedures to the extent possible in order to avoid further frictions in trade between the EU and the UK; notes that the UK Government could reduce barriers to trade with the EU by committing to voluntary and dynamic alignment across key sectors; highlights the need for greater UK recognition of EU product rules and conformity assessments for trade in goods; reiterates its call for the EU and the UK to come to an agreement for the UK dynamic alignment as regards SPS measures; highlights that customs cooperation between the EU and the UK is important in order to support compatibility in customs legislation and procedures, and to promote trade facilitation; acknowledges that the UK has diversified trade away from the EU and recognises the importance of greater investment in direct ferry services to reduce the current administrative burden for road travel;
29. Calls on the Commission to ensure that the EU and the UK cooperate closely on the subject of customs, including by ensuring an effective exchange of information, constructive dialogue and effective methods of cooperation between customs administrations, with the aim of simplifying clearance processes in order to minimise administrative and financial costs for all stakeholders; calls further on the Commission to perform regular reviews and evaluations in order to reduce unjustified regulatory and administrative barriers and to ensure that established cooperation mechanisms remain effective and future-proofed;
30. Highlights that the full implementation of border checks under the UK Border Target Operating Model will bring about additional costs and less flexibility for EU exporters and will lead to further disruptions in the value chain, especially for perishable products, and that effective digital solutions are urgently needed; considers as a positive sign the fact that the UK is taking a similar approach to the EU on risk categories and the use of data and digitalisation to streamline the process;
31. Underlines that, although interim arrangements offered by the EU have temporarily improved the situation, structural solutions are needed for the UK to accept EU paperless certificates;
32. Recalls that, as a consequence of a separate SPS regulatory regime on human, plant and animal health following its withdrawal from the EU's single market and Customs Union, the UK is subject to all EU rules applicable to third countries not dynamically aligning with EU legislation; notes that the provisions on SPS measures largely reflect the WTO rules in these areas; takes note of the fact that post-Brexit, the EU and UK remain important trading partners for agri-food products and that from January to October 2022, EU exports to the UK reached EU 39.5 billion, a 15 % increase compared to 2021, while the UK was the third most important partner for the EU in terms of agri-food imports¹⁴; urges the Trade Specialised Committee on SPS measures

¹⁴ '[Monitoring EU agri-food trade](#)', European Commission, Directorate-General for Agriculture and Rural

to continue its work swiftly to develop a digital certificate that provides a compatible and effective solution that respects high shared safety standards, especially in the light of the upcoming launch of the UK Border Target Operating Model, and to bring the EU Rapid Alert System for Food and Feed and the UK food safety alert system into a close working relationship, with the aim of delivering comprehensive protection in the EU, the UK and beyond; notes the challenges of applying rules consistently regarding the movement of UK-produced ingredients that are required by EU manufacturers; calls on the UK Government to expedite the transition to a digital system and to support an SPS agreement, as an alignment of this type in the field of agri-food exports and imports would reduce the administrative and financial burden on both sides, and facilitate EU-UK agri-food trade, including trade between Great Britain and Northern Ireland;

33. Recalls the TCA's chapter on digital trade, which includes the explicit prohibition of data localisation requirements or the mandatory disclosure of source code, while at the same time preserving the EU's right to adopt regulations on personal data protection requirements; highlights the importance of the two personal data adequacy decisions granted by the EU on 28 June 2021 regarding the UK's personal data protection regime, which allow for the continued exchange of personal data between EU and UK operators; notes the Data Protection and Digital Information Bill that was tabled by the UK Government in July 2022; recalls that any lack of recognition of adequacy between the EU and the UK would pose significant challenges for businesses in the EU and the UK; welcomes the regulatory cooperation on non-personal data transfers and emerging technologies, including artificial intelligence;
34. Welcomes the announcement by the UK Government in November 2022 that the deadline for the implementation of the UK Conformity Assessment (UKCA) marking for products placed on the market of Great Britain would be extended; welcomes the announcement of the UK Government recognising the EU's product safety symbol indefinitely in 18 areas;
35. Recalls that the TCA includes a chapter on the needs and interests of micro enterprises and SMEs; acknowledges that the administrative burden associated with adapting to the new regime for trade under the TCA has impacted particularly heavily on these business, which have fewer resources to adapt to new trading arrangements;
36. Highlights the importance and commends the ongoing work of the Trade Partnership Committee and of the specialised and trade specialised committees, and urges the parties to fully explore their potential as bilateral bodies established under the TCA that can discuss issues of shared strategic importance, address all implementation issues in a direct manner and pool information and expertise; invites the Commission to continue the good practice of keeping the European Parliament fully and immediately informed of the ongoing work of and developments in these committees;
37. Stresses the need for enhanced cooperation between the EU and the UK to maintain the current, fair and rules-based international trade order; calls in this regard for additional joint efforts in working towards an inclusive and comprehensive reform of the WTO, answering the current and future challenges in a deeply interlinked world, and actively working against any new danger of divisions in the global political and economic order, by jointly taking responsibility for contributing to the implementation of the UN 2030

Development, Brussels, 2022.

Agenda and the 17 Sustainable Development Goals;

38. Recognises the need to continue the ongoing progress towards ensuring the availability of veterinary medicines in Northern Ireland in order to maintain animal welfare and food security;
39. Recalls the ongoing legislative work to revise the pharmaceutical legislation, which will also aim to ease the historical dependency of markets in Cyprus, Ireland and Malta on medicines supplies from or that transit through the UK; stresses the need to ensure the availability, affordability and security of supply of medicines and a strategic approach to pharmaceuticals in the environment to tackle pharmaceutical pollution;
40. Welcomes the provisions on cooperation on health security that enable the parties and the Member States' competent authorities to exchange relevant information, but regrets that this cooperation has been limited to assessing 'significant' public health risks and to coordinating measures that could be required to protect public health; underlines how the COVID-19 pandemic has reinforced the case for stronger cooperation on health matters, as well as a structured and regular two-way communication between authorities and stakeholders to better react to crisis situations;
41. Points out that future changes to labelling regulations in the EU will be particularly challenging for companies using the same packaging in both the EU and UK markets;
42. Calls on the Commission to prepare a table comparing tariff rate quotas, customs duties and non-tariff barriers for different product categories for EU-UK trade and EU trade with other partners;
43. Stresses the importance of Article 96 of the TCA on cooperation on market surveillance and non-food product safety and compliance; calls, therefore, on the Commission to implement it without delay; calls for the development of joint initiatives and projects, as well as for the establishment of dedicated ways of communication and coordination between the EU and the UK, in order to facilitate the exchange of information, best practices and technical expertise in the areas of market surveillance and product safety; stresses the need for regular monitoring and evaluation of and reporting on progress made in the cooperation efforts stipulated in Article 96;
44. Reiterates the need to cooperate on promoting transparent and reasonable rates for international roaming services in order to protect EU and UK consumers;
45. Points out that, for EU-UK trade relations, particular attention should be paid to the four economic sectors laid out by the European Committee of the Regions¹⁵ that could be most affected by the impact of Brexit, namely vehicles, electrical machinery, wood products and furniture, and agricultural products;

Level playing field

46. Urges the UK Government and Parliament to acknowledge the complications that would stem from any unnecessary systematic regulatory divergence, in particular for the

¹⁵ European Committee of the Regions, 'New trade and economic relations between EU-UK: the impact on regions and cities', 2022.

protection of employment and social rights, the environment, personal data, State aid, digital trade and taxation, which could only create additional issues as regards level playing field commitments in the TCA, as well as for EU and UK businesses and EU-UK trade;

47. Calls on the Commission to keep the European Parliament fully and immediately informed about all complications that may jeopardise the level playing field and fair competition for EU businesses and workers;
48. Welcomes the amendment of the Retained EU Law (Revocation and Reform) Act that replaced the previous sunset clause with a schedule of laws to be revoked at the end of 2023; notes that the adoption of the law remains a cause of concern, and stresses that the European Parliament will continue to follow relevant legislative developments in the UK; regrets the adoption of the Strikes (Minimum Service Levels) Bill, which risks undermining the commitments on non-regression as regards labour standards; stresses that these pieces of legislation have serious implications for workers' rights, in particular the fundamental rights of freedom of association and to organise, and the right to collective bargaining and collective action, including the right to strike;
49. Acknowledges the Genetic Technology (Precision Breeding) Bill that was passed into law in England on 23 March 2023, which revises the rules for the release and marketing of, and risk assessments related to gene-edited, precision-bred plants and animals by removing them from the regulatory system for genetically modified organisms; is highly concerned about regulatory divergence in this area; stresses the need to maintain strong SPS controls at the EU border, as fully provided for under EU law, to ensure that unauthorised products or those without proper labelling cannot enter the EU food chain; stresses furthermore the need for a level playing field and fair competition for EU producers and consumers in this regard;
50. Calls for EU-UK regulatory cooperation to be strengthened to ensure that both the EU and the UK are aware of upcoming legislative work programmes and any related potential future legislative divergence before their implementation to minimise likely divergences; calls for the EU-UK PPA to have an enhanced role in facilitating and scrutinising regulatory cooperation;
51. Calls on the Commission to continue to closely monitor regulatory divergences in the UK, which could pose a risk of non-compliance with the TCA, notably in areas relevant to the level playing field such as subsidy control, taxation, labour and social standards, the environment and the climate; calls on the Commission to provide the European Parliament and the public with access to the data obtained, by publishing annual reports; recognises the importance of such a tracking mechanism for ensuring informed decision-making, enhancing public trust and facilitating a deeper understanding of post-Brexit context; considers, in this context, that the active involvement of the business, SME and industry associations, as well as trade unions, the DAG and the Civil Society Forum, provides a valuable contribution to the process; highlights the particular challenge that monitoring and managing regulatory divergence poses for Northern Ireland and underscores the need to ensure adequate early warning mechanisms;
52. Takes note of the fact that the new UK subsidy control regime under the Subsidy Control Act 2022 came into force in January 2023; calls on the Commission to closely monitor the application of the Subsidy Control Act 2022; echoes the Commission's

concerns about stated plans to introduce so-called free ports, and notes that the EU Foreign Subsidy Regulation¹⁶ entered into force in July 2023; calls for increased cooperation between the EU and the UK on subsidies, pursuant to Article 366 of the TCA;

53. Notes that the TCA introduces a mechanism whereby either party can adopt appropriate rebalancing measures in response to adverse material impacts on trade or investment arising from significant divergences between parties; recalls that in order to enable the EU to exercise its rights in the implementation and enforcement of the Withdrawal Agreement and the TCA in an effective and timely manner, the European Parliament and the Council adopted a regulation covering the implementation and enforcement of the agreements; is content that this regulation will provide a legal basis for the Commission to adopt, amend, suspend or repeal, as appropriate, by means of implementing acts, a number of measures provided for in both agreements; underlines that both parties are empowered to act unilaterally to protect their interests without first engaging in an arbitration procedure, in particular, in cases where a subsidy risks causing a significant negative effect on trade or investment between the parties;

Specific sectoral issues and thematic cooperation

Environment and climate

54. Recalls the EU's climate ambition to reach a 55 % reduction in EU net greenhouse gas emissions by 2030, compared with 1990 levels, and to achieve net-zero greenhouse gas emissions by 2050, as enshrined in the European Climate Law¹⁷ and as operationalised in the recently adopted 'Fit for 55' package of legislation;
55. Calls on the Commission to monitor the practical implementation, ambition and effectiveness of the UK emission trading system (ETS); to consider that, should significant differences emerge between the two systems, this could lead to a distortion of the level playing field and should thus be taken into account in the application of the EU Carbon Border Adjustment Mechanism (CBAM); and to explore opportunities for bilateral cooperation, including the linking of the UK ETS with the EU ETS without undermining the integrity and effectiveness of the EU ETS, similar to the agreement between the EU and the Swiss Confederation on the linking of their greenhouse gas ETSs;
56. Recalls that, between 2026 and 2034, the EU will phase in a CBAM for iron, steel, cement, aluminium, fertilisers, electricity and hydrogen, as well as indirect emissions under certain conditions, to ensure that EU and global climate efforts are not undermined by production being relocated from the EU to countries with less ambitious policies; welcomes the fact that the UK Government has launched an inquiry into a UK CBAM to look at the role that it could play in addressing potential carbon leakage and meeting the UK's environmental objectives, while also considering the wider impacts, risks and opportunities that might arise; calls on the Commission to monitor the UK's

¹⁶ Regulation (EU) 2022/2560 of the European Parliament and of the Council of 14 December 2022 on foreign subsidies distorting the internal market (OJ L 330, 23.12.2022, p. 1).

¹⁷ Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

CBAM policy and to explore opportunities for cooperation in order to raise the level playing field and climate protection globally;

57. Recalls that the TCA requires that parties do not weaken or reduce their levels of social, labour or environmental protection below those in place at the end of the transition period in 2020 (non-regression), and that a party can take appropriate rebalancing measures to offset any (adverse) ‘material impacts on trade or investment’ arising from ‘significant divergences’ between parties; recalls that existing commitments and ambitions on climate change, in particular on climate neutrality by 2050, remain in place for both parties;
58. Underlines how, prior to the UK withdrawal, there were a number of infringement cases brought by the Commission against the UK in the environmental field, including for air and water quality; underlines how, given their transboundary nature, divergence in environmental protection in these areas could jeopardise air and water quality in the EU;
59. Takes note of the creation of the UK Office for Environmental Protection in November 2021, under the Environment Act 2021; calls on the Commission to monitor whether the office is provided with sufficient powers and resources to be able to effectively enforce the environmental rules, in line with the UK’s TCA obligations, and whether the UK’s environmental commitments and secondary legislation are being effectively implemented and enforced;
60. Notes that, in December 2022, the UK Government published a first set of legally binding environmental targets under the Environment Act 2021 and that, in January 2023, it published the Environmental Improvement Plan 2023; calls for a close and upward alignment of EU and UK targets on climate and environmental protection and for level playing field conditions to be respected;
61. Recalls that the UK is no longer part of the European Chemicals Agency or bound by the European Economic Area-based regulatory framework for chemicals (EU REACH); underlines how the UK’s new regulatory framework (UK REACH) must demonstrate the same robustness and transparency as EU REACH; calls on the Commission to monitor whether there is any regulatory regression or divergence of the UK’s chemicals safety management from EU REACH, in particular in view of the upcoming revision of EU REACH; calls on the Commission to work with the UK authorities to ensure a closely aligned regulatory framework that should aim to ensure the highest possible standard of chemicals safety management in the EU and the UK;
62. Calls for the UK Government and Parliament to closely cooperate with the EU on attaining the goals set out by the UN Climate Change Conference, including through their respective trade policies;
63. Calls for the EU and the UK to work together to strengthen global climate protection by capitalising on the close cooperation developed in response to the energy security challenges posed by Russia’s illegal war of aggression against Ukraine;

Financial services

64. Notes the limited nature of the TCA in relation to financial services; recognises that this absence is a consequence of the desire of the UK not to discuss other areas of mutual

interest as part of the TCA negotiations; welcomes the plans to establish a joint EU-UK Financial Regulatory Forum to facilitate dialogue and cooperation on financial services issues¹⁸; recalls that this forum would not constitute a formal part of the TCA and should not provide the same level of access or cooperation as a comprehensive financial services agreement;

65. Notes that the British Government's Future Regulatory Framework Review and the subsequently published Financial Services and Markets Bill¹⁹, which proposes to repeal, replace, or amend retained EU law in the area of financial services, as well as to delegate greater responsibility to UK regulators, demonstrates a desire to adopt divergent regulations from the EU in respect of financial services; underlines that excessive regulatory divergences may have a negative impact on financial cooperation between the UK and the EU and could undermine financial flows and the activities of financial entities; welcomes the EU's recent progress on legislation in respect of financial services, even where this may result in regulatory divergence from the UK, including with respect to cryptocurrencies, sustainable finance, taxonomy, listing and anti-money laundering; acknowledges, however, that the UK and the EU may adopt different regulatory approaches in the area of financial services and may not necessarily maintain a harmonised regulatory regime; supports the EU's legislative progress in this area; stresses, however, the benefits of future regulatory cooperation and of engaging in the development and integration of international standards;
66. Notes the ambition of the UK to establish itself as a global centre for digital finance and crypto assets through a number of regulatory and supervisory initiatives; stresses the importance of developing a coordinated approach and enhanced cooperation in the area of crypto regulation and supervision in order to effectively address and mitigate the risks for consumer protection, market integrity and money laundering, as well as their environmental impact, and in order to prevent regulatory arbitrage;
67. Notes that the TCA offers the EU an opportunity to develop and strengthen its own financial services infrastructure and expertise in order to promote business competitiveness, investment, economic stability and consumer protection; strongly supports the completion of the capital markets union and the banking union, based on an approach that is outward-looking, innovative and competitive; acknowledges that the City of London remains a global centre for financial services with a global reach that EU business could benefit from accessing²⁰; recognises the importance of a strong financial services sector for both the EU and the UK and supports efforts to enhance the EU's financial services infrastructure and expertise;
68. Strongly supports continued cooperation between the EU and the UK in areas related to financial, economic and monetary affairs that are of mutual interest, including tackling international money laundering and terrorist financing, countering harmful tax regimes, implementing sanctions, tackling customs fraud, ensuring a level playing field and promoting global financial stability;
69. Recalls that Gibraltar is considered by the Commission²¹ to be a territory that suffers

¹⁸ Reuters, '[EU restarts work on EU-UK regulatory forum after Northern Ireland deal](#)', 8 March 2023.

¹⁹ UK Parliament, '[Financial Services and Markets Bill](#)', 11 May 2023.

²⁰ Reuters, '[London is top global finance centre but lags in key areas, says study](#)', 27 January 2022.

²¹ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32023R0410>.

from strategic deficiencies in its anti-money laundering and counter-terrorist financing system, which constitute significant threats to the financial system of the EU; urges the Commission to include provisions in the agreement with the UK on Gibraltar that guarantee anti-money laundering and terrorist financing standards equivalent to those of the EU;

70. Recognises that the close economic links between Ireland and Northern Ireland will continue despite the latter being part of a designated third country; supports an acknowledgement of these economic links, including with respect to the supervision of transactions between both jurisdictions; calls for measures to ensure that such links are not disrupted by any changes in regulatory or legal frameworks, particularly in respect of services provided to consumers and small and medium-sized enterprises, which cannot take advantage of being mobile; emphasises the importance of maintaining and further developing close economic ties and minimising disruption in the aftermath of Brexit, particularly with respect to this relationship;
71. Recognises that following the entry into force of the TCA, a number of financial services firms based in London announced intentions to establish a new presence in the EU and relocate some assets to the EU, with estimates suggesting 44 % of the UK's largest financial services firms announcing plans to move some staff or operations²² though the number of jobs that have relocated out of London thus far is only 7 000 and far below the initial estimates of 75 000²³; supports the efforts of the Member States to seek to attract post-Brexit business investment; notes that several EU cities have been the focus of financial service industry investment post-Brexit, including Paris, Frankfurt, Amsterdam, Luxembourg and Dublin; notes that the European Securities and Markets Authority (ESMA) 'Peer review into the NCAs' handling of relocation to the EU in the context of the UK's withdrawal from the EU'²⁴ has identified some shortcomings in relation to how Member States' competent authorities have handled the relocation process; in this context, points to the best practices identified in the peer review report, as well as to ESMA's sector-specific principles on relocations from the UK to the EU-27²⁵; welcomes the European Supervisory Authorities' continued monitoring of supervisory practices in assessing the relocation of firms to the EU²⁶; stresses the need to continue working to complete the Banking Union and deepen the Capital Markets Union in order to prevent the further concentration of financial hubs and to reap the benefits of efficiencies of scale;
72. Recalls the commitment, in the first Joint Declaration accompanying the TCA, to signing an MoU on financial services regulatory cooperation between the EU and the UK, which would not be a legal document but would provide a basis for regular, structured engagement; notes that this memorandum has been finalised and adopted by

²² Study – 'Recent trends in UK financial sector regulation and possible implications for the EU, including its approach to equivalence', European Parliament, Directorate-General for Internal Policies, Policy Department for Economic, Scientific and Quality of Life Policies, 8 February 2023.

²³ EY, 'EY Financial Services Brexit Tracker: Movement within UK financial services sector stabilises five years on from Article 50 trigger', 29 March 2022, London; European Affairs Committee of the House of Lords, '1st Report of Session 2022–23: The UK-EU relationship in financial services', 23 June 2022.

²⁴ ESMA42-111-7468, *Peer review into the NCAs' handling of relocation to the EU in the context of the UK's withdrawal from the EU* (https://www.esma.europa.eu/sites/default/files/library/esma42-111-7468_brexit_peer_review_report.pdf).

²⁵ ESMA71-99-526.

²⁶ https://www.esma.europa.eu/sites/default/files/library/esma42-111-7468_brexit_peer_review_report.pdf.

the Commission; welcomes the successful signing of bilateral MoUs between EU and UK regulators and supervisors at both EU and Member State level, including between the Financial Conduct Authority and the European Banking Authority and ESMA, a multilateral MoU with EU and European Economic Area National Competent Authorities; and individual MoUs with National Competent Authorities²⁷;

73. Welcomes the signing of the MoU on Financial Services Cooperation between the EU and the UK by the Commission and HM Treasury, establishing a framework for financial services regulatory cooperation, including the Joint EU-UK Financial Regulatory Forum; stresses that the parties to the forum should engage in the spirit of sincere cooperation and use the forum to identify and address mutual threats to financial stability and consumer protection, to prevent and combat money laundering and terrorist financing, as well as to address new developments and innovations in the markets; stresses that the forum must operate in a transparent manner with stakeholder engagement as appropriate; monitors with interest potential future discussions on equivalence decisions, in line with the activities set out in the MoU, where outcomes are consistent with EU standards and objectives, with the aim of providing greater market access benefits, and recalls that equivalence remains a unilateral and autonomous process;

Energy

74. Highlights, against the backdrop of Russia's war of aggression against Ukraine and the ongoing energy crisis, the renewed importance of strengthening cooperation on energy between the EU and the UK so that they do not put each other at risk; stresses the importance of maximising mutual benefits to the largest extent possible, in an integrated and interconnected energy system based on common technical and market principles; notes that energy trading between the EU and the UK increased considerably throughout 2022;
75. Calls for a balanced and coordinated approach towards achieving Green Deal and REPowerEU objectives and energy independence for both the EU and UK; calls on both parties to strengthen technological cooperation, skills development and exchange of data in the energy sector; highlights the importance of R&D cooperation, including within the Euratom framework, in the field of critical technologies necessary for the digital and green transition;
76. Despite the fact that the UK and the EU reaffirmed their ambitions for energy efficiency and renewable energy for 2030, regrets the UK Government's recent changes in climate policies, namely the postponement to 2035 of the ban on sales of new petrol and diesel cars and of the phase-out of new gas-fired boilers for heating homes; welcomes the MoU on offshore energy cooperation; highlights that cooperation in the development of renewable technologies is important for both the Union and the United Kingdom and calls for the further development of energy technologies in line with climate change objectives; calls for the establishment of an effective framework for trading arrangements for electricity flows and for energy market stability and predictability, so as to prevent price and market manipulations; calls for accelerating the deployment of

²⁷ The Financial Conduct Authority, '[MoUs with European authorities in the areas of securities, investment services and asset management, insurance and pensions, and banking](#)', 4 January 2021.

renewable energies in the North Sea while ensuring good spatial planning;

77. Is concerned about the results of the joint cost-benefit analysis presented by the respective transmission system operators in May 2021, which highlighted a high risk of market manipulation and disruption; recalls that the proposal to revise the Regulation on Wholesale Energy Market Integrity and Transparency (REMIT)²⁸ contains new provisions regarding market surveillance for generators from third countries and that these would apply to the UK, with a view to increasing market stability and predictability; encourages both parties to step up their efforts to develop trading arrangements for electricity flows between the EU and the UK, as provided for in Article 312 of the TCA;
78. Recalls that maintaining solid ties between the UK's and the EU's energy markets, including by making full use of existing and planned electricity interconnections, is in everyone's own best interest and calls for coordinated EU-UK critical infrastructure development, especially in the energy sector, to enhance its robustness and lower the chances of infrastructure disruptions and energy supply failures;
79. Emphasises the unique situation of the island of Ireland in relation to electricity trade with the United Kingdom and underlines that any disruption to the Single Electricity Market would have negative implications for consumers and businesses on the island of Ireland; calls for the continued application of the EU energy *acquis* in Northern Ireland as it is necessary for ensuring continuity for the Single Electricity Market on the island of Ireland following the UK's withdrawal from the EU;
80. Underlines that existing energy legislation does not directly address any aspects of EU-UK relations and calls for stronger cooperation in this area, in particular on reducing energy demand, promoting energy efficiency and renewable generation capacities, given the clear link between the two sides and the fact that any decisions made affect them both;
81. Believes that common rules for offshore renewable energy and for pipeline infrastructure are essential for facilitating commercial agreements in these areas with the UK, in light of the second edition of the North Sea summit held in Ostend in April 2023 where it was agreed to exploit renewable energy potential in a more coordinated way;
82. Is concerned that no major long-term agreement to trade electricity between the UK and the EU was reached; takes note of the fact that the North Sea is a powerhouse for renewable energy and highlights the renewable energy potential of the UK's shores for the EU;
83. Considers that an agreement on energy cooperation, which should be aligned with the overall agreement on future relations and based on robust governance and a level playing field, would be in the mutual interest of both parties to guarantee continued energy flows, as the current energy provisions of the TCA are due to expire in

²⁸ Proposal of 14 March 2023 for a regulation of the European Parliament and of the Council amending Regulations (EU) No 1227/2011 and (EU) 2019/942 to improve the Union's protection against market manipulation in the wholesale energy market (COM(2023)0147).

June 2026, although these can be extended;

Fisheries

84. Points out that the full impact of Brexit is not yet fully known, not least because the full implementation of the TCA in relation to fisheries is still ongoing and will only be completed after the transition period ends on 30 June 2026; highlights the importance of a faithful implementation of the TCA, considering that issues are still emerging; agrees with the Commission's implementation report that 'certain challenges remain', such as the implementation of the electricity trading arrangements and the full and correct implementation of the provisions on fisheries;
85. Calls on the Commission to take all the necessary measures to ensure that reciprocal access to waters and fisheries resources is maintained after 30 June 2026 and that there are no further quota reductions for EU fishers; calls for the exchange of fishing quotas between the parties to be streamlined and manageable for the sector; urges the Commission to keep all negotiation channels with the UK open in order to find stable, lasting solutions that are beneficial to both parties, to provide stable and predictable conditions for fishers and the fishing sector as a whole and to cover the time period beyond 2026; recalls the coinciding validity periods of the TCA's provisions on energy and on reciprocal access to waters and fisheries resources and notes the implicit link between these two sectoral domains in the TCA;
86. Notes the unique situation of Ireland owing to its border with Northern Ireland, the 'voisinage' agreement for reciprocal access to the 0-6 nautical mile zone and its historical dependence on reciprocal access to UK waters;
87. Expresses its deep concern at the uncertainty created by the review clause (Article 510) under Heading Five (Fisheries) of Part Two of the TCA, which will be applied four years after the end of the adjustment period; calls on the Commission to swiftly, steadfastly and transparently engage in negotiations on a multiannual post-2026 agreement, while ensuring stability, economic viability and predictability for the sector; highlights that this agreement must be linked to the overall review of the TCA and must not allow further losses in shared quotas for the EU; stresses, in this regard, the importance of keeping all aspects of the TCA interlinked, in particular of linking access to the single market for the UK to the TCA's fisheries provisions;
88. Reiterates that reciprocal, continued access to waters and fisheries resources must be considered as a key part of relations between the EU and the UK and must, therefore, be dealt with in conjunction with the numerous issues relating to trade and access to the single market; reminds the Commission that it is essential to ensure that, as of 2026, the TCA is applied in a stable and sustainable manner following the transition period;
89. Recalls that, should the UK decide to limit the access of EU fishing vessels to British waters at the end of the adjustment period, the EU would be able to take measures to protect its interests; recalls that, in accordance with the TCA itself, these measures include the re-establishment of tariffs or quotas on the UK's fish imports and the suspension of other parts of the TCA should there be a risk of serious economic or social difficulties for the EU's fishing communities; stresses that, in this regard, the EU should consider linking other specific parts of the TCA, such as the UK's access to the European electricity market, as well as other relevant sectors under the TCA, with the

EU's access to British waters and fisheries resources;

90. Calls on the UK to refrain from adopting any discriminatory unilateral technical measures; reiterates that the TCA provides that technical measures should be proportionate, should be based on the best scientific advice, should apply equally to vessels from both parties and must be notified in advance; stresses the role of the Specialised Committee on Fisheries in seeking a common approach on technical measures and in discussing any measures for which one party may give notice to the other; recalls that the TCA obliges each party to precisely justify the non-discriminatory nature of any measures in this area and recalls the need to ensure long-term environmental sustainability, on the basis of scientifically verifiable data; reiterates that it is highly desirable for the UK to stick as closely as possible to EU rules; stresses that there should be more coordination with the EU on this and that there should be proper procedures for notification and participation; calls on the Commission to be particularly vigilant about whether these conditions are complied with and to strongly respond if the UK acts in a discriminatory manner;
91. Highlights, in particular, that the designation of marine protected areas must be non-discriminatory, based on science and proportionate; emphasises that marine protected areas should be established with well-defined conservation objectives and should not be used as a tool to restrict foreign access to waters; regrets, in this regard, the unilateral approach that the UK has taken in relation to designating areas with restrictions for fisheries around the Dogger Bank and the fact that the UK is planning to use these areas for other economic activities;
92. Opposes all decisions taken unilaterally that establish fishing opportunities that contravene international law or go against the best scientific advice available and thus call into question the credibility of international agreements and undermine the sustainability of the exploitation of shared resources; urges the Commission to take any necessary and proportionate measures to resolve disputes with the international partners concerned and to assure compliance with international obligations;
93. Recalls that Brexit changed the relations among countries in the north Atlantic; believes that Brexit should not be used to manipulate the distribution of quotas in the Northern Agreements; insists that the historical distribution of fishing opportunities, always set based on the best available scientific data and advice, should be respected; calls on the Commission to find stable and long-term fishing management arrangements with its counterparts in the north-east Atlantic;
94. Expresses concern about the licensing of EU vessels; notes that vessels under 12 metres were among those most severely harmed by delays in granting fishing licences or by declined licences, owing to the fact that many of them were not equipped with vessel monitoring systems during the entire reference period; regrets that the TCA did not take into account the rules in place on vessel monitoring systems under EU regulations that also bound the UK before Brexit; urges the Commission to continue its efforts to come to an agreement on the unresolved licensing issues, including the level of access for licensed fishing vessels in the waters of the UK and the Crown Dependencies, and to develop a future licensing system jointly with the UK that works in practice;
95. Notes that the issues regarding the licensing of EU vessels have a large impact on small-

scale fishers, especially those from the north of France and Normandy, as these vessels are not able to change their fishing areas;

96. Urges the parties to the TCA to strengthen their efforts to promote sustainable fishing and good fisheries governance internationally, by promoting the establishment of regional fisheries management organisations; urges the Commission, in particular, to cooperate with the British authorities and the other parties involved on establishing a regional fisheries management organisation in the southern Atlantic;
97. Expresses its concern about the impact of the displacement of fishing effort following the implementation of the TCA, especially in the Channel; calls for the Commission to propose a regional management plan for the Channel and the North Sea to mitigate this impact and to avoid overfishing;
98. Welcomes the fact that both the EU and the UK are members of the IUU Fishing Action Alliance, established in June 2022 to foster ambition and action in the fight against IUU fishing at international level;
99. Reiterates its call for the Commission to embrace its role as the EU's representative in dealings with non-EU countries, so that it can propose enhanced participatory management models and co-management in cross-border situations with non-EU countries;
100. Emphasises the need to ensure that the work of the Specialised Committee on Fisheries is transparent and that Parliament is regularly updated about this work and the decisions taken;

Social security coordination

101. Notes with satisfaction that the implementation of the Protocol on Social Security Coordination under the TCA has been unproblematic thus far and that no structural problems were identified in 2021 or 2022; stresses, however, the importance of having a dynamic Protocol, which aligns with the revisions of the Social Security Coordination regulations;
102. Notes that in 2021, amendments to the annexes of the Protocol were adopted by the Specialised Committee on Social Security Coordination in order to confirm that Member States continue to allow workers posted to or from the UK to be covered by the sending state's social security legislation under specific conditions; further notes that in 2022, preparatory steps were taken to implement the financial provisions concerning the reimbursement of the cost of sickness benefits in kind provided by a state other than the competent one;
103. Welcomes the Specialised Committee on Social Security Coordination's adoption of Decision 1/2023 approving the use of the Electronic Exchange of Social Security Information (EESSI) under the Trade and Cooperation Agreement²⁹ in the context of the Protocol, as well as considering that relevant parts of the Decisions and Recommendations of the Administrative Commission for the Coordination of Social Security Systems should be made applicable in the context of the Protocol by means of

²⁹ Provisional Agenda of the Third Specialised Committee on Social Security Coordination, London, June 2023.

a Specialised Committee Recommendation; reiterates its call on Member States to ensure that the EESSI becomes fully functional as soon as possible and to make use of the opportunities provided by existing EU funds to fully implement the EESSI and further digitalise public administration;

104. Expresses concerns regarding recent developments that may undermine the level playing field provisions of the TCA in the labour and social sphere in the UK; strongly regrets in this regard the July 2022 repeal of the prohibition of employment agencies in providing temporary staff to replace workers taking part in industrial action, which undermines the right of workers to take collective action, including the right to strike; calls on the UK Government to take the necessary measures to uphold the level playing field principles outlined in the articles of the TCA;
105. Notes that in June 2021 the UK Government announced its intention to establish a single enforcement body for employment rights tasked with ensuring centralised supervision of its labour laws³⁰ in order to improve the coordination and effectiveness of existing bodies and expanding enforcement into new areas; notes, however, that to date no further progress has been made on the proposal; calls on the Commission to continue to closely monitor the enforcement of relevant labour and social standards, as required by the TCA, and any developments in this regard, and to continue its efforts with the UK Government to ensure full compliance with the TCA;
106. Strongly regrets the UK's discriminatory treatment of workers from five EU Member States in 2021 as regards reduced fees for long-term work visas; further regrets the UK's subsequent renunciation of Article 18(2) of the European Social Charter and consequent removal of work-related visa fee reductions for all EU citizens as of February 2022; calls on the Commission to take all measures necessary in this regard and continue to raise this issue through the Partnership Council and the Specialised Committee on Level Playing Field for Open and Fair Competition and Sustainable Development;

Law enforcement and judicial cooperation in criminal matters

107. Recalls that the application of Part Three of the TCA on law enforcement and judicial cooperation in criminal matters is under the condition that the respect for democracy, the rule of law and the protection of human rights and fundamental freedoms, including as set out in the Universal Declaration of Human Rights and in the European Convention on Human Rights (ECHR) and the commitment to high-level protection of personal data; recalls the importance of effective, close and mutually beneficial law enforcement and judicial cooperation between the EU and the UK in view of their geographical proximity and shared challenges;
108. Emphasises that the ECHR is a legally binding instrument in the UK and that legislative proposals should be compatible with its standards and in line with the rights and freedoms therein; underlines that Article 524 of the TCA provides that cooperation between the EU and the UK is based on the importance of giving effect to the rights and freedoms in that convention domestically; expresses its concerns over discussions in the UK on leaving the ECHR and recalls the concerns expressed by the Council of Europe

³⁰ Department for Business, Energy & Industrial Strategy, UK, 'Establishing a new single enforcement body for employment rights', 2021.

Commissioner for Human Rights in this regard³¹; recalls the provision in the TCA on the possible termination of this part of the TCA in the event that the UK or a Member State denounces the ECHR;

109. Expresses its deep concern over current legislative processes in the UK that would put these conditions at risk, namely the Retained EU Law Bill, the Data Protection and Digital Information (No. 2) Bill (DPDI2) and the Illegal Migration Bill;
110. Recalls that Part Three of the TCA allows for extended data flows between the EU and the UK, such as the exchange of DNA data, passenger name record data and criminal record information; underlines, therefore, that it is of the utmost importance that the UK ensures that the level of protection is essentially equivalent to that afforded by the European Union in order to avoid putting EU standards and therefore EU citizens' fundamental rights at risk when sharing data with the UK; calls, therefore, on the Commission to closely scrutinise the impact that the DPDI2 has on the data protection rights of EU citizens;
111. Underlines the serious risk of the onward transfer of personal data to non-EU countries that do not provide for an adequate level of protection; recalls that a primary data recipient may only transfer personal data onwards if the recipient is also subject to rules affording an adequate level of protection; stresses, therefore, that the UK must ensure that its data transfers to non-EU countries are based on appropriate safeguards and that a level of data protection equivalent to that afforded by the European Union is guaranteed;
112. Stresses that enacting the UK's DPDI2 in its current form could further jeopardise the adequacy decision granted to the UK; recalls that the Commission has pledged to closely monitor the situation and repeal the adequacy decisions if privacy is no longer 'essentially equivalent' in the UK;
113. Strongly regrets the provisions in the new DPDI2 that would introduce new delegated legislative powers for the UK Government to legalise data processing for national security, law enforcement, and public authorities' access to personal data held by private entities; is deeply concerned by the introduction of delegated legislative powers that provide for some fundamental aspects of data protection law to be changed by the UK Government through secondary legislation; stresses the risks that these delegated powers pose to legal certainty and the future of the UK's adequacy decision;
114. Condemns the UK's general and broad exemption from the data protection principles and data subject rights for the processing of personal data, set out in its Data Protection Act, for immigration purposes; believes that the exemption in cases in which giving effect to data subjects' rights would jeopardise effective immigration control or in the investigation or detection of activities that would undermine the maintenance of effective immigration control does not comply with the principle of legal certainty and therefore is not sufficient to prevent arbitrary decision-making; calls on the Commission to closely monitor the evolution of the judicial review process of the DPDI2 regarding

³¹ <https://www.coe.int/ca/web/commissioner/-/united-kingdom-commissioner-warns-against-regression-on-human-rights-calls-for-concrete-steps-to-protect-children-s-rights-and-to-tackle-human-rights-issues-in-northern-ireland>.

the immigration exemption;

115. Expresses its concern that the UK's proposed DPDI2 would allow for automated decision-making; stresses that this bill would deprive individuals of their right, protected in the EU under the EU General Data Protection Regulation³² and internationally under the Convention for the Protection of Individuals with Regard to Automatic Processing of Personal Data, not to be subject to a decision based solely on automated processing (including profiling) that has either a legal or similarly significant effect on them; calls on the Commission to closely and continuously monitor the situation;
116. Strongly regrets the provisions in the UK's new DPDI2 that weaken the obligations for data controllers and processors, including the new provisions that only require a senior responsible individual to be appointed when carrying out processing, which is likely to result in a high risk to individuals; regrets, equally, the provisions removing the requirement to designate a non-UK based representative for data controllers and processors that is subject to UK data protection rules, and those eliminating the obligation to consult with the UK data protection supervisory authority prior to processing when the controller's assessment indicates that the processing is likely to result in a high risk;
117. Expresses its concern over clauses in the UK's new DPDI2 that would undermine the independence of the Information Commissioner's Office (ICO) and introduce powers that allow the government to interfere with the ICO exercising its functions;
118. Highlights that the UK data protection supervisory authority has found multiple instances of enforcement failures and that its statistics show very low rates of hard enforcement; recalls that, in order to ensure a high level of data protection, the anticipated rules must be enforced and individuals must have access to an effective complaints procedure; is also concerned about the change introduced to the refusal to act on a complaint and the inclusion of criteria such as the resources available to the Commissioner, which will have a negative effect on the effectiveness of the complaints;
119. Recalls that the UK's mass surveillance programmes do not comply with standards that are essentially equivalent to EU data protection rules; reiterates its call on the UK to take into consideration the case-law of the Court of Justice of the European Union in this field;
120. Urges the UK to fulfil the data protection requirements for the processing of passenger name record data, in line with Article 552 of the TCA; regrets the long transition period of three years, which is delaying the implementation of the requirement to delete passengers' personal data after their departure from the country;
121. Underlines that Article 541 of the TCA provides for an amendment procedure in the event that EU law under the Prüm framework is amended substantially; recalls, therefore, that the UK's participation in the newly revised Prüm framework is not automatic and should be conditional on the UK maintaining its current human rights

³² Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (OJ L 119, 4.5.2016, p. 1).

standards and ensuring an adequate data protection framework and effective legal safeguards, which are essential prerequisites for enabling police and judicial cooperation in criminal matters;

122. Recalls that the two adequacy decisions for the UK expire in 2025 and that the Commission can intervene at any point if the UK deviates from the level of data protection currently in place; recalls that to benefit from these adequacy decisions, the UK is subject to the jurisdiction of the European Court of Human Rights and it must adhere to the ECHR; points out that, with regard to the necessary revision of the adequacy decision for the transfer of personal data to the UK in two years, it is of the utmost importance that guaranteeing the rights protected under the ECHR be non-negotiable and that the European Parliament closely and regularly monitors any non-compliance; calls on the UK authorities to refrain from adopting any legislation that would jeopardise the adequate level of protection;
123. Strongly regrets the substantial increase in the number of EU citizens who have been denied entry into the UK and subsequently returned after the end of the transition period; regrets the fact that the UK applied differentiated treatment in terms of visa fees for the citizens of a number of EU countries; is concerned that visa procedures for EU citizens are lengthy and cumbersome; calls on the UK not to discriminate against EU citizens on the basis of their nationality, both in terms of registration in the EU settlement scheme and of mobility and visa issues; stresses that such practices go against the principles of reciprocity and non-discrimination set out in the TCA and calls on the Commission to closely monitor these developments;
124. Recalls that the fundamental right to a fair trial includes, among other things, the right to information, the right to interpretation and translation, the right to have a lawyer, the right to be presumed innocent and the right to be present at trial, as well as special safeguards for children who are suspects or accused persons in criminal proceedings and the right to legal aid, which must also be ensured in the course of judicial cooperation in criminal matters with non-EU countries;
125. Recalls that, in order to ensure effective extradition procedures, an arrest warrant must be executed as a matter of urgency and, in the event that a person does not consent to the extradition, a hearing must take place within 21 days of the arrest; recalls that, in order to safeguard the fundamental right to a fair trial, these time limits must not be exceeded; calls on the UK to respect the time limits established in the TCA to facilitate the application of mutual legal assistance between the Member States and the UK;
126. Recalls that, pursuant to Article 525(1) of the TCA, law enforcement and judicial cooperation in criminal matters between the Union and the UK is based on the Parties' long-standing commitment to ensuring a high level of protection of personal data, including in relation to cooperation with Europol and Eurojust; insists that personal data exchanges with the Justice and Home Affairs Agencies should be allowed only where the EU data protection standards are guaranteed and human rights are respected;

Participation in Union programmes

127. Recalls that the EU-UK Trade and Cooperation Agreement includes a part on UK participation in Union programmes, sound financial management and financial provisions; considers that the conditions and rules set out therein constitute a fair basis

for UK participation and would help to ensure the protection of the Union's financial interests; considers that third country participation in Union programmes provides considerable benefits to the EU and helps strengthen ties between the EU and its partners; regrets, however, the general lack of a regional dimension and of Interreg programmes with the UK as a non-EU country partner; reiterates its call³³ to explore possibilities for the participation of the UK and parts of the UK in Union programmes;

128. Deplores the fact that the UK lost access to EU research programmes as a result of its withdrawal from the EU, and highlights the importance and the mutual benefits of continued cooperation in research and innovation between the EU and the UK;
129. Welcomes the political agreement reached by the Commission and the UK Government on the UK's association to Horizon Europe and Copernicus, to the extent that it finally provides clarity for all beneficiaries involved in the programmes in the UK and in Europe;
130. Underlines that agreement on the UK's association to Horizon Europe applies only to the current programme, and is without prejudice to the UK's participation in and financial contribution to future EU research programmes; calls for the full involvement of the European Parliament in the future implementation of the UK's association to Horizon Europe and future EU research programmes;
131. Emphasises that a fair balance must be struck between the UK's contributions to Horizon Europe and the Copernicus programme and the benefits it will receive in return, including the need to take into account the wider benefits stemming from EU-UK cooperation; welcomes the Commission's forthcoming attitude in the renegotiation of UK contributions and expects the UK to adopt a like-minded, flexible approach;
132. Expresses concern about the new budgetary arrangement concerning the UK's financial contribution to Horizon Europe in the event of underperformance, as this differs from the procedure and principles originally set out in the TCA; regrets the fact that the new agreement includes an automatic correction mechanism for the UK's financial contribution with retroactive effect, which was not negotiated as part of the TCA;
133. Deeply regrets the unilateral, political decision of the UK Government not to participate in the Erasmus+, Creative Europe and European Solidarity Corps programmes, despite the openness shown by the EU negotiating team; is convinced that this decision leads to a lose-lose outcome, depriving people and organisations in the EU and in the UK of life-changing opportunities through exchange and cooperation projects;
134. Notes that numerous education, culture and youth stakeholders, both in the EU and the UK, are calling for the UK to be associated with Erasmus+, Creative Europe, the European Solidarity Corps and Horizon Europe once more; calls for the issue to be addressed in different political contexts and for practical, intermediary solutions to be explored to mitigate the loss of opportunities; underlines that, should the UK wish to re-

³³ European Parliament position of 28 April 2021 on the draft Council decision on the conclusion, on behalf of the Union, 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, and of the Agreement between the European Union and the United Kingdom of Great Britain and Northern Ireland concerning security procedures for exchanging and protecting classified information (OJ C 506, 15.12.2021, p. 159).

associate with EU programmes, its financial contribution should be fair and ensure the inclusiveness and diversity of participants in the programmes;

135. Acknowledges the excessive bureaucracy created by the withdrawal of the UK from the EU; notes with concern the uncertainties and difficulties created for students, teachers, artists and cultural professionals willing to learn, teach, perform and work in the UK, in particular the lack of available information on administrative requirements, and the unprecedented administrative burden on the UK's and Member States' consulates and administrations;
136. Notes with satisfaction that numerous EU and UK education, youth and cultural institutions and organisations continue their relations on a bilateral basis despite the lack of funding and increased administrative burden and obstacles; is concerned that not all organisations may be able to afford the additional human resources required to maintain or pursue those connections;
137. Underlines the significant benefits of the Erasmus+ programme not only for higher education students, vocational education and training (VET) students, adult learners and young people, but also for teachers, academics, researchers, administrative staff and generally for educational institutions and society as a whole, which cannot be measured by the size of its financial envelope;
138. Regrets the narrowness of the 'value for money' approach adopted by the UK Government regarding Erasmus+, which disregards the numerous benefits in terms of exchange of knowledge and transferrable skills for students, teachers and administrative staff, the contribution of the programme to diversity on campuses and in educational institutions, increased mutual understanding, a reduction in prejudice and discrimination, exposure of UK learners and teachers to their fellow Europeans, and its contribution to broadening participants' perspectives and opportunities, as well as to improving their employability;
139. Welcomes the remarks made by Minister for Europe Leo Docherty acknowledging that participation in Erasmus+ had been 'very beneficial' for the UK³⁴;
140. Notes that at the time of the EU referendum in 2016, as many as 5 % of students in the UK were EU citizens from the other 27 Member States³⁵, making them an important part of the total body of foreign students in the UK;
141. Notes that some Erasmus+ projects from the 2014-2020 programming period, in which UK organisations were participating, were still ongoing in May 2023, making it difficult to properly assess the full impact of the UK's withdrawal from the Erasmus+ programme;
142. Notes the creation of the Turing scheme by the UK Government; regrets, however, that this programme only covers outgoing student mobility, and does not cover the youth and sport sectors³⁶; notes that the Turing scheme, which applies the UK Government's

³⁴ House of Lords – European Affairs Committee, [Corrected oral evidence: The future UK-EU relationship](#), 7 March 2023.

³⁵ Corbett, A. and Hantrais, L., *Higher education and research in the Brexit policy process*, 2023.

³⁶ UK Government, [Turing scheme website](#).

‘value for money’ approach, cannot therefore be seen as an equivalent replacement for Erasmus+; underlines the importance of staff mobility currently not covered by the Turing scheme;

143. Acknowledges that concerns expressed by UK stakeholders about the operation of the Turing scheme in comparison to Erasmus+ include the absence of provisions to support staff mobility, limited funding for non-university exchanges and the need to resubmit funding bids on an annual basis³⁷;
144. Welcomes the new possibility for Erasmus+ mobility grant beneficiaries to dedicate 20 % of the grant funding to outgoing international mobility outside the 33 Erasmus+ programme countries; notes, however, that this share cannot be dedicated entirely to one specific partner country, and manifestly does not replace the missed opportunities resulting from the UK’s withdrawal from the Erasmus+ programme;
145. Welcomes the creation of the Taith programme by the Welsh Government, covering both incoming and outgoing mobility; notes that this programme, like the Turing scheme, does not cover the sport sector, but it does support mobility actions for sports teams;
146. Welcomes the work currently being undertaken by the Scottish Government to create a similar programme, covering both incoming and outgoing mobility; invites the Scottish Government to consider covering, through its programme, the same areas of education and training, youth and sport as Erasmus+;
147. Welcomes the decision of the Irish Government to fund Erasmus+ mobility for students from universities in Northern Ireland, irrespective of their nationality, by enrolling them in Irish universities for the duration of their exchange; takes note of the work currently being undertaken by the Irish Government to develop a similar scheme for VET students;
148. Is concerned about the significant drop in the number of EU students studying at UK universities, which fell by as much as 50 % in the case of first year students between 2020-2021 and 2021-2022, in contrast to student numbers from other regions³⁸; underlines that this situation is clearly linked to the UK’s withdrawal from the Erasmus+ programme, the end of equal treatment rules for tuition fees and scholarships for EU students and the difficulty of obtaining a student visa; notes that European students contributed to diversity across a broad range of subjects, whereas non-EU international students tend to be more concentrated in particular subject areas such as engineering and business; notes that UK universities welcome an increasing number of foreign students, notably from India and China³⁹ ⁴⁰, which contribute to their financial stability;

³⁷ House of Lords – European Affairs Committee, [*The future UK-EU relationship – Fourth Report of Session 3*](#), 29 April 2023.

³⁸ Higher Education Statistics Agency (HESA), [*Chart 6 – First year non-UK domiciled students by domicile 2006/07 to 2021/22*](#), 2023.

³⁹ HESA, [*Where do HE students come from?*](#), 2023.

⁴⁰ [*Report of the Intelligence and Security Committee of the UK Parliament on China*](#).

149. Notes that many UK universities can be considered among the best in the world⁴¹; notes that the end of cooperation projects between these universities and EU universities is detrimental to research and academic excellence in Europe;
150. Notes that 11 UK universities are partners in alliances through the European Universities initiative; regrets that their participation will end when the first-generation alliances expire (at the end of 2024); notes that UK universities are allowed to be part of European Universities alliances, but can no longer be included in the governance structure, which de facto relegates them to the status of second-class partner; encourages their continued partnership through the European Universities initiative;
151. Notes that the numerous partnerships that UK universities had with their EU counterparts through the Erasmus+ programme have to be re-negotiated bilaterally one by one, posing the risk that some smaller universities will be excluded;
152. Reiterates that research cooperation between universities in Europe, especially in the fields of science and innovation, is instrumental in this regard;
153. Highlights that all interested neighbouring and like-minded countries, including the UK, are welcome to seek association with the Erasmus+ programme and thus contribute to European education systems; regrets that the UK is not participating in the initiatives and measures designed to establish a genuine European Education Area by 2025, further denting cooperation;
154. Underlines that the UK continues to participate in the European Higher Education Area ('Bologna process'); urges the UK, the Commission and the Member States to continue their work towards full mutual recognition of academic qualifications;

Culture

155. Regrets the absence of any provisions linked to culture and the cultural and creative sectors in the TCA following the UK's withdrawal from the EU and the end of UK participation in free movement, resulting in administrative obstacles facing touring artists, especially for emerging and independent artists;
156. Encourages new and continuous cooperation between EU and UK artists and other professionals in the cultural and creative sectors and industries; regrets that the number of EU citizens working in the cultural and creative sectors and industries in the UK has dropped since Brexit;

Youth

157. Regrets the absence of any provisions relating to youth, youth exchanges and projects, youth dialogue and volunteering in the TCA; is concerned that almost none of the youth projects previously funded by Erasmus+ and the European Solidarity Corps involving school-age children are now being funded through the UK Government's Turing scheme; notes that school trips and youth mobility are hindered by the new UK entry rules and the need for schools to pay for a visa for every student; calls, therefore, for

⁴¹ The Times Higher Education World University Rankings 2023.

the creation of a youth group travel scheme for young people under 18;

158. Notes that the ‘au pair’ sector has been severely affected by Brexit and the UK’s new immigration rules, as the au pairs from the EU cannot benefit from the Youth Mobility Scheme visa as au pairs from selected countries outside the EU can; highlights that all interested neighbouring and like-minded countries, including the UK, are welcome to seek association with the European Solidarity Corps programme, which fosters volunteering opportunities and collaboration between young people across Europe;

Sport

159. Regrets the absence of any provisions linked to capacity-building of grassroots and professional organisations, partnerships and exchanges in the fields of sports and esports in the TCA, which negatively affects the sport sector in both the EU and the UK; notes that the Turing programme replacing the Erasmus+ programme does not have a part dedicated to sport, creating a gap with regard to sport cooperation projects;
160. Notes that the UK sport sector no longer relies on the Court of Justice ruling in the Bosman case of 15 December 1995⁴², which allowed for the free movement of players and athletes within the EU; notes with concern that this situation, together with the requirement for a work permit to play in the UK, adversely affects the participation of EU athletes in UK teams or professional competitions by potentially limiting their number;

Affected regions

161. Underlines the importance of quantifying the effects, including the social impact, of the TCA at regional level in order to adopt tailored measures for the most impacted regions and their communities and private and public businesses; calls on the Commission to assist the Member States in using the funds under the BAR more effectively and to their full extent to promote and support affected sectors such as the fisheries sector and coastal communities; calls, in particular, for dedicated support for the SMEs that are located in border regions and whose businesses are particularly dependent on the UK market;

Cooperation in foreign and security policy

162. Regrets that, apart from the areas of cybersecurity, counter-terrorism, and weapons of mass destruction, the TCA does not include provisions on cooperation in foreign policy and defence, owing to UK’s unwillingness to negotiate on such provisions; given the active role the UK has played in European security and defence, commends the UK’s contributions to supporting the security and territorial integrity of Ukraine; recalls, however, in the light of the attack on the European security architecture by Russia’s war of aggression against Ukraine, that the signing of a structured framework for cooperation on foreign and security affairs between the EU and the UK would be more effective than the current ad hoc cooperation; highlights the need to intensify the dialogue with the UK on possible avenues for structured and regular dialogue, cooperation and coordination on foreign, security and defence policy, in line with the

⁴² Judgment of the Court of Justice of 15 December 1995 in Case C-415/93, *Union royale belge des sociétés de football association and Others v Bosman and Others*, ECLI:EU:C:1995:463.

provisions of the political declaration of 2021 and including in the framework of the EU-NATO partnership, the United Nations, the Organization for Security and Co-operation in Europe, the Council of Europe, the European Political Community (EPC) and other international forums; underlines the importance of coordinating sanctions regimes; welcomes the discussion on common foreign policy and security in the EU-UK PPA;

163. Welcomes the strong cooperation and coordination between the EU and the UK in response to Russia's illegal war of aggression against Ukraine; calls for the EU and the UK to maintain the strongest possible unity within the international community in condemning Russia's actions and defending the principles of sovereignty and territorial integrity, international law and the rules-based international order within the UN and its charter and other multilateral forums; calls for equally strong cooperation and coordination regarding Ukraine's post-war reconstruction; calls on the authorities of the UK and the EU to work in coordination on the possible use of frozen Russian assets for the reconstruction of Ukraine;
164. Welcomes the good coordination between the EU and the UK on sanctions against Russia; calls for further intensification of the enforcement of sanctions; welcomes the joint missions to third countries by officials from the EU and the UK for the effective implementation of the sanctions;
165. Recognises that there is untapped potential for EU-UK subnational cooperation, in particular in the immediate European neighbourhood, in areas of mutual interest, such as mobility – including of military personnel and assets – the sustainable management of the North Sea, the Channel and the Irish Sea, trade, climate action, education, digitalisation, human and social rights, and security in initiatives for bilateral and multilateral cooperation between EU and UK regions, such as the Straits Committee, possibly through a specific EU interregional cooperation programme, provided that the UK Government financially contributes to this programme and that participating regions are adequately consulted and involved in its development;
166. Calls on the Commission to maximise the potential of the relationship between the EU and the UK in ways that benefit both parties through friendly cooperation on common issues in international forums and with regard to third countries, in particular to achieve the highest level of ambition regarding climate action and to coordinate efforts to advance the ecological transition of all sectors in a just and inclusive way, while strengthening industrial sovereignty and international competitiveness;
167. Calls for the strengthening of cooperation in the field of cybersecurity, owing to its implications for both the EU and the UK on a wide range of areas of mutual interest, particularly in the digital and financial sectors, and information technology, defence, energy and research and development;
168. Welcomes the first two meetings of the EPC in October 2022 and in June 2023 as a platform for discussion, dialogue and cooperation between European partners on the foreign policy and security challenges we are facing, with the aim of strengthening the security of the European continent and pursuing political and security cooperation based on shared interests; welcomes the fact that 44 countries took part in the first meeting in Prague and 45 countries in the second meeting in Chişinău, including key partners such

as the UK;

169. Calls for the stronger involvement of the UK in European security and defence projects; welcomes, in this context, the decision of Permanent Structured Cooperation (PESCO) members and the Council of 14 November 2022 to invite the UK to join the Military Mobility PESCO project, which would improve mutual rapid security and defence assistance; calls on the Member States to sign the administrative agreement on Military Mobility with the UK as soon as possible;
170. Urges the UK to further cooperate with the EU on pressing strategic challenges by ensuring the complementarity and effectiveness of actions; points out that the parallel projects for developing future combat air systems can be an inefficient use of resources and that the 2022 common security and defence policy annual report recommends that the projects should be merged; proposes to launch a meaningful dialogue also on other weapons systems, military technology and related innovations, with a particular focus on ensuring the efficiency of spending and investments, and the technical interoperability of armed forces and weapons systems;
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171. Calls on the Commission to closely monitor whether the TCA is applied correctly, to take corrective actions when necessary and to explore possible avenues for further cooperation in the light of existing and future challenges;
172. Instructs its President to forward this resolution to the Council, the Commission, the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy, the governments and parliaments of the Member States, and the Government and Parliament of the United Kingdom.

EXPLANATORY STATEMENT - SUMMARY OF FACTS AND FINDINGS

Brexit: UK leaves the EU

On 23 June 2016, the United Kingdom held a countrywide referendum on the UK's membership to the EU. Whereas Scotland and Northern Ireland voted to remain in the EU by a majority, Wales and England voted to leave the EU. Following almost a year of internal discussion, Prime Minister Theresa May notified the European Council of the UK's intention to withdraw from the EU on 29 March 2017, thus triggering Article 50 of the Lisbon Treaty.

The Heads of state and government of the 27 EU Member States, along with the Presidents of the European Council and Commission, appointed Michel Barnier as the lead EU negotiator. The European Council adopted guidelines to define the parameters of the negotiation process and included principles, positions and goals from the EU's perspective. Negotiations officially began on 19 June 2017 with a primary focus on establishing clarity on citizens' rights, financial arrangements and maintaining the Good Friday Agreement concerning the border between the Republic of Ireland and Northern Ireland.

In November 2018, the EU and the UK Government agreed on the first draft of the Withdrawal Agreement. The draft, along with a Political Declaration on the future of the relationship between EU and UK, was endorsed by EU leadership at the end of the same month. Unfortunately, momentum was lost as the UK Parliament rejected the draft due to intense internal debate. The UK requested the extension of Article 50 on three occasions to prolong negotiations with the UK Parliament finally passing the bill in January 2020. In parallel, the European Parliament approved the Withdrawal Agreement on 23 January 2020. The UK formally left the EU on 31 January 2020 and the transition period lasted until the end of that year.

Trade and Cooperation Agreement between UK and EU

The implementation of the Withdrawal Agreement was integral to developing the Trade and Cooperation Agreement (TCA) between the EU and the European Atomic Energy Community with the United Kingdom of Great Britain and Northern Ireland. The TCA was signed on 30 December 2020 and it entered into force on 1 January 2021. The TCA provides the basis for comprehensive relations between the parties, which covers a wide variety of areas including energy, fisheries, judicial cooperation in criminal matters, law enforcement, trade, transport and social security coordination. Furthermore, the TCA ensures a level playing field for fair competition and sustainable development, including dispute settlement and governance mechanisms, as well as respect for fundamental rights.

The TCA between the UK and the EU is unique among other TCAs between the EU and third countries as this agreement deals with trade and cooperation with a former EU Member State. In this way, this TCA replaced the existing trade and cooperation, which had been in place while the UK was still a Member State and benefited from the EU Customs Union and the single market.

Despite Brexit, the UK and the EU remain neighbours and continue to share common interests and values on the global stage. Therefore, the slow progress in the negotiations under

the previous UK governments was particularly regrettable. The relationship between the UK and EU has seemingly improved since the end of 2022 culminating in the political agreement on the Windsor Framework.

The link between the Withdrawal Agreement and the Trade and Cooperation Agreement

Most of the challenges over the implementation of both agreements have been linked to the United Kingdom's persistent refusal to uphold its legal obligations under the Withdrawal Agreement. However, in the Windsor Political Declaration of 27 February 2023, both the European Commission and the Government of the United Kingdom expressed their intention to fully exploit in the future the potential of the Trade and Cooperation Agreement.

The Windsor Framework aims to address the implementation challenges associated with the Protocol on Ireland/Northern Ireland. The broad support for the Framework has increased expectations of a positive spillover into other areas of cooperation between the EU and the UK.

Institutional Structure and Role of the European Parliament

The institutional arrangements provided for in the TCA are fully operational since 2022. All joint bodies are up and running, holding regular meetings. The good involvement of civil society is a welcome development.

Concerning bilateral relations between the European Parliament and the Parliament of the UK, the establishment of the EU-UK Parliamentary Partnership Assembly (PPA) has been a successful undertaking in line with the TCA, which promotes cooperation on common challenges. The last meeting of the PPA took place on 3-4 July in Brussels.

During the previous meeting of the PPA in London from 7-8 November 2022, the Assembly agreed its first recommendation to the Partnership Council. The recommendation concerned EU-UK energy cooperation.

Concerning involvement of UK devolved regions in the PPA, two Members of each of the devolved Assemblies are invited to participate as Observers by the UK Parliament. The European Parliament invites the President of the Committee of the Regions and the European Economic and Social Committee.

Following the most recent meeting of the bureau of the PPA, which consists of the Chairs and Vice-Chairs of both the EU and the UK delegation, on 10 March 2023, a statement was released by the bureau welcoming the Windsor Framework and expressed hope, that it can be fully implemented and lead to a new spirit of partnership between the EU and the UK.

Free trade agreement: economic and social partnership

The TCA establishes a new economic and social partnership with the UK, covering not just trade in goods and services, but other areas, such as investment, competition, State aid, tax transparency, air and road transport, energy and sustainability, fisheries, personal data protection, and social security coordination. The TCA is the first FTA ever concluded by the EU providing zero tariffs and zero quotas on all goods that comply with the appropriate rules of origin.

Level playing field provisions are a crucial tenet of the agreement, whereby both parties have committed to maintaining high levels of protection in areas of the environmental protection, the fight against climate change and carbon pricing, social and labour rights, tax transparency and State aid, with effective, domestic enforcement, a binding dispute settlement mechanism and the possibility for both parties to take remedial measures.

The TCA establishes a new framework for the joint management of fish stocks in EU and UK waters.

On transport, the agreement provides for continued and sustainable air, road, rail and maritime connectivity, though market access falls below what the Single Market offers. It contains rules on competition, ensuring level playing field not to undermine passenger rights, worker's rights and transport safety.

For energy, a new model for trading and interconnectivity has been set up, with guarantees for open and fair competition, including on safety standards for offshore, and production of renewable energy.

The TCA aims at ensuring a number of rights of EU citizens and UK nationals in the field of the social security coordination. This applies to citizens working in, travelling or moving to the other party of the TCA after 1 January 2021.

The TCA also provides for the possibility for the UK to participate in certain EU programmes, including Horizon Europe, as an associated country, subject to the adoption of bilateral protocols and financial contributions. Due to pending issues with the implementation of the Withdrawal Agreement, the UK's participation was not finalised in 2022 and until June 2023 the talks are ongoing in relation to UK's share of financing for the participation.

Cooperation on Foreign Policy, Security and Defence

Despite the inclusion of UK-EU cooperation on foreign policy, external security and defence in the Political Declaration accompanying the Withdrawal Agreement, the UK Government refused to negotiation cooperation in this field in the TCA. Since January 2021, no bilateral, institutionalised framework exists, that would establish and coordinate a unified response to foreign policy challenges.

Russia's illegal and unjustified war of aggression against Ukraine has certainly sounded the alarm for a unified European response in support of Ukraine's sovereignty and territorial integrity. The benefits of coordinating between close geographical neighbours with shared democratic values is particularly salient today.

Parliament is open to expanding EU cooperation with the UK to include foreign policy and security issues. This would allow, for example, cooperation in implementing sanctions on third-country nationals and economies.

Parliament recognises the contributions of the UK in bolstering Euro-Atlantic security and commends the UK's support for Ukraine including through military aid and increasing intelligence capabilities. Furthermore, Parliament is pleased with the UK Government's recent decision to apply to join the PESCO project on Military Mobility. Thus, there is a positive trend with the UK collaborating with the EU, yet, there is room for further collaboration on related areas integral to the security and defence of Europe. The 2022 CSDP

annual report points out that the parallel projects for developing future combat air systems are an inefficient use of resources and recommends the merging of the projects and pooling of resources.

On the procedure

The EU-UK Trade and Cooperation Agreement (TCA) is based on Article 217 (Part five: The Union's external action, Title V: International Agreements), in conjunction with Article 218 (Part five: External action by the Union, Title IV: Restrictive measures), of the Treaty on the Functioning of the European Union (TFEU).

The TCA is unprecedented in terms of international agreements, due to its scope and complexity. Article 776 of the TCA puts an obligation for the parties to jointly review the implementation of the Agreement and supplementing agreements as well as any matters related thereto five years after its entry into force; and every five years thereafter.

Parliament therefore has developed a comprehensive, effective and transparent scrutiny process of the TCA, while ensuring a coherent and unified approach. Implementation reports on international agreements must take due account of the availability of reliable facts regarding the state of implementation of the relevant legislation. Effective scrutiny relies on the knowledge and expertise of all involved committees in accordance with their responsibilities and working practices. The monitoring of the TCA's implementation is carried out by the committees in a coordinated and inclusive manner, in full respect of their competences as laid out in Annex VI of the Rules of Procedure.

The report is the first evaluation by the European Parliament of the implementation of the TCA, since its provisional application from 1 January 2021 and entry into force on 1 May 2021. Since the entry into force, the Commission has published two implementation reports of the agreement for the years 2021⁴³ and 2022⁴⁴. The report aims to take stock of the main issues linked to the implementation of the TCA, its satisfactory aspects and areas where implementation work needs to begin, in the case of border control posts and UK customs checks on EU goods, and where work needs to continue, also highlighting elements which require continuous monitoring and scrutiny, including through the civil society and in particular, the domestic advisory group's involvement.

The report has been elaborated in an inclusive manner by involving parliamentary committees in the broadest possible terms and recognising the particular sectoral expertise of each committee. Notably, 10 parliamentary committees have been associated to the procedure under the 'associated' committee status (Rule 57 of the Rules of Procedure, ECON, EMPL, ENVI, ITRE, IMCO, TRAN, AGRI, PECH, CULT and LIBE) and two committees have decided to contribute with a standard opinion under Rule 56 (REGI and BUDG). Given the importance of the subject, opinion-giving committee opinions have been exempted from the limitations in length, as per the EP Bureau decision of 1 July 2019 on the Code of Conduct on Multilingualism.

⁴³ Report from the Commission to the European Parliament and the Council on the implementation and application of the Trade and Cooperation Agreement between the European Union and the United Kingdom of Great Britain and Northern Ireland, 1 January – 31 December 2021, COM(2022) 126 final.

⁴⁴ Report from the Commission to the European Parliament and the Council on the implementation and application of the Trade and Cooperation Agreement between the European Union and the United Kingdom of Great Britain and Northern Ireland 1 January – 31 December 2022, COM(2023) 118 final.

On 25 May 2023 the joint AFET -INTA committee held a public hearing ‘The implementation of the EU-UK Trade and Cooperation Agreement’ with the participation of four experts.

OPINION OF THE COMMITTEE ON ECONOMIC AND MONETARY AFFAIRS

for the Committee on Foreign Affairs and the Committee on International Trade
on the implementation report on the EU-UK Trade and Cooperation Agreement
(2022/2188(INI))

Rapporteur for opinion (*): Frances Fitzgerald

(*) Associated committee – Rule 57 of the Rules of Procedure

SUGGESTIONS

The Committee on Economic and Monetary Affairs calls on the Committee on Foreign Affairs and the Committee on International Trade, as the committees responsible, to incorporate the following suggestions into their motion for a resolution:

- A. whereas the Trade and Cooperation Agreement (TCA) concluded between the EU and the UK establishes preferential arrangements in areas such as trade in goods and in services, intellectual property, digital trade, road transport and aviation, public procurement, energy, social security coordination, law enforcement and judicial cooperation in criminal matters, fisheries, competition, mobility, investment, thematic cooperation and participation in EU programmes, along with a prudential carve-out;
- B. whereas the Withdrawal Agreement and the TCA constitute a common framework for the UK's relationship with the EU; whereas both agreements have been agreed upon and ratified by the EU and the UK and are legally binding treaties under international public law; whereas the TCA is of unprecedented scope and is predicated on the full implementation of the Withdrawal Agreement, now revised by the Windsor Framework;
- C. whereas the TCA is rightly underpinned by provisions that ensure a level playing field and respect for human rights; whereas these provisions are intended to prevent unfair competition and ensure that both the EU and the UK maintain high standards in areas such as labour rights, environmental protection and State aid;
- D. whereas the TCA does not cover any decisions relating to equivalence for financial services, or on the adequacy of the UK data protection regime, free movement of people and services, or the UK's sanitary and phytosanitary regime;
- E. whereas UK service suppliers, including in the area of financial services, no longer benefit from the 'country-of-origin' framework or 'passporting', which enables automatic access to the entire EU single market;
- F. whereas the automatic recognition of professional qualifications, such as for lawyers, accountants and actuaries no longer applies; whereas, instead, the agreement sets out a framework for cooperation between the EU and the UK on the recognition of

professional qualifications, including the establishment of a dialogue to exchange information on recognition procedures and to develop guidelines for assessing qualifications; notes the particular difficulties that this creates on the island of Ireland;

- G. whereas under the TCA, service suppliers or investors from the EU must not be treated any less favourably than UK operators in the UK and vice versa; whereas the non-discrimination principle applies to a wide range of economic activities, including the provision of services, the establishment of businesses and the protection of intellectual property rights;
- H. whereas under the TCA, the possibility of temporary secondments of highly skilled employees and short-term business trips between the EU and the UK is maintained; whereas this allows for the temporary cross-border provision of services by professionals in certain circumstances, such as for short-term projects or consultancy work; whereas professionals will still need to comply with relevant regulations in the country where they are providing services;
- I. whereas UK public procurement markets remain open to EU bidders and vice versa on an equal footing; whereas both parties must ensure that the procurement process is fair, transparent and open to competition; whereas the UK and the EU have also agreed to maintain their existing procurement commitments under the World Trade Organization's Agreement on Government Procurement, which further opens up their public procurement markets to businesses from other countries;
- J. whereas the EU and the UK are currently committed to maintaining regulatory and supervisory cooperation in the field of financial services, and this cooperative approach should underpin long-term EU-UK relations; whereas the Commission will extend its temporary permit allowing EU banks and fund managers to use UK clearing houses; whereas on 17 May 2023 the Commission adopted a draft UK-EU Memorandum of Understanding (MoU) on Financial Services Cooperation, which has been published and endorsed by the Council and has now been signed by the Commission on behalf of the EU;
- K. whereas the MoU makes it clear that the EU and the UK have the shared objective of preserving financial stability, market integrity and investor and consumer protection;
- L. whereas the TCA and the Withdrawal Agreement provide for an enforceable level playing field, including for State aid and social and environmental standards to prevent regulatory arbitrage against the interests of either side;
- M. whereas Article 774(3) of the TCA excludes its application in the territory of Gibraltar; whereas negotiations have been ongoing since 2021 between the UK and the EU with regard to Gibraltar; whereas the Political Agreement of 25 November 2018 between the Commission, the European Council and the Kingdom of Spain establishes the obligation that any decision that affects the territory of Gibraltar must have the prior agreement of the Kingdom of Spain;
- N. whereas under the Northern Ireland Protocol, Northern Ireland remains within the EU's Customs Union and single market for goods, while also being part of a third-country jurisdiction for trade purposes with the rest of the UK; whereas consequently, the Protocol requires Northern Ireland to remain aligned with certain EU rules and

regulations, including those related to customs, goods and State aid; whereas previously threatened actions by the UK to remove the jurisdiction of the Court of Justice of the European Union over the Protocol, for which the Commission commenced infringement proceedings against the UK, would have been in violation of the TCA, particularly with respect to the Northern Ireland Protocol as contained in the Northern Ireland Protocol Bill 2022;

1. Notes that the Subsidy Control Act 2022¹, which establishes a framework for meeting the UK's international commitments on subsidy control, including those arising under the TCA, has received Royal Assent after being passed by the UK Parliament; echoes the Commission's concerns² about stated plans to introduce so-called free ports, which could risk contravening these commitments and could constitute impermissible State aid under the TCA³; calls for the Commission to monitor the situation closely, including with respect to money laundering, tax evasion and criminal activity, and commence further infringement proceedings, if necessary;
2. Stresses that, despite the implementation of the Subsidy Control Act 2022, further work by British authorities is necessary in order to fully meet the subsidy commitments under the TCA, including regulations or measures for specific sectors; notes that the EU Foreign Subsidy Regulation entered into force in July 2023⁴;
3. Notes the limited nature of the TCA in relation to financial services; recognises that this absence is a consequence of the desire of the UK not to discuss other areas of mutual interest as part of the TCA negotiations; welcomes the plans to establish a joint EU-UK Financial Regulatory Forum to facilitate dialogue and cooperation on financial services issues⁵; recalls that this forum would not constitute a formal part of the TCA and should not provide the same level of access or cooperation as a comprehensive financial services agreement;
4. Reiterates that decisions on equivalence are discretionary and do not form part of the TCA; notes also the UK's decisions on equivalence in respect of the EU and also in respect of other non-EU countries such as Switzerland, where mutual recognition status has been agreed; recalls that decisions on equivalence could benefit EU firms in terms of greater access to the UK market, including for banking, payment services, investment services and insurance; notes that the EU has only granted the UK equivalence status in one area – central counterparties – on a time-limited basis, recently extended until 2025; calls for further equivalence decisions to be considered where the outcomes are consistent with EU standards and objectives; notes, in this regard, that the Commission has previously indicated that equivalence assessments for the UK could resume once the MoU has been agreed⁶; notes that as of October 2021, the EU has granted the United States 22 equivalence decisions compared to 1 in the case of the UK⁷; recognises that

¹ Legislation.gov.uk, '[The Subsidy Control Act 2022: Chapter 23](#)', 28 April 2022.

² Minutes of the Trade Partnership Committee meeting of 1st Dec 2022.

³ *The Financial Times*, '[EU to raise concerns over UK's freeports scheme](#)', 30 November 2022.

⁴ Regulation (EU) 2022/2560 of the European Parliament and of the Council on foreign subsidies distorting the internal market (OJ L 330, 23.12.2022, p. 1).

⁵ Reuters, '[EU restarts work on EU-UK regulatory forum after Northern Ireland deal](#)', 8 March 2023.

⁶ <https://www.reuters.com/business/finance/britain-eu-edge-forward-with-financial-services-forum-plan-2021-02-23/>.

⁷ European Affairs Committee of the House of Lords, '[1st Report of Session 2022–23: The UK-EU relationship in financial services](#)', 23 June 2022.

while equivalence assessments are predominantly technical, broader political factors are relevant, and supports the Commission's position that decisions on equivalence should be made when they are in the EU's interests; encourages the Commission to discuss further equivalence decisions in order to provide greater market access benefits to both EU and UK firms;

5. Notes that the British Government's Future Regulatory Framework Review and the subsequently published Financial Services and Markets Bill¹, which proposes to repeal, replace, or amend retained EU law in the area of financial services, as well as to delegate greater responsibility to UK regulators, demonstrates a desire to adopt divergent regulations from the EU in respect of financial services; underlines that excessive regulatory divergences may have a negative impact on financial cooperation between the UK and the EU and could undermine financial flows and the activities of financial entities; welcomes the EU's recent progress on legislation in respect of financial services, even where this may result in regulatory divergence from the UK, including with respect to cryptocurrencies, sustainable finance, taxonomy, listing and anti-money laundering; acknowledges, however, that the UK and the EU may adopt different regulatory approaches in the area of financial services and may not necessarily maintain a harmonised regulatory regime; supports the EU's legislative progress in this area; stresses, however, the benefits of future regulatory cooperation and of engaging in the development and integration of international standards;
6. Notes the ambition of the UK to establish itself as a global centre for digital finance and crypto assets through a number of regulatory and supervisory initiatives; stresses the importance of developing a coordinated approach and enhanced cooperation in the area of crypto regulation and supervision in order to effectively address and mitigate the risks for consumer protection, market integrity and money laundering, as well as their environmental impact, and in order to prevent regulatory arbitrage;
7. Stresses that in certain areas such as capital requirements in the banking sector, internationally agreed standards such as those stemming from the Basel Committee on Banking Supervision remain the regulatory baseline;
8. Notes that the TCA offers the EU an opportunity to develop and strengthen its own financial services infrastructure and expertise in order to promote business competitiveness, investment, economic stability and consumer protection; strongly supports the completion of the capital markets union and the banking union, based on an approach that is outward-looking, innovative and competitive; acknowledges that the City of London remains a global centre for financial services with a global reach that EU business could benefit from accessing²; recognises the importance of a strong financial services sector for both the EU and the UK and supports efforts to enhance the EU's financial services infrastructure and expertise;
9. Calls for the EU to work with international partners, including the UK and other major global financial centres, to promote common norms and standards in the financial services sector, in order to facilitate cross-border trade and ensure the stability of the financial system;

¹ UK Parliament, '[Financial Services and Markets Bill](#)', 11 May 2023.

² Reuters, '[London is top global finance centre but lags in key areas, says study](#)', 27 January 2022.

10. Supports the aims of the Commission's proposed review of the European Market Infrastructure Regulation (EMIR) in respect of improving EU-based capacity and infrastructure in the area of euro clearing; notes that the Union relies heavily on certain third-country Central Counterparty Clearing Houses¹; recognises that the majority of euro clearing taking place outside the EU represents a strategic risk including to financial stability; recognises also that any forced relocation could risk disruption, market fragmentation, retaliatory measures, loss of competitiveness and reduced liquidity; calls on co-legislators to support action in this area in a manner that is effective, proportionate and non-disruptive and aims at strengthening the Union's clearing capacities; advocates for a balanced approach that addresses the strategic risks, including to financial stability of euro clearing outside the EU, while minimising potential disruptions to the market;
11. Recognises that the Union's goal of open strategic autonomy should not become a barrier to the benefits of a globally interconnected financial system; cautions against the potential risks of overly focusing on strategic autonomy in a way that could lead to isolationism or protectionism in the financial sector, including the risk of trade disputes and retaliatory action;
12. Strongly supports continued cooperation between the EU and the UK in areas related to financial, economic and monetary affairs that are of mutual interest, including tackling international money laundering and terrorist financing, countering harmful tax regimes, implementing sanctions, tackling customs fraud, ensuring a level playing field and promoting global financial stability;
13. Recalls that Gibraltar is considered by the Commission² to be a territory that suffers from strategic deficiencies in its anti-money laundering and counter-terrorist financing system, which constitute significant threats to the financial system of the EU; urges the Commission to include provisions in the agreement with the UK on Gibraltar that guarantee anti-money laundering and terrorist financing standards equivalent to those of the EU;
14. Recognises that the close economic links between Ireland and Northern Ireland will continue despite the latter being part of a designated third country; supports an acknowledgement of these economic links, including with respect to the supervision of transactions between both jurisdictions; calls for measures to ensure that such links are not disrupted by any changes in regulatory or legal frameworks, particularly in respect of services provided to consumers and small and medium-sized enterprises, which cannot take advantage of being mobile; emphasises the importance of maintaining and further developing close economic ties and minimising disruption in the aftermath of Brexit, particularly with respect to this relationship;

¹ Commission staff working document of 7 December 2022 entitled 'Impact assessment report accompanying document Proposal for a regulation of the European Parliament and of the Council amending Regulations (EU) No 648/2012, (EU) No 575/2013 and (EU) 2017/1131 as regards measures to mitigate excessive exposures to third-country central counterparties and improve the efficiency of Union clearing markets and Proposal for a directive of the European Parliament and of the Council amending Directives 2009/65/EU, 2013/36/EU and (EU) 2019/2034 as regards the treatment of concentration risk towards central counterparties and the counterparty risk on centrally cleared derivative transactions (SWD(2022)0697).

² Nicaragua, Pakistan and Zimbabwe from that table. <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32023R0410>.

15. Recognises that following the entry into force of the TCA, a number of financial services firms based in London announced intentions to establish a new presence in the EU and relocate some assets to the EU, with estimates suggesting 44 % of the UK's largest financial services firms announcing plans to move some staff or operations¹ though the number of jobs that have relocated out of London thus far is only 7 000 and far below the initial estimates of 75 000²; supports the efforts of the Member States to seek to attract post-Brexit business investment; notes that several EU cities have been the focus of financial service industry investment post-Brexit, including Paris, Frankfurt, Amsterdam, Luxembourg and Dublin; notes that the European Securities and Markets Authority (ESMA) 'Peer review into the NCAs' handling of relocation to the EU in the context of the UK's withdrawal from the EU'³ has identified some shortcomings in relation to how Member States' competent authorities have handled the relocation process; in this context, points to the best practices identified in the peer review report, as well as to ESMA's sector-specific principles on relocations from the UK to the EU-27⁴; welcomes the European Supervisory Authorities' continued monitoring of supervisory practices in assessing the relocation of firms to the EU⁵; stresses the need to continue working to complete the Banking Union and deepen the Capital Markets Union in order to prevent the further concentration of financial hubs and to reap the benefits of efficiencies of scale;
16. Recalls the commitment, in the first Joint Declaration accompanying the TCA, to signing an MoU on financial services regulatory cooperation between the EU and the UK, which would not be a legal document but would provide a basis for regular, structured engagement; notes that this memorandum has been finalised and adopted by the Commission; welcomes the successful signing of bilateral MoUs between EU and UK regulators and supervisors at both EU and Member State level, including between the Financial Conduct Authority and the European Banking Authority and ESMA, a multilateral MoU with EU and European Economic Area National Competent Authorities; and individual MoUs with National Competent Authorities⁶;
17. Welcomes the signing of the MoU on Financial Services Cooperation between the EU and UK by the Commission and HM Treasury, establishing a framework for financial services regulatory cooperation, including a new regulatory forum; welcomes the proposal for the forum to meet at least semi-annually; notes, inter alia, that the forum may discuss any issue relevant to regulatory cooperation in the area of financial services and may include the sharing of information on regulatory developments, exchanges of views on respective policies, rules and processes concerning deference regimes, such as equivalence, and dialogue about the risk analyses and potential economic impacts of

¹ Study – '[Recent trends in UK financial sector regulation and possible implications for the EU, including its approach to equivalence](#)', European Parliament, Directorate-General for Internal Policies, Policy Department for Economic, Scientific and Quality of Life Policies, 8 February 2023.

² EY, '[EY Financial Services Brexit Tracker: Movement within UK financial services sector stabilises five years on from Article 50 trigger](#)', 29 March 2022, London; European Affairs Committee of the House of Lords, '[1st Report of Session 2022–23: The UK-EU relationship in financial services](#)', 23 June 2022.

³ ESMA42-111-7468, *Peer review into the NCAs' handling of relocation to the EU in the context of the UK's withdrawal from the EU* (https://www.esma.europa.eu/sites/default/files/library/esma42-111-7468_brexit_peer_review_report.pdf).

⁴ ESMA71-99-526.

⁵ https://www.esma.europa.eu/sites/default/files/library/esma42-111-7468_brexit_peer_review_report.pdf.

⁶ The Financial Conduct Authority, '[MoUs with European authorities in the areas of securities, investment services and asset management, insurance and pensions, and banking](#)', 4 January 2021.

proposed measures; calls for the participants to begin meetings of the forum as soon as possible;

18. Stresses that this forum must operate in a transparent manner with stakeholder engagement as appropriate; notes that, after several years of turmoil, institutions and investors in the EU and UK need clarity and legal certainty in order to make business decisions and investments;
19. Stresses that the parties to the forum should engage in the spirit of sincere cooperation to ensure that the relationship is constructive and underpinned by the common objectives of safeguarding financial stability and consumer protection;
20. Welcomes the inclusion of exchanges of views on equivalence decisions within the remit of the Forum on Regulatory Cooperation; calls for regular discussion and examination of such issues, particularly with respect to financial and investment services, in the interests of increased trade and cooperation;
21. Calls on the parties to use the forum to identify and address mutual threats to financial stability and consumer protection, to prevent and combat money laundering and terrorist financing, as well as to address new developments and innovations in the markets, in order to promote a consistent approach where possible;
22. Notes the potential of the forum to provide a framework for dispute resolution between both parties in the area of financial services regulation; welcomes this potential and calls for both parties to engage constructively and in good faith;
23. Calls for the Commission to keep Parliament fully informed in relation to the operation of the forum and the MoU;
24. Strongly reiterates the importance of protecting the Good Friday Agreement in its entirety and supporting peace and reconciliation in Northern Ireland; commends the reaching of an agreement on the Windsor Framework¹, which will ensure a flexible but effective implementation of the Northern Ireland Protocol and respect for the Good Friday Agreement, while safeguarding the integrity of the EU's single market, and the fact that the British Government has announced its intention to suspend work on the Northern Ireland Protocol Bill and to allow it to lapse; encourages the British Government to take the specific circumstances of Northern Ireland into account in any new laws or regulations it proposes to introduce;
25. Calls on the Commission, in coordination with the European Central Bank, the European Supervisory Authorities, the European Systemic Risk Board and the Single Resolution Board, to keep Parliament fully informed on the monitoring of the implementation of the TCA and on all relevant market developments in financial services, in order to identify potential market disruptions and threats to financial stability, market integrity and investor protection in a timely manner.

¹ His Majesty's Government, '[The Windsor Framework: A new way forward](#)', February 2023.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

| | |
|---|---|
| Rule 58 – Joint committee procedure Date announced in plenary | 15.12.2022 |
| Date adopted | 18.7.2023 |
| Result of final vote | +: 58 -: 0 0: 1 |
| Members present for the final vote | Rasmus Andresen, Anna-Michelle Asimakopoulou, Marek Belka, Isabel Benjumea Benjumea, Stefan Berger, Gilles Boyer, Engin Eroglu, Markus Ferber, Jonás Fernández, Giuseppe Ferrandino, Claude Gruffat, José Gusmão, Eero Heinäluoma, Michiel Hoogeveen, Danuta Maria Hübner, Othmar Karas, Ondřej Kovařík, Georgios Kyrtos, Aurore Lalucq, Aušra Maldeikienė, Pedro Marques, Costas Mavrides, Siegfried Mureşan, Caroline Nagtegaal, Denis Nesci, Luděk Niedermayer, Dimitrios Papadimoulis, Lídia Pereira, Kira Marie Peter-Hansen, Eva Maria Poptcheva, Antonio Maria Rinaldi, Dorien Rookmaker, Alfred Sant, Joachim Schuster, Pedro Silva Pereira, Paul Tang, Irene Tinagli, Inese Vaidere, Stéphanie Yon-Courtin, Roberts Zile |
| Substitutes present for the final vote | Marc Angel, Herbert Dorfmann, Bas Eickhout, Gianna Gancia, Henrike Hahn, Chris MacManus, Ville Niinistö, Johan Nissinen, Erik Poulsen |
| Substitutes under Rule 209(7) present for the final vote | Paolo Borchia, Marco Campomenosi, Deirdre Clune, Christian Doleschal, Kinga Gál, Ska Keller, Liudas Mažylis, Maria Veronica Rossi, Günther Sidl, Stefania Zambelli |

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

| 58 | + |
|-----------|---|
| ECR | Michiel Hoogeveen, Denis Nesci, Dorien Rookmaker, Roberts Zile |
| ID | Paolo Borchia, Marco Campomenosi, Gianna Gancia, Antonio Maria Rinaldi, Maria Veronica Rossi, Stefania Zambelli |
| NI | Kinga Gál |
| PPE | Anna-Michelle Asimakopoulou, Isabel Benjumea Benjumea, Stefan Berger, Deirdre Clune, Christian Doleschal, Herbert Dorfmann, Markus Ferber, Danuta Maria Hübner, Othmar Karas, Aušra Maldeikienė, Liudas Mažylis, Siegfried Mureşan, Luděk Niedermayer, Lídia Pereira, Inese Vaidere |
| Renew | Gilles Boyer, Engin Eroglu, Giuseppe Ferrandino, Ondřej Kovařík, Georgios Kyrtosos, Caroline Nagtegaal, Eva Maria Poptcheva, Erik Poulsen, Stéphanie Yon-Courtin |
| S&D | Marc Angel, Marek Belka, Jonás Fernández, Eero Heinäluoma, Aurore Lalucq, Pedro Marques, Costas Mavrides, Alfred Sant, Joachim Schuster, Günther Sidl, Pedro Silva Pereira, Paul Tang, Irene Tinagli |
| The Left | José Gusmão, Chris MacManus, Dimitrios Papadimoulis |
| Verts/ALE | Rasmus Andresen, Bas Eickhout, Claude Gruffat, Henrike Hahn, Ska Keller, Ville Niinistö, Kira Marie Peter-Hansen |

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| ECR | Johan Nissinen |

Key to symbols:

+ : in favour

- : against

0 : abstention

OPINION OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS

for the Committee on Foreign Affairs and the Committee on International Trade
on the Implementation report on the EU-UK Trade and Cooperation Agreement
(2022/2188(INI))

Rapporteur for opinion (*): Dragoş Pîslaru

(*) Associated committee – Rule 57 of the Rules of Procedure

SUGGESTIONS

The Committee on Employment and Social Affairs calls on the Committee on Foreign Affairs and the Committee on International Trade, as the committees responsible, to incorporate the following suggestions into their motion for a resolution:

- having regard to 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 part¹,
- having regard to the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community²,
- having regard to the European Commission's report of 24 March 2022 on the implementation and application of the Trade and Cooperation Agreement between the European Union and the United Kingdom of Great Britain and Northern Ireland 1 January – 31 December 2021 (COM(2022)0126),
- having regard to the European Commission's report of 15 March 2023 on the implementation and application of the Trade and Cooperation Agreement between the European Union and the United Kingdom of Great Britain and Northern Ireland 1 January – 31 December 2022 (COM(2023)0118),
- having regard to the European Convention on Human Rights,
- having regard to the European Social Charter,
- having regard to International Labour Organization (ILO) Conventions and Protocols, in particular the ILO's fundamental instruments,

¹ OJ L 149, 30.4.2021, p. 10.

² OJ C 384I, 12.11.2019, p. 1.

- having regard to the joint statement of 24 March 2023 of the UK Foreign Secretary and European Commission Vice-President Šefčovič on the outcome of the tenth meeting of the Withdrawal Agreement Joint Committee and the second meeting of the Trade and Cooperation Agreement Partnership Council meetings,
- A. whereas since 1 January 2021, trade and cooperation between the EU and the UK has been governed by the EU-UK Trade and Cooperation Agreement (TCA); whereas the TCA's institutional framework was completed and became fully operational in 2022;
- B. whereas the TCA provides for social security coordination to protect the social security rights of people moving between the EU and the UK after 1 January 2021; whereas it also provides for a level playing field to ensure fair competition by maintaining high levels of protection in a number of areas, including social and labour rights, with binding enforcement and dispute settlement mechanisms to ensure compliance;
- C. whereas the fundamental rights to organise, collectively bargain and to take collective action are enshrined in international law and inherent to ensuring sustainable development and a level playing field as set out in the TCA;
- D. whereas the TCA contains a chapter on small and medium-sized enterprises (SMEs), recognising the need to ensure an open and secure market for business, including SMEs and seeks to ensure that their needs are taken into account in the implementation process, so that they could take advantage of it;
- 1. Stresses the importance of strong EU and UK civil society involvement, including employers' organisations and trade unions, as well as NGOs, in the implementation of the TCA in accordance with Articles 13 and 14; notes the meetings of the EU Domestic Advisory Group in this regard and welcomes the first meeting of the Civil Society Forum in October 2022; stresses the importance of continuing this dialogue and cooperation;
- 2. Notes with satisfaction that the implementation of the Protocol on Social Security Coordination under the TCA has been unproblematic thus far and that no structural problems were identified in 2021 or 2022; stresses, however, the importance of having a dynamic Protocol, which aligns with the revisions of the Social Security Coordination regulations;
- 3. Notes that in 2021, amendments to the annexes of the Protocol were adopted by the Specialised Committee on Social Security Coordination in order to confirm that Member States continue to allow workers posted to or from the UK to be covered by the sending state's social security legislation under specific conditions; further notes that in 2022, preparatory steps were taken to implement the financial provisions concerning the reimbursement of the cost of sickness benefits in kind provided by a state other than the competent one;
- 4. Welcomes the Specialised Committee on Social Security Coordination's adoption of Decision 1/2023 approving the use of the Electronic Exchange of Social Security Information (EESSI) under the Trade and Cooperation Agreement¹ in the context of

¹ [Provisional Agenda of the Third Specialised Committee on Social Security Coordination](#), London, June 2023.

the Protocol, as well as considering that relevant parts of the Decisions and Recommendations of the Administrative Commission for the Coordination of Social Security Systems should be made applicable in the context of the Protocol by means of a Specialised Committee Recommendation³; reiterates its call on Member States to ensure that the EESSI becomes fully functional as soon as possible and to make use of the opportunities provided by existing EU funds to fully implement the EESSI and further digitalise public administration;

5. Recalls that the TCA requires the economic partnership between the two parties to be underpinned by a level playing field for open and fair competition and that trade and investment should take place in a manner conducive to sustainable development including economic and social development and environmental protection; notes that under Article 355 both parties undertook to maintain and improve their respective standards in the areas covered by Title XI;
6. Expresses concerns regarding recent developments that may undermine the level playing field provisions of the TCA in the labour and social sphere in the UK; strongly regrets in this regard the July 2022 repeal of the prohibition of employment agencies in providing temporary staff to replace workers taking part in industrial action, which undermines the right of workers to take collective action, including the right to strike; calls on the UK Government to take the necessary measures to uphold the level playing field principles outlined in the articles of the TCA;
7. Further highlights some concerning legislative developments in the UK which have been proposed but have not yet been adopted, such as the Retained EU Law (Revocation and Reform) Bill, the Strikes (Minimum Service Levels) Bill and the Data Protection and Digital Information Bill (No. 2) Bill; stresses that these proposals, if adopted, could have serious implications for workers' rights, in particular the fundamental rights of freedom of association and the right to organise, collective bargaining and collective action including the right to strike and undermine the UK's commitments under the TCA; in this regard, welcomes the UK Government's decision not to proceed with the Bill of Rights Bill;
8. Recalls that the protection of workers' rights is essential to maintain a level playing field and sustainable development as set out in, inter alia, Articles 355, 386, 387, 399 and 524 of the TCA; calls on the Commission to closely monitor developments in this regard and to use all available means to address any concerns that the adoption of these proposals could raise for the application of Chapter 6 of Title XI, including through dialogue in the Partnership Council and Specialised Committees, consultation of the EU Domestic Advisory Group and where necessary the dispute settlement mechanisms provided for under Article 389;
9. Notes that in June 2021 the UK Government announced its intention to establish a single enforcement body for employment rights tasked with ensuring centralised supervision of its labour laws¹ in order to improve the coordination and effectiveness of existing bodies and expanding enforcement into new areas; notes, however, that to date no further progress has been made on the proposal; calls on the Commission to continue to closely monitor the enforcement of relevant labour and social standards, as

¹ Department for Business, Energy & Industrial Strategy, UK. Establishing a new single enforcement body for employment rights, 2021.

required by the TCA, and any developments in this regard, and to continue its efforts with the UK Government to ensure full compliance with the TCA;

10. Strongly regrets the UK's discriminatory treatment of workers from five EU Member States in 2021 as regards reduced fees for long-term work visas; further regrets the UK's subsequent renunciation of Article 18(2) of the European Social Charter and consequent removal of work-related visa fee reductions for all EU citizens as of February 2022; calls on the Commission to take all measures necessary in this regard and continue to raise this issue through the Partnership Council and the Specialised Committee on Level Playing Field for Open and Fair Competition and Sustainable Development;
11. Calls for the EU and the UK to explore avenues for further cooperation and exchange of best practices in the areas of employment and social protection; recognises the potential for mutual collaboration to improve the implementation and enforcement of employment policies, ensuring fair competition and growth for companies and workers in both the EU and the UK.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

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| Rule 58 – Joint committee procedure Date announced in plenary | 15.12.2022 |
| Date adopted | 18.7.2023 |
| Result of final vote | +: 34 –: 1 0: 5 |
| Members present for the final vote | Atidzhe Alieva-Veli, Marc Angel, Dominique Bilde, Gabriele Bischoff, Vilija Blinkevičiūtė, Milan Brglez, Sylvie Brunet, Jordi Cañas, David Casa, Ilan De Basso, Jarosław Duda, Cindy Franssen, Chiara Gemma, Elisabetta Gualmini, Agnes Jongerius, Irena Joveva, Katrin Langensiepen, Elena Lizzi, Sara Matthieu, Max Orville, Kira Marie Peter-Hansen, Dragoș Pîslaru, Elżbieta Rafalska, Daniela Rondinelli, Pirkko Ruohonen-Lerner, Mounir Satouri, Romana Tomc, Nikolaj Villumsen, Maria Walsh, Stefania Zambelli, Tomáš Zdechovský |
| Substitutes present for the final vote | Alex Agius Saliba, Carmen Avram, Gheorghe Falcă, Aurore Lalucq, Evelyn Regner |
| Substitutes under Rule 209(7) present for the final vote | Andrey Novakov, Carina Ohlsson, Helmut Scholz, Ralf Seekatz |

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

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| PPE | David Casa, Jarosław Duda, Gheorghe Falcă, Cindy Franssen, Andrey Novakov, Ralf Seekatz, Romana Tomc, Maria Walsh, Tomáš Zdechovský |
| Renew | Atidzhe Alieva-Veli, Sylvie Brunet, Jordi Cañas, Irena Joveva, Max Orville, Dragoș Pîslaru |
| S&D | Alex Agius Saliba, Marc Angel, Carmen Avram, Gabriele Bischoff, Vilija Blinkevičiūtė, Milan Brglez, Ilan De Basso, Elisabetta Gualmini, Agnes Jongerius, Aurore Lalucq, Carina Ohlsson, Evelyn Regner, Daniela Rondinelli |
| The Left | Helmut Scholz, Nikolaj Villumsen |
| Verts/ALE | Katrin Langensiepen, Sara Matthieu, Kira Marie Peter-Hansen, Mounir Satouri |

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| ID | Dominique Bilde |

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| ECR | Chiara Gemma, Elżbieta Rafalska, Pirkko Ruohonen-Lerner |
| ID | Elena Lizzi, Stefania Zambelli |

Key to symbols:

+ : in favour

- : against

0 : abstention

20.7.2023

OPINION OF THE COMMITTEE ON INDUSTRY, RESEARCH AND ENERGY

for the Committee on Foreign Affairs and the Committee on International Trade

on the implementation report on the EU-UK Trade and Cooperation Agreement (2022/2188(INI))

Rapporteur for opinion (*): Dan Nica

(*) Associated committee – Rule 57 of the Rules of Procedure

SUGGESTIONS

The Committee on Industry, Research and Energy calls on the Committee on Foreign Affairs and the Committee on International Trade, as the committees responsible, to incorporate the following suggestions into their motion for a resolution:

Energy

1. Highlights, against the backdrop of Russia's war of aggression against Ukraine and the ongoing energy crisis, the renewed importance of strengthening cooperation on energy between the EU and the UK so that they do not put each other at risk; stresses the importance of maximising mutual benefits to the largest extent possible, in an integrated and interconnected energy system based on common technical and market principles; notes that energy trading between the EU and the UK increased considerably throughout 2022;
2. Calls for a balanced and coordinated approach towards achieving Green Deal and REPowerEU objectives and energy independence for both the EU and UK; calls on both parties to strengthen technological cooperation, skills development and exchange of data in the energy sector; highlights the importance of R&D cooperation, including within the Euratom framework, in the field of critical technologies necessary for the digital and green transition;
3. Welcomes the fact that the UK and the EU have reaffirmed their ambitions for energy efficiency and renewable energy for 2030; welcomes the Memorandum of Understanding on offshore energy cooperation; highlights that cooperation in the development of renewable technologies is important for both the Union and the United Kingdom and calls for the further development of energy technologies in line with climate change objectives; calls for the establishment of an effective framework for trading arrangements for electricity flows and for energy market stability and predictability, so as to prevent price and market manipulations; calls for accelerating the deployment of renewable energies in the North Sea while ensuring good spatial planning;
4. Is concerned about the results of the joint cost-benefit analysis presented by the respective transmission system operators in May 2021, which highlighted a high risk of market manipulation and disruption; recalls that the proposal to revise the Regulation on Wholesale Energy Market Integrity and Transparency (REMIT)¹ contains new provisions regarding market surveillance for generators from third countries and that these would apply to the UK, with a view to increasing market stability and predictability; encourages both parties to step up their efforts to develop trading arrangements for electricity flows between the EU and the UK, as provided for in Article 312 of the Trade and Cooperation Agreement;
5. Recalls that maintaining solid ties between the UK's and the EU's energy markets,

¹ Proposal of 14 March 2023 for a regulation of the European Parliament and of the Council amending Regulations (EU) No 1227/2011 and (EU) 2019/942 to improve the Union's protection against market manipulation in the wholesale energy market (COM(2023)0147).

including by making full use of existing and planned electricity interconnections, is in everyone's own best interest and calls for coordinated EU-UK critical infrastructure development, especially in the energy sector, to enhance its robustness and lower the chances of infrastructure disruptions and energy supply failures;

6. Emphasises the unique situation of the island of Ireland in relation to electricity trade with the United Kingdom and underlines that any disruption to the Single Electricity Market would have negative implications for consumers and businesses on the island of Ireland; calls for the continued application of the EU energy *acquis* in Northern Ireland as it is necessary for ensuring continuity for the Single Electricity Market on the island of Ireland following the UK's withdrawal from the EU;
7. Underlines that existing energy legislation does not directly address any aspects of EU-UK relations and calls for the alignment of policies in this area, in particular on reducing energy demand, promoting energy efficiency and renewable generation capacities, given the clear link between the two sides and the fact that any decisions made affect them both;
8. Believes that common rules for offshore renewable energy and for pipeline infrastructure are essential for facilitating commercial agreements in these areas with the UK, in light of the second edition of the North Sea summit held in Ostend in April 2023 where it was agreed to exploit renewable energy potential in a more coordinated way;
9. Is concerned that no major long-term agreement to trade electricity between the UK and the EU was reached; takes note of the fact that the North Sea is a powerhouse for renewable energy and highlights the renewable energy potential of the UK's shores for the EU;
10. Considers that an agreement on energy cooperation, which should be aligned with the overall agreement on future relations and based on robust governance and a level playing field, would be in the mutual interest of both parties to guarantee continued energy flows, as the current energy provisions of the TCA are due to expire in June 2026, although these can be extended;

Research

11. Deplores the fact that the United Kingdom lost access to EU research programmes as a result of its withdrawal from the EU, and highlights the importance and the mutual benefits of continued cooperation in research and innovation between the EU and the UK;
12. Takes note of the 'transitional arrangements' in place for potential UK participants in Horizon Europe programmes and regrets that grant agreements cannot be signed yet, as they are conditional on UK association; calls on the Commission and the UK to swiftly reach a fair, balanced and mutually beneficial agreement on UK association to Horizon Europe;
13. Welcomes the Windsor Agreement and calls for constructive relations between the UK Government and the Commission to form the basis for effective cooperation and

participation in EU programmes, including potential association to Horizon Europe under the existing rules agreed as part of the EU-UK Trade and Cooperation Agreement;

14. Recalls that Horizon Europe will conclude at the end of 2027 and highlights the crucial importance of avoiding further delays in reaching an agreement on UK association to Horizon Europe, since this would risk the competitiveness and innovation of both the EU's and the UK's scientific community;
15. Underlines that any potential agreement on UK association to Horizon Europe should apply only to the current programme, without prejudice to the UK's participation in future EU research programmes; calls for the full involvement of the European Parliament in the future implementation of the UK's association to Horizon Europe;
16. Stresses that the general principles of the UK's participation in Horizon Europe should be subject to the conditions set out in the relevant instruments and should take into consideration the EU's strategic goals in its cooperation with the UK;
17. Emphasises that a fair balance must be struck between the UK's contributions to Horizon Europe and the benefits it would receive in return and highlights the need to take into account the wider benefits stemming from EU-UK cooperation; welcomes the Commission's forthcoming attitude in the renegotiation of UK contributions and expects the UK to adopt a like-minded, flexible approach;
18. Invites the UK to reconsider its association to the Erasmus+ programme, which would increase its opportunities for student exchange and cooperation projects in the areas of education and training;

Digital

19. Highlights the importance of ensuring sensible competition reforms in the digital sectors, in line with the Digital Market Act and the Digital Service Act, in order to guarantee that they establish open, competitive and fair digital markets worldwide;
20. Notes that there are potential difficulties associated with regulatory divergence between the EU and the UK in relation to digital policies; underlines the need to cooperate in ensuring the resilience of digital communications, especially over internet, and participate in joint actions meant to increase cybersecurity; calls for strengthening cooperation in the field of cybersecurity, given its implications for both the EU and UK on a wide range of areas of mutual interest, especially in the digital and financial sectors, IT, defence, energy and R&D;
21. Reiterates the need to cooperate on promoting transparent and reasonable rates for international roaming services in order to protect EU and UK consumers;
22. Underlines the importance of ensuring high-level data protection standards for the transfer and processing of personal data between the two parties and calls for regular information sharing regarding legal and policy developments between the EU and the UK, through the Specialised Committees and the Partnership Council;

Industry

23. Emphasises the importance of ensuring good cooperation in relation to industrial policy; stresses that the UK should not make use of its privileged market position to obtain direct benefits while undermining the principles of the EU's internal market.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

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| Rule 58 – Joint committee procedure Date announced in plenary | 15.12.2022 |
| Date adopted | 19.7.2023 |
| Result of final vote | +: 65 -: 0 0: 7 |
| Members present for the final vote | Nicola Beer, François-Xavier Bellamy, Hildegard Bentele, Vasile Blaga, Michael Bloss, Paolo Borchia, Cristian-Silviu Buşoi, Jerzy Buzek, Maria da Graça Carvalho, Ignazio Corrao, Beatrice Covassi, Nicola Danti, Marie Dauchy, Pilar del Castillo Vera, Martina Dlabajová, Christian Ehler, Valter Flego, Niels Fuglsang, Jens Geier, Nicolás González Casares, Christophe Grudler, Henrike Hahn, Robert Hajšel, Ivo Hristov, Ivars Ijabs, Romana Jerković, Seán Kelly, Zdzisław Krasnodębski, Andrius Kubilius, Thierry Mariani, Marisa Matias, Marina Measure, Dan Nica, Niklas Nienass, Ville Niinistö, Johan Nissinen, Mauri Pekkarinen, Tsvetelina Penkova, Morten Petersen, Markus Pieper, Manuela Ripa, Robert Roos, Sara Skytvedal, Maria Spyraiki, Grzegorz Tobiszowski, Patrizia Toia, Henna Virkkunen, Pernille Weiss, Carlos Zorrinho |
| Substitutes present for the final vote | Damian Boeselager, Franc Bogovič, Francesca Donato, Matthias Ecke, Ladislav Ilčić, Elena Lizzi, Dace Melbārde, Jutta Paulus, Massimiliano Salini, Jordi Solé, Susana Solís Pérez, Ivan Štefanec, Nils Torvalds, Emma Wiesner |
| Substitutes under Rule 209(7) present for the final vote | Rosanna Conte, Arnaud Danjean, César Luena, Nicola Procaccini, Elżbieta Rafalska, Antonio Maria Rinaldi, Daniela Rondinelli, Nacho Sánchez Amor, Edina Tóth |

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

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| ID | Paolo Borchia, Rosanna Conte, Marie Dauchy, Elena Lizzi, Thierry Mariani, Antonio Maria Rinaldi |
| NI | Francesca Donato, Edina Tóth |
| PPE | François-Xavier Bellamy, Hildegard Bentele, Vasile Blaga, Franc Bogovič, Cristian-Silviu Buşoi, Jerzy Buzek, Maria da Graça Carvalho, Pilar del Castillo Vera, Arnaud Danjean, Christian Ehler, Seán Kelly, Andrius Kubilius, Dace Melbārde, Markus Pieper, Massimiliano Salini, Sara Skyttedal, Maria Spyraiki, Ivan Štefanec, Henna Virkkunen, Pernille Weiss |
| Renew | Nicola Beer, Nicola Danti, Martina Dlabajová, Valter Flego, Christophe Grudler, Ivars Ijabs, Mauri Pekkarinen, Morten Petersen, Susana Solís Pérez, Nils Torvalds, Emma Wiesner |
| S&D | Beatrice Covassi, Matthias Ecke, Niels Fuglsang, Jens Geier, Nicolás González Casares, Robert Hajšel, Ivo Hristov, Romana Jerković, César Luena, Dan Nica, Tsvetelina Penkova, Daniela Rondinelli, Nacho Sánchez Amor, Patrizia Toia, Carlos Zorrinho |
| The Left | Marisa Matias, Marina Mesure |
| Verts/ALE | Michael Bloss, Damian Boeselager, Ignazio Corrao, Henrike Hahn, Niklas Nienass, Ville Niinistö, Jutta Paulus, Manuela Ripa, Jordi Solé |

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| ECR | Ladislav Ilčić, Zdzisław Krasnodębski, Johan Nissinen, Nicola Procaccini, Elżbieta Rafalska, Robert Roos, Grzegorz Tobiszowski |

Key to symbols:

+ : in favour

- : against

0 : abstention

18.7.2023

OPINION OF THE COMMITTEE ON THE INTERNAL MARKET AND CONSUMER PROTECTION

for the Committee on Foreign Affairs and the Committee on International
Trade

on the implementation report on the EU-UK Trade and Cooperation Agreement
(2022/2188(INI))

Rapporteur for opinion (*): Anna Cavazzini

(*) Associated committee – Rule 57 of the Rules of Procedure

SUGGESTIONS

The Committee on the Internal Market and Consumer Protection calls on the Committee on Foreign Affairs and the Committee on International Trade, as the committees responsible, to incorporate the following suggestions into their motion for a resolution:

- A. whereas at the end of the transition period, the UK and the EU established two separate customs territories and two separate markets for goods and services, each with its own regulatory regime;
- B. whereas the economic partnership between the EU and UK should generate mutually beneficial opportunities and ensure legal certainty for businesses, especially small and medium-sized enterprises (SMEs), and protection for consumers; whereas full implementation of the Windsor Framework is of the utmost importance in order to avoid a hard border on the island of Ireland and therefore to protect the all-island economy, safeguard the Good Friday Agreement in all its dimensions, ensure smooth trade and cooperation, as well as safeguard the integrity of the internal market and the customs union; whereas these areas fall under the responsibility of the Committee on the Internal Market and Consumer Protection;
- C. whereas the EU has reacted quickly to implement the Windsor Framework; whereas the UK is now expected to promptly implement its part thereof;
- D. whereas the full implementation of the provisions of the EU-UK Withdrawal Agreement, in particular the Protocol on Ireland and Northern Ireland and the new Windsor Framework, is a precondition for the UK to benefit from the advantages of the EU-UK Trade and Cooperation Agreement (TCA);
- E. whereas the full implementation of the provisions of the EU-UK Withdrawal Agreement in all areas, such as trade in goods and in services, digital trade, intellectual property, public procurement, aviation and road transport, energy, fisheries, social security coordination, law enforcement and judicial cooperation in criminal matters, thematic cooperation and participation in Union programmes, is a precondition for maximising the beneficial impact on both cooperation partners;
- F. whereas the TCA states that the UK and the EU share the objective of achieving a high level of consumer protection and must cooperate to that end;
- G. whereas most collaboration efforts under the TCA have been partially or fully suspended pending a solution for implementing the Withdrawal Agreement, especially with regard to real-time customs data access; whereas areas of cooperation set up in the TCA might receive renewed attention following the finalisation of the Windsor Framework in March 2023;
- H. whereas as a result, there has been little to no cooperation between EU and UK market surveillance and customs authorities on product safety, despite mandatory commitments under the TCA's chapter on technical barriers to trade; whereas UK authorities do not have access to the EU safety gates, nor does the EU have access to the new UK product safety database;

- I. whereas the UK Competition and Markets Authority is no longer part of the EU Consumer Protection Cooperation Network; whereas close cooperation and exchange of information between authorities is vital to ensure proper enforcement of consumer rights and should therefore be encouraged;
- J. whereas EU and UK legislation and therefore also consumer protection provisions will diverge over time, which will impact consumers, notably when it comes to passenger rights; whereas this may lead to a need to reconsider equivalence decisions; whereas the Commission should track divergence between EU and UK laws; whereas access to this divergence tracking would benefit Parliament and other relevant stakeholders by better allowing them to scrutinise the implementation of the TCA;
- K. whereas as of 2021, all exports from the UK to the EU are subject to customs procedures and checks; whereas the UK has delayed EU import checks four times since it left the EU;
- L. whereas two separate customs markets represent more administrative and economic burdens, especially for SMEs, leading to mutually detrimental effects; whereas this outcome is based solely on the UK's autonomous decision to leave the European Union pursuant to Article 50 of the Treaty on European Union;
- M. whereas after a period of uncertainty in 2020 and 2021, neither stakeholders nor the Specialised Committee on Customs and Rules of Origin reported any major customs obstacle to the implementation of the TCA in 2022;
- N. whereas the EU Domestic Advisory Group (DAG) under the EU-UK TCA has met six times and published an issue tracker on the implementation of the TCA; whereas the reinforcement of customs cooperation between the parties has emerged as a very important issue at these meetings;
- O. whereas goods traded between the EU and the UK must comply with the rules of origin established under the TCA if they are to benefit from preferential treatment with 0 % customs duties;
- P. whereas EU national customs authorities have raised concerns both about the correctness of operators' self-declarations of origin and the replies provided by the UK customs authorities concerning origin verifications; whereas the Trade Specialised Committee on Customs Cooperation and Rules of Origin has issued new guidance to support Member States;
- Q. whereas stakeholders have expressed significant concerns over the implementation of the UK conformity assessment; whereas a third extension of the deadline for its introduction was announced in November 2022;
- 1. Welcomes the conclusion of the Windsor Framework; welcomes the fact that this agreement establishes new rules with regard to sharing customs data in order to enable real-time access; takes note of the recommendation of 24 March 2023 on the subject of enforcement and market surveillance; stresses the need for effective mechanisms to ensure compliance with regulatory requirements in order to provide legal certainty for both businesses, especially SMEs, and citizens, enhance consumer protection and

guarantee a level playing field;

2. Stresses that the EU has reacted quickly to implement the Windsor Framework and now expects the UK to promptly implement its part thereof; considers it essential, furthermore, that both parties fully comply with the Withdrawal Agreement, the Protocol thereto and the Windsor Framework in order to facilitate the UK's access to the EU internal market under the TCA while preserving the integrity of the internal market and the customs union and fostering fair competition, as well as to ensure legal certainty for EU companies when trading with the UK;
3. Calls on the Commission to ensure that the EU and the UK cooperate closely on the subject of customs, including by ensuring an effective exchange of information, constructive dialogue and effective methods of cooperation between customs administrations, in addition to an interoperable and coordinated Single Window Environment, and by implementing common standards and data elements aimed at simplifying clearance processes in order to minimise administrative and financial costs for all stakeholders; calls on the Commission, further, to perform regular reviews and evaluations in order to reduce unjustified regulatory and administrative barriers and to ensure that established cooperation mechanisms remain effective and future-proof;
4. Stresses that the Good Friday Agreement, as well as the entire Trade and Cooperation Agreement, must not be jeopardised; underlines the importance of close cooperation between customs authorities from the EU and the UK in order to ensure this;
5. Stresses the importance of Article 96 of the TCA on cooperation on market surveillance and non-food product safety and compliance; calls, therefore, on the Commission to implement it without delay; calls for the development of joint initiatives and projects, as well as for the establishment of dedicated ways of communication and coordination between the EU and the UK, in order to facilitate the exchange of information, best practices and technical expertise in the areas of market surveillance and product safety; stresses the need for regular monitoring, evaluation and reporting of progress made in the cooperation efforts stipulated in Article 96;
6. Calls on the Commission to negotiate and conclude a cooperation agreement to exchange information and best practices related to the effective enforcement of consumer rights and protection with the UK Competition and Markets Authority; stresses that such an agreement would be mutually beneficial;
7. Calls on the Commission to regularly monitor the overall impact of the TCA on the internal market and consumers;
8. Stresses the importance of the parliamentary scrutiny of the TCA's provisions to ensure more transparency and accountability; highlights the positive role of the TCA DAG in facilitating dialogue and cooperation between the EU and the UK and providing expertise, assessments and recommendations during the implementation of the TCA; encourages the establishment of cooperation mechanisms between the European Parliament and the TCA DAG in order to provide opportunities for open dialogue and sharing expertise;
9. Calls on the Commission to track and examine the divergence between EU and UK law

and to provide Parliament and the public with access to the data obtained by publishing annual reports; recognises the importance of such a tracking mechanism for ensuring informed decision-making, enhancing public trust and facilitating a deeper understanding of the post-Brexit context; calls for the establishment of a platform allowing public access to up-to-date information on areas where EU and UK law diverge; calls on the Commission to make full use of remedial and rebalancing measures available under the TCA in order to address identified divergences which may lead to weakening of or reductions to consumer welfare, including the level of protection of consumers, workers and the environment;

10. Takes note that the UK Government has narrowed the scope of the sunset clause in the Retained EU Law (Revocation and Reform) Bill and urges the UK to refrain from introducing provisions in the bill that are in conflict with the TCA or the Withdrawal Agreement.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

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| Rule 58 – Joint committee procedure Date announced in plenary | 15.12.2022 |
| Date adopted | 18.7.2023 |
| Result of final vote | +: 38 -: 0 0: 3 |
| Members present for the final vote | Andrus Ansip, Pablo Arias Echeverría, Alessandra Basso, Brando Benifei, Adam Bielan, Biljana Borzan, Vlad-Marius Botoș, Markus Buchheit, Anna Cavazzini, Deirdre Clune, David Cormand, Alexandra Geese, Sandro Gozi, Maria Grapini, Svenja Hahn, Krzysztof Hetman, Virginie Joron, Eugen Jurzyca, Kateřina Konečná, Maria-Manuel Leitão-Marques, Antonius Manders, Leszek Miller, Anne-Sophie Pelletier, René Repasi, Christel Schaldemose, Andreas Schwab, Tomislav Sokol, Ivan Štefanec, Róza Thun und Hohenstein, Tom Vandenkendelaere, Kim Van Sparrentak, Marion Walsmann |
| Substitutes present for the final vote | Marco Campomenosi, Claude Gruffat, Ivars Ijabs, Karen Melchior, Tsvetelina Penkova, Kosma Złotowski |
| Substitutes under Rule 209(7) present for the final vote | Eric Minardi, Paulo Rangel, Grzegorz Tobiszowski |

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

| 38 | + |
|-----------|---|
| ECR | Adam Bielan, Eugen Jurzyca, Grzegorz Tobiszowski, Kosma Złotowski |
| ID | Alessandra Basso, Marco Campomenosi |
| PPE | Pablo Arias Echeverría, Deirdre Clune, Krzysztof Hetman, Antonius Manders, Paulo Rangel, Andreas Schwab, Tomislav Sokol, Ivan Štefanec, Tom Vandenkendelaere, Marion Walsmann |
| Renew | Andrus Ansip, Vlad-Marius Botoș, Sandro Gozi, Svenja Hahn, Ivars Ijabs, Karen Melchior, Róza Thun und Hohenstein |
| S&D | Brando Benifei, Biljana Borzan, Maria Grapini, Maria-Manuel Leitão-Marques, Leszek Miller, Tsvetelina Penkova, René Repasi, Christel Schaldemose |
| The Left | Kateřina Konečná, Anne-Sophie Pelletier |
| Verts/ALE | Anna Cavazzini, David Cormand, Alexandra Geese, Claude Gruffat, Kim Van Sparrentak |

| 0 | - |
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| 3 | 0 |
|----|---|
| ID | Markus Buchheit, Virginie Joron, Eric Minardi |

Key to symbols:

+ : in favour

- : against

0 : abstention

OPINION OF THE COMMITTEE ON REGIONAL DEVELOPMENT

for the Committee on Foreign Affairs and the Committee on International Trade
on the implementation report on the EU-UK Trade and Cooperation Agreement
(2022/2188(INI))

Rapporteur for opinion: Pascal Arimont

SUGGESTIONS

The Committee on Regional Development calls on the Committee on Foreign Affairs and the Committee on International Trade, as the committees responsible, to incorporate the following suggestions into their motion for a resolution:

- A. whereas the EU-UK Trade and Cooperation Agreement (TCA) establishes preferential arrangements in areas such as trade in goods and services, intellectual property, digital trade, road transport and aviation, public procurement, energy, social security coordination, law enforcement and judicial cooperation in criminal matters, fisheries, competition, mobility, investment, thematic cooperation and participation in Union programmes;
- B. whereas the impact of the UK's withdrawal from the EU varies among EU regions and the impact of the TCA at regional and local level is still unknown;
- C. whereas, despite the TCA, the EU's trade with the UK following the COVID-19 pandemic is recovering slowly compared to trade with other non-EU countries, which may affect economic and social cohesion in certain EU regions;
- D. whereas the UK's withdrawal from the EU has negatively impacted regions and partners involved in Interreg projects, including those concerning cross-border environmental protection and the fight against climate change, and endangers territorial and cross-border cooperation and the existing relationships between the different regions and cities of the EU and the UK as a whole;
- E. whereas the TCA fails to develop the territorial dimension of the relationship between the UK and the EU;
- F. whereas on 27 February 2023, the Commission and the UK Government reached a political agreement on the Windsor Framework, which includes a comprehensive set of common solutions aimed at definitively addressing the practical challenges faced by Northern Ireland's citizens and businesses, and a commitment to preserving the Good Friday Agreement in all its dimensions;
- G. whereas the Windsor Framework covers a wide range of areas, such as customs, agri-food, medicines, State aid, VAT and excise duties;
- 1. Points out that the TCA, despite its lack of a regional dimension, provides a general

framework for the UK's participation in EU programmes; regrets, in particular, the general lack of Interreg programmes with the UK as a non-EU country partner; reiterates its call¹ to explore possibilities for the participation of parts of the UK in EU cohesion policy programmes;

2. Believes that there is untapped potential for EU-UK subnational cooperation in areas of mutual interest, such as immigration, mobility – including of military personnel and assets – the sustainable management of the North Sea, the Channel and the Irish Sea, trade, climate action, education, digitalisation, human and social rights, and security; supports dialogue and strategic cooperation between the EU and the UK on the most urgent common challenges and stresses the need to create synergies and to support initiatives for bilateral and multilateral cooperation between EU and UK regions, such as the Straits Committee, possibly through a specific EU interregional cooperation programme, provided that the UK Government financially contributes to this programme and that participating regions are adequately consulted and involved in its development;
3. Calls for a balanced and coordinated approach towards achieving the European Green Deal objectives and energy independence for both the EU and the UK; highlights the importance of technological cooperation, skills development, the exchange of data in the energy sector and of research and development cooperation in the fields of critical technologies, carbon capture technologies, hydrogen, renewable energy and nuclear energy; believes that common rules for offshore renewable and nuclear energy, carbon capture technologies, gas, hydrogen and pipeline infrastructure are essential in facilitating commercial agreements between the EU and the UK; calls for a coordinated EU-UK approach to the development of critical energy infrastructure in order to enhance its robustness and lower the chances of infrastructure disruptions and energy supply failures, including the development of the offshore grid, given the huge renewable energy potential and the long-standing energy priorities of the EU and the concerned countries;
4. Takes note of the 'transitional arrangements' in place for potential UK participation in Horizon Europe programmes and regrets the fact that grant agreements cannot be signed, as they are conditional on the UK's association to the programmes; calls on the Commission and the UK Government to swiftly reach a fair, balanced and mutually beneficial agreement on UK association to Horizon Europe under an agreed set of financial and intellectual property rights rules;
5. Regrets the UK's non-participation in the Erasmus+ programme and invites the UK to reconsider its association to it, which would increase its opportunities for exchange and cooperation projects in the areas of education and training;
6. Calls for cooperation to be strengthened in the field of cybersecurity, due to its

¹ European Parliament legislative resolution of 28 April 2021 on the draft Council decision on the conclusion, on behalf of the Union, 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, and of the Agreement between the European Union and the United Kingdom of Great Britain and Northern Ireland concerning security procedures for exchanging and protecting classified information, OJ C 506, 15.12.2021, p. 159.

implications for both the EU and the UK on a wide range of areas of mutual interest, especially in the digital and financial sectors, and information technology defence, energy and research and development;

7. Regrets the tensions that have arisen in Northern Ireland stemming from the implementation of the Northern Ireland Protocol and welcomes the fact that an agreement, referred to as the Windsor Framework, has been reached to remedy the implementation issues; hopes that the Windsor Framework will help strengthen relations between the parties by enabling them to fully exploit the potential of the TCA;
8. Welcomes the UK Government's continued commitment to the PEACE programme, which plays a key role for cooperation between Northern Ireland and the border regions of Ireland; notes the fact that the 2021-2027 PEACE PLUS programme was formally adopted by the Commission in July 2022;
9. Underlines the importance of quantifying the effects, including the social impact, of the TCA at regional level in order to adopt tailored measures for the most impacted regions and their communities and private and public businesses; calls, in particular, for dedicated support for the small and medium-sized enterprises that are located in border regions and whose businesses are particularly dependent on the UK market;
10. Points out that, for EU-UK trade relations, particular attention should be paid to the four economic sectors defined by the European Committee of the Regions² that could be most affected by the impact of Brexit, such as vehicles, electrical machinery, wood products and furniture, and agricultural products;
11. Calls for the greater involvement of the devolved territories of Northern Ireland, Scotland and Wales in the EU-UK Parliamentary Partnership Assembly;
12. Asks the Commission to properly involve regional and local authorities and civil society organisations in the process of scrutinising the implementation of the TCA; suggests that the EU and the UK create a cooperation body for local and regional authorities within the framework of the TCA to foster communication and collaboration.

² European Committee of the Regions study entitled '[New trade and economic relations between EU-UK: the impact on regions and cities](#)', 2022.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

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|---|--|
| Rule 58 – Joint committee procedure Date announced in plenary | 15.12.2022 |
| Date adopted | 19.7.2023 |
| Result of final vote | +: 33 -: 0 0: 1 |
| Members present for the final vote | François Alfonsi, Adrian-Dragoş Benea, Isabel Benjumea Benjumea, Franc Bogovič, Vlad-Marius Botoş, Corina Creţu, Rosa D'Amato, Christian Doleschal, Matthias Ecke, Mircea-Gheorghe Hava, Krzysztof Hetman, Peter Jahr, Cristina Maestre Martín De Almagro, Nora Mebarek, Martina Michels, Alin Mituţa, Dan-Ştefan Motreanu, Niklas Nienass, Andrey Novakov, Younous Omarjee, Alessandro Panza, Caroline Roose, Marcos Ros Sempere, André Rougé, Susana Solís Pérez, Irène Tolleret |
| Substitutes present for the final vote | Karolin Braunsberger-Reinhold, Carlos Coelho, Rosanna Conte, Herbert Dorfmann, Sandro Gozi, Ana Miranda, Yana Toom, Stefania Zambelli |

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

| 33 | + |
|-----------|---|
| ID | Rosanna Conte, Alessandro Panza, Stefania Zambelli |
| PPE | Isabel Benjumea Benjumea, Franc Bogovič, Karolin Braunsberger-Reinhold, Carlos Coelho, Christian Doleschal, Herbert Dorfmann, Mircea-Gheorghe Hava, Krzysztof Hetman, Peter Jahr, Dan-Ștefan Motreanu, Andrey Novakov |
| Renew | Vlad-Marius Botoș, Sandro Gozi, Alin Mituța, Susana Solís Pérez, Irène Tolleret, Yana Toom |
| S&D | Adrian-Dragoș Benea, Corina Crețu, Matthias Ecke, Cristina Maestre Martín De Almagro, Nora Mebarek, Marcos Ros Sempere |
| The Left | Martina Michels, Younous Omarjee |
| Verts/ALE | François Alfonsi, Rosa D'Amato, Ana Miranda, Niklas Nienass, Caroline Roose |

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| 1 | 0 |
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| ID | André Rougé |

Key to symbols:

+ : in favour

- : against

0 : abstention

OPINION OF THE COMMITTEE ON AGRICULTURE AND RURAL DEVELOPMENT

for the Committee on Foreign Affairs and the Committee on International Trade
on the implementation report on the EU-UK Trade and Cooperation Agreement
(2022/2188(INI))

Rapporteur for opinion (*): Martin Hlaváček

(*) Associated committee – Rule 57 of the Rules of Procedure

SUGGESTIONS

The Committee on Agriculture and Rural Development calls on the Committee on Foreign Affairs and the Committee on International Trade, as the committees responsible to incorporate the following suggestions into their motion for a resolution:

- A. whereas the UK's withdrawal from the EU (Brexit) has created non-tariff barriers that lead to delays and additional costs on both sides; whereas despite this, in the short term, EU-UK exports and imports have recovered to pre-pandemic levels; whereas the long-term outlook shows, however, that trade stagnated in the period 2016-2022; whereas this contrasts sharply with the situation between the EU and its other trading partners;
- B. whereas the UK Government's decision to pursue a hard Brexit upon its withdrawal from the EU has inevitably led to the disruptive disintegration of economic and trade ties and the divergence of regulatory regimes for farmers, agri-food producers, citizens and non-EU trading partners;
- C. whereas the EU's total trade with its international partners excluding the United Kingdom increased by 70 % when compared to the first three quarters of 2016, and almost 40 % when compared to the first three quarters of 2019; whereas the increase was significantly lower in the case of trade with the United Kingdom: only 10 % when compared to the first three quarters of 2016 and just 6 % when compared to the same period in 2019;
- D. whereas the full implementation of the provisions of the EU-UK Withdrawal Agreement, in particular the Protocol on Ireland and Northern Ireland and the new Windsor Framework, is a precondition for the UK's ability to benefit from the advantages of the EU-UK Trade and Cooperation Agreement;
- E. whereas it is necessary to preserve a level playing field and legal certainty for farmers, agri-food producers, workers and citizens;

1. Points out that due to Brexit, trade routes to and from the UK have had to be changed significantly, with the EU-UK land routes, which were historically the most convenient and cost-effective trade route, now burdened by non-tariff barriers;
2. Highlights that direct maritime transport routes between the EU and the UK have increased in frequency and demand as a result and that some suppliers rely on direct flight connections, avoiding the complexities of road travel; underlines that the administrative burden stemming from the land route connections has now turned these direct routes into the more convenient options; recognises the significant diversification of the agricultural trade from the UK to EU countries and the importance of ferry services in enabling that trade; calls for greater investment in these direct sea routes, which are critical for the agricultural sector;
3. Stresses that the increase in paperwork and the associated administration costs alone have prevented some companies from continuing their EU-UK trade, while others have had to incur steep costs and adapt;
4. Notes with concern that the Trade and Cooperation Agreement has not sufficiently eased Brexit-related difficulties with to employing seasonal workers; stresses the significant negative impacts that this scarcity has on the agricultural sector, for example when harvesting crops;
5. Notes with concern that EU Member States are sometimes incoherent or inconsistent in their application of the rules regarding the movement of UK-produced ingredients that are required by EU manufacturers;
6. Welcomes the Windsor Framework agreement, especially its provisions on sanitary and phytosanitary measures, as it will facilitate the trade connection between the UK mainland and Northern Ireland and will help solve the issues with the Protocol on Ireland and Northern Ireland; recalls, however, that the Windsor Framework does not provide companies with any alternative options to the current EU-UK trading arrangements;
7. Stresses that UK requirements for unnecessary guarantees in relation to certain animal diseases are not in line with the standards of the World Organisation for Animal Health; regrets the fact that the UK is not respecting the obligation to align its certification requirements with international standards;
8. Notes that several provisions of the Trade and Cooperation Agreement, notably its provisions on sanitary and phytosanitary measures, have not yet been implemented; stresses the need to recognise that there will be further distortions to trade once these provisions are fully implemented;
9. Welcomes the fact that seed potatoes have been included in the Windsor Framework; points out, however, that no alternative solution has yet been provided for seed potatoes being imported from the UK to the EU, as well as for seed potatoes exported from the EU to the UK, and that the UK has questioned the EU on its import rules for non-EU countries, to which it is now subject; points out that the seed potatoes industry is tailored to specific agronomic conditions, and that pragmatic solutions are therefore needed to maintain the supply and trade of seed potatoes to both sides;

10. Highlights the need to recognise the unique status of products of mixed origin from Ireland and Northern Ireland in future trade agreements to which the EU or the UK are party;
11. Regrets the impact on EU-UK trade relations stemming from the fact that limited progress has been made in encouraging the UK to accept EU digital sanitary and phytosanitary certificates and that technical discussions on certificates have, to date, not produced viable results; notes with concern the financial and administrative burden imposed by the current manual system; urges the UK Government to expedite the transition to a digital system;
12. Highlights that the full implementation of border checks under the UK Border Target Operating Model will bring about additional costs and inflexibilities for EU exporters and will lead to further disruptions in the value chain, especially for perishable products, and that effective digital solutions are urgently needed; sees as a positive sign in this regard the fact that the UK is taking a similar approach to the EU on risk categories and the use of data and digitalisation to streamline the process;
13. Underlines that, although interim arrangements offered by the EU allowed temporary improvements to the situation, structural solutions are needed for the UK to accept EU paperless certificates;
14. Concludes that overall, Brexit has had a negative impact on trade flows between the EU and the UK; emphasises that it is in the interest of both the UK and the EU to continue the process of alignment and work together on solutions for agri-food trade;
15. Recognises the need to continue the ongoing progress towards ensuring the availability of veterinary medicines in Northern Ireland in order to maintain animal welfare and food security;
16. Underlines that regulatory divergences will grow, either in the context of strengthening EU standards, changing UK rules, or the full withdrawal of all remaining EU rules in the UK; stresses that these divergences will pertain most importantly to new genomic techniques, novel foods, food safety, labelling and animal welfare; recognises that this misalignment may even force businesses to sell different products in the UK and the EU; highlights also that the UK being outside the EU Rapid Alert System for Food and Feed (RASFF) will potentially lead to longer response times to food safety incidents;
17. Acknowledges the UK's introduction of the Genetic Technology (Precision Breeding) Bill in May 2022, establishing new rules for the release and marketing of 'precision bred organisms' in England;
18. Calls for the EU to speed up the adoption of legislation on the use of new breeding techniques in order to ensure a level playing field for EU farmers, while sustainably increasing yields and making crops more resilient to climate change and new pathogens, particularly in view of harmful organisms, floods, droughts, water shortages and other extreme weather conditions that are afflicting an increasing number of Member States;
19. Points out that future changes to labelling regulations in the EU will be particularly challenging for companies using the same packaging in both the EU and UK markets;

20. Highlights further that increasing regulatory divergences may present a competitive threat to EU food exports to the UK, also in the light of future trade agreements concluded between the UK and other countries, which will increase the competitors' share of the UK market;
21. Highlights the need for greater monitoring of regulatory divergence in order to be aware of and help minimise the impact of this regulatory divergence on business and to provide certainty for long-term planning;
22. Stresses that in order for future EU-UK trade relations to flourish, a comprehensive framework must be established to allow for maximum alignment in the field of agri-food exports and imports; stresses, in this regard, the importance of the Trade Specialised Committees, where information and expertise can be pooled; stresses that information exchange and consultation between stakeholders, industry and government authorities can prevent last minute regulatory changes affecting border controls;
23. Stresses the need to develop and utilise a framework for regular engagement to ensure that both the EU and the UK are aware of upcoming legislative work programmes and any related potential future legislative divergence before their implementation; notes that the EU-UK Parliamentary Partnership Assembly could facilitate this;
24. Urges the EU-UK Trade Specialised Committee on Sanitary and Phytosanitary measures to continue its work swiftly to develop a digital certificate that provides a compatible and effective solution that respects high shared safety standards, especially in the light of the upcoming launch of the UK Border Target Operating Model;
25. Urges the EU-UK Trade Specialised Committee on Sanitary and Phytosanitary measures to bring the RASFF and the UK food safety alert system into a close working relationship with the aim of delivering comprehensive protection in the EU, the UK and beyond;
26. Calls on the Commission to ensure that rules on UK ingredients required by EU manufacturers are applied coherently across EU Member States;
27. Calls on the Commission to prepare a table comparing tariff rate quotas, customs duties and non-tariff barriers for different product categories for EU-UK trade and EU trade with other partners;
28. Calls on the Commission to assess the level of protection of EU geographical indications in the UK under the Withdrawal Agreement and to launch discussions with the UK on new provisions pertaining to the protection of EU geographical indications registered from January 2021;
29. Calls on the Commission to keep Parliament fully and promptly informed about all difficulties that may arise, in particular possible breaches of the agreements that might jeopardise the level playing field and fair competition for the EU's farmers, agri-food producers and workers;
30. Calls on the Commission to develop a strategy for the future of EU-UK agri-food trade, especially in view of upcoming free trade agreements that the UK plans to conclude

with its other trading partners; invites the Commission to provide regular updates to the Committee on Agriculture and Rural Development about the current state of play of the EU-UK agri-food trade;

31. Underlines the long-term impacts of Brexit, which will continue to materialise for years to come; stresses the need to keep the EU's relationship with the UK as a high political priority now and in the medium-term future.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

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| Rule 58 – Joint committee procedure Date announced in plenary | 15.12.2022 |
| Date adopted | 28.6.2023 |
| Result of final vote | +: 38 -: 6 0: 0 |
| Members present for the final vote | Mazaly Aguilar, Clara Aguilera, Atidzhe Alieva-Veli, Attila Arakovács, Carmen Avram, Adrian-Dragoş Benea, Benoît Biteau, Daniel Buda, Isabel Carvalhais, Asger Christensen, Dacian Cioleş, Ivan David, Paolo De Castro, Jérémy Decerle, Salvatore De Meo, Herbert Dorfmann, Luke Ming Flanagan, Paola Ghidoni, Martin Häusling, Martin Hlaváček, Krzysztof Jurgiel, Jarosław Kalinowski, Camilla Laureti, Gilles Lebreton, Norbert Lins, Elena Lizzi, Colm Markey, Marlene Mortler, Ulrike Müller, Maria Noichl, Eugenia Rodríguez Palop, Daniela Rondinelli, Bronis Ropé, Bert-Jan Ruissen, Anne Sander, Petri Sarvamaa, Simone Schmiedtbauer, Veronika Vrecionová, Juan Ignacio Zoido Álvarez |
| Substitutes present for the final vote | Asim Ademov, Rosanna Conte, Pär Holmgren, Jan Huitema, Tom Vandenkendelaere |

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

| 38 | + |
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| ECR | Mazaly Aguilar, Krzysztof Jurgiel, Bert-Jan Ruissen, Veronika Vrecionová |
| ID | Rosanna Conte, Paola Ghidoni, Gilles Lebreton, Elena Lizzi |
| PPE | Asim Ademov, Daniel Buda, Salvatore De Meo, Herbert Dorfmann, Jarosław Kalinowski, Norbert Lins, Colm Markey, Marlene Mortler, Anne Sander, Petri Sarvamaa, Simone Schmiedtbauer, Tom Vandenkendelaere, Juan Ignacio Zoido Álvarez |
| Renew | Atidzhe Alieva-Veli, Asger Christensen, Dacian Cioloș, Jérémy Decerle, Martin Hlaváček, Jan Huitema, Ulrike Müller |
| S&D | Clara Aguilera, Attila Ara-Kovács, Carmen Avram, Adrian-Dragoș Benea, Isabel Carvalhais, Paolo De Castro, Camilla Laureti, Daniela Rondinelli |
| The Left | Luke Ming Flanagan, Eugenia Rodríguez Palop |

| 6 | - |
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| ID | Ivan David |
| S&D | Maria Noichl |
| Verts/ALE | Benoît Biteau, Martin Häusling, Pär Holmgren, Bronis Ropé |

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Key to symbols:

+ : in favour

- : against

0 : abstention

OPINION OF THE COMMITTEE ON FISHERIES

for the Committee on Foreign Affairs and the Committee on International Trade
on the implementation report on the EU-UK Trade and Cooperation Agreement
(2022/2188(INI))

Rapporteur for opinion (*): João Albuquerque

(*) Associated committee – Rule 57 of the Rules of Procedure

SUGGESTIONS

The Committee on Fisheries calls on the Committee on Foreign Affairs and the Committee on International Trade, as the committees responsible to incorporate the following suggestions into their motion for a resolution:

- A. whereas the common fisheries policy¹ (CFP) requires the EU to promote and ensure the policy's objectives and principles in any fishing activity regardless of geographical area so as to provide a level playing field for EU and non-EU stakeholders; whereas the CFP also requires the EU to cooperate internationally on the basis of the best available scientific knowledge and to fight illegal, unreported and unregulated (IUU) fishing;
- B. whereas Heading Five (Fisheries) of Part Two of the EU-UK Trade and Cooperation Agreement² (TCA) recognises the importance of conserving and sustainably managing marine biological resources and ecosystems on the basis of the best available scientific advice, as well as the importance of promoting responsible and sustainable fishing and aquaculture activities, good fisheries governance and the role of trade in achieving these objectives;
- C. whereas the UK's withdrawal from the EU has had a severe impact on the EU fisheries fleet, resulting in the loss of quota, the decommissioning of vessels, and the disruption of long-established commercial enterprises and trade;
- D. whereas the Brexit Adjustment Reserve³ (BAR) was established to provide support in countering the adverse consequences that Member States, regions and sectors have experienced as a result of the withdrawal of the United Kingdom from the EU and thus to mitigate the related negative impacts on economic, social and territorial cohesion;

¹ [Regulation \(EU\) No 1380/2013 of the European Parliament and of the Council of 11 December 2013 on the Common Fisheries Policy, amending Council Regulations \(EC\) No 1954/2003 and \(EC\) No 1224/2009 and repealing Council Regulations \(EC\) No 2371/2002 and \(EC\) No 639/2004 and Council Decision 2004/585/EC \(OJ L 354, 28.12.2013, p. 22\).](#)

² [Trade and Cooperation Agreement between the European Union and the United Kingdom of Great Britain and Northern Ireland \(OJ L 149, 30.4.2021, p. 10\).](#)

³ [Regulation \(EU\) 2021/1755 of the European Parliament and of the Council of 6 October 2021 establishing the Brexit Adjustment Reserve \(OJ L 357, 8.10.2021, p. 1\).](#)

whereas the shift in quota shares from the EU to the United Kingdom over the transition period agreed in the TCA will have major negative economic consequences for EU fishers;

- E. whereas the Specialised Committee on Fisheries will prepare multiannual conservation and management strategies to serve as a basis for setting total allowable catches and other management measures, including for non-quota stocks, and for defining scientific data collection for fisheries management purposes as well as for sharing this data with scientific bodies so that they can provide the best possible scientific advice;
 - F. whereas the Protocol on access to waters, appended to the TCA as Annex 38, provides for an ‘adjustment period’ from 1 January 2021 to 30 June 2026, during which each party will grant the other party’s vessels full access to its waters to fish for the species listed therein; whereas after this date, reciprocal access to waters and fisheries resources will be the subject of annual negotiations between the EU and the UK; underscores the need for clarity on the post-transition period in order to maintain investment in the sector;
 - G. whereas the energy-related provisions of the TCA are also applicable until 30 June 2026; whereas however, the Association Council may extend them until 31 March 2027 and annually thereafter;
 - H. whereas the TCA gradually reduces the share of fishing opportunities for the EU fleet in UK waters by 25 % by 2026, a reduction that will affect all segments of the EU fleet, in particular small-scale fishing;
1. Points out that the full impact of Brexit is not yet fully known, not least because the full implementation of the TCA in relation to fisheries is still ongoing and will only be completed after the transition period ends on 30 June 2026; highlights the importance of a faithful implementation of the TCA, considering that issues are still emerging; agrees with the Commission’s implementation report that ‘certain challenges remain’, such as the implementation of the electricity trading arrangements and the full and correct implementation of the provisions on fisheries;
 2. Calls on the Commission to take all the necessary measures to ensure that reciprocal access to waters and fisheries resources is maintained after 30 June 2026 and that there are no further quota reductions for EU fishers; calls for the exchange of fishing quotas between the parties to be streamlined and manageable for the sector; urges the Commission to keep all negotiation channels with the UK open in order to find stable, lasting solutions that are beneficial to both parties, to provide stable and predictable conditions for fishers and the fishing sector as a whole and to cover the time period beyond 2026; recalls the coinciding validity periods of the TCA’s provisions on energy and on reciprocal access to waters and fisheries resources and notes the implicit link between these two sectoral domains in the TCA;
 3. Notes the unique situation of Ireland owing to its border with Northern Ireland, the ‘voisinage’ agreement for reciprocal access to the 0-6 nautical mile zone and its historical dependence on reciprocal access to UK waters;
 4. Expresses its deep concern at the uncertainty created by the review clause (Article 510)

under Heading Five (Fisheries) of Part Two of the TCA, which will be applied four years after the end of the adjustment period; calls on the Commission to swiftly, steadfastly and transparently engage in negotiations on a multiannual post-2026 agreement, while ensuring stability, economic viability and predictability for the sector; highlights that this agreement must be linked to the overall review of the TCA and must not allow further losses in shared quotas for the EU; stresses, in this regard, the importance of keeping all aspects of the TCA interlinked, in particular of linking access to the single market for the UK to the TCA's fisheries provisions;

5. Reiterates that reciprocal, continued access to waters and fisheries resources must be considered as a key part of relations between the EU and the UK and must, therefore, be dealt with in conjunction with the numerous issues relating to trade and access to the single market; reminds the Commission that it is essential to ensure that, as of 2026, the TCA is applied in a stable and sustainable manner following the transition period;
6. Recalls that, should the UK decide to limit the access of EU fishing vessels to British waters at the end of the adjustment period, the EU would be able to take measures to protect its interests; recalls that, in accordance with the TCA itself, these measures include the re-establishment of tariffs or quotas on the UK's fish imports and the suspension of other parts of the TCA should there be a risk of serious economic or social difficulties for the EU's fishing communities; stresses that, in this regard, the EU should consider linking other specific parts of the TCA, such as the UK's access to the European electricity market, as well as other relevant sectors under the TCA, with the EU's access to British waters and fisheries resources;
7. Stresses that, in order to ensure that the TCA is fully implemented, all relevant legal instruments should be employed and leveraged, including those related to market access, as well as all countervailing and response measures and dispute settlement mechanisms provided for by the TCA;
8. Calls on the Commission to assist the Member States in using the funds under the BAR more quickly and to their full extent to promote and support the fisheries sector and the coastal communities affected and to compensate for the losses suffered by all fleets, including small-scale ones; regrets that the BAR is not being used to help the wholesale and processing sectors, which have been badly affected by this crisis;
9. Calls on the UK to refrain from adopting any discriminatory unilateral technical measures; reiterates that the TCA provides that technical measures should be proportionate, should be based on the best scientific advice, should apply equally to vessels from both parties and must be notified in advance; stresses the role of the Specialised Committee on Fisheries in seeking a common approach on technical measures and in discussing any measures for which one party may give notice to the other; recalls that the TCA obliges each party to precisely justify the non-discriminatory nature of any measures in this area and recalls the need to ensure long-term environmental sustainability, on the basis of scientifically verifiable data; reiterates that it is highly desirable for the UK to stick as closely as possible to EU rules; stresses that there should be more coordination with the EU on this and that there should be proper procedures for notification and participation; calls on the Commission to be particularly vigilant about whether these conditions are complied with and to strongly respond if the

UK acts in a discriminatory manner;

10. Highlights, in particular, that the designation of marine protected areas must be non-discriminatory, based on science and proportionate; emphasises that marine protected areas should be established with well-defined conservation objectives and should not be used as a tool to restrict foreign access to waters; regrets, in this regard, the unilateral approach that the UK has taken in relation to designating areas with restrictions for fisheries around the Dogger Bank and the fact that the UK is planning to use these areas for other economic activities;
11. Opposes all decisions taken unilaterally that establish fishing opportunities that contravene international law or go against the best scientific advice available and thus call into question the credibility of international agreements and undermine the sustainability of the exploitation of shared resources; urges the Commission to take any necessary and proportionate measures to resolve disputes with concerned international partners and to assure compliance with international obligations;
12. Recalls that Brexit changed the relations among countries in the north Atlantic; believes that Brexit should not be used to manipulate the distribution of quotas in the Northern Agreements; insists that the historical distribution of fishing opportunities, always set based on the best available scientific data and advice, should be respected; calls on the Commission to find stable and long-term fishing management arrangements with its counterparts in the north-east Atlantic;
13. Expresses concern about the licensing of EU vessels; notes that vessels under 12 metres were among those most severely harmed by delays in granting fishing licences or by declined licences, owing to the fact that many of them were not equipped with vessel monitoring systems during the entire reference period; regrets that the TCA did not take into account the rules in place on vessel monitoring systems under EU regulations that also bound the UK before Brexit; urges the Commission to continue its efforts to come to an agreement on the unresolved licensing issues, including the level of access for licensed fishing vessels in the waters of the UK and the Crown Dependencies, and to develop a future licensing system jointly with the UK that works in practice;
14. Notes that the issues regarding the licensing of EU vessels have a large impact on small-scale fishers, especially those from the north of France and Normandy, as these vessels are not able to change their fishing areas;
15. Urges the parties to the TCA to strengthen their efforts to promote sustainable fishing and good fisheries governance internationally, by promoting the establishment of regional fisheries management organisations; urges the Commission, in particular, to cooperate with the British authorities and the other parties involved on establishing a regional fisheries management organisation in the southern Atlantic;
16. Expresses its concern about the impact of the displacement of fishing effort following the implementation of the TCA, especially in the Channel; calls for the Commission to propose a regional management plan for the Channel and the North Sea to mitigate this impact and to avoid overfishing;
17. Urges the Commission and the Council to ensure that all decisions taken under the TCA

respect the prerogatives of the different institutions and follow the appropriate legislative processes, particularly decisions involving technical measures;

18. Welcomes the fact that both the EU and the UK are members of the IUU Fishing Action Alliance, established in June 2022 to foster ambition and action in the fight against IUU fishing at international level;
19. Recalls that the TCA allows its parties to consult with civil society; calls therefore for representatives of the fisheries sector, regional authorities, coastal communities and other stakeholders to be actively involved in the monitoring and implementation of the TCA; urges the Commission, to that effect, to promote the establishment of a domestic internal fisheries advisory group, without prejudice to the existing advisory councils;
20. Reiterate its call for the Commission to embrace its role as the EU's representative in dealings with non-EU countries, so that it can propose enhanced participatory management models and co-management in cross-border situations with non-EU countries;
21. Emphasises the need to ensure that the work of the Specialised Committee on Fisheries is transparent and that Parliament is regularly updated about this work and the decisions taken; demands, as previously requested by this Parliament⁴, that technical representatives from its Committee on Fisheries be invited to take part in the meetings of the Specialised Committee on Fisheries as observers.

⁴ [European Parliament resolution of 5 April 2022 on the future of fisheries in the Channel, North Sea, Irish Sea and Atlantic Ocean in the light of the UK's withdrawal from the EU \(OJ C 434, 15.11.2022, p. 2\).](#)

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

| | |
|---|--|
| Rule 58 – Joint committee procedure Date announced in plenary | 15.12.2022 |
| Date adopted | 27.6.2023 |
| Result of final vote | +: 25 -: 0 0: 1 |
| Members present for the final vote | Clara Aguilera, João Albuquerque, Izaskun Bilbao Barandica, Isabel Carvalhais, Maria da Graça Carvalho, Asger Christensen, Rosanna Conte, Francisco Guerreiro, Niclas Herbst, France Jamet, Pierre Karleskind, Predrag Fred Matić, Francisco José Millán Mon, João Pimenta Lopes, Caroline Roose, Bert-Jan Ruissen, Annie Schreijer-Pierik, Marc Tarabella, Peter van Dalen, Theodoros Zagorakis |
| Substitutes present for the final vote | Luke Ming Flanagan, Ska Keller, Gabriel Mato, Grace O’Sullivan, Nikos Papandreou, Raffaele Stancanelli, Annalisa Tardino |
| Substitutes under Rule 209(7) present for the final vote | Fabienne Keller |

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

| 25 | + |
|-----------|---|
| ECR | Bert-Jan Ruissen, Raffaele Stancanelli |
| ID | Rosanna Conte, France Jamet |
| NI | Marc Tarabella |
| PPE | Maria da Graça Carvalho, Peter van Dalen, Niclas Herbst, Gabriel Mato, Francisco José Millán Mon, Annie Schreijer-Pierik, Theodoros Zagorakis |
| Renew | Izaskun Bilbao Barandica, Asger Christensen, Pierre Karleskind, Fabienne Keller |
| S&D | Clara Aguilera, João Albuquerque, Isabel Carvalhais, Predrag Fred Matić, Nikos Papandreou |
| Verts/ALE | Francisco Guerreiro, Ska Keller, Grace O'Sullivan, Caroline Roose |

| 0 | - |
|---|---|
| | |

| 1 | 0 |
|----------|--------------------|
| The Left | João Pimenta Lopes |

Key to symbols:

+ : in favour

- : against

0 : abstention

OPINION OF THE COMMITTEE ON CULTURE AND EDUCATION

for the Committee on Foreign Affairs and the Committee on International Trade
on the implementation report on the EU-UK Trade and Cooperation Agreement
(2022/2188(INI))

Rapporteur for opinion (*): Laurence Farreng

(*) Associated committee – Rule 57 of the Rules of Procedure
PA_NonLeg

SUGGESTIONS

The Committee on Culture and Education calls on the Committee on Foreign Affairs and the Committee on International Trade, as the committees responsible, to incorporate the following suggestions into their motion for a resolution:

- A. whereas the cultural and creative sectors are not included in the Trade and Cooperation Agreement (TCA);
- B. whereas the TCA mentions the term ‘education’ only in relation to cybersecurity and the need to educate citizens on related challenges;
- C. whereas freedom of movement is a core European value and one of the fundamental freedoms enshrined in the European Treaties; whereas freedom of movement between the UK and the EU is no longer available to citizens of the UK and the EU since Brexit; whereas EU citizens can stay in the UK without a visa for up to six months a year and UK citizens can stay in the EU for up to 90 days within a 180-day period;
- D. whereas the UK unilaterally decided not to be a part of the Erasmus+ 2021-2027 programme, covering the education, youth and sport sectors; whereas UK institutions can still be associated with Erasmus Mundus and the Jean Monnet activities;
- E. whereas Erasmus+ is not just a mobility programme, but a powerful tool for exchanging knowledge, fostering academic cooperation, supporting individual development, creating strong and lasting links and promoting understanding between people from different cultural backgrounds, institutions and their members, as well as a wide range of stakeholders and their organisations and networks, contributing to the development of policies and practices;
- F. whereas the UK chose not to associate to the Horizon Europe programme 2021-2027, which covers research and innovation; whereas the TCA leaves open the possibility of the UK’s participating in Horizon Europe;
- G. whereas the UK was one of the most popular destinations for Erasmus+ participants up until the Brexit referendum;

- H. whereas non-EU countries can join Erasmus+ and the European Solidarity Corps as associated countries;
- I. whereas, as a consequence of Brexit, EU citizens studying in the UK are no longer entitled to ‘home fees’, but have to pay higher international student fees, making it prohibitively expensive for the vast majority of them, especially penalising young students from socially disadvantaged backgrounds;
- J. whereas youth and school exchanges have been severely affected by Brexit; whereas research conducted by organisations representing the travel industry has found that the number of students sent to the UK by European operators that organise school trips and other educational, cultural or sport-related group travel was 83 % lower in 2022 than in 2019, the last pre-COVID-19 pandemic year before the TCA came into force¹;
- K. whereas the UK decided not to be a part of the European Solidarity Corps (ESC) programme 2021-2027, covering volunteering and youth engagement;
- L. whereas the UK chose not to be a part of the Creative Europe programme 2021-2027, covering the cultural and creative sectors;
- M. whereas almost one out of two Creative Europe projects had at least one British partner in the 2014-2020 programming period²;
- N. whereas freedom of movement has benefited all segments of the cultural and creative sectors, including the audiovisual sector, festivals, touring companies, bands, orchestras and dance and theatre companies, both from the EU and the UK;
- O. whereas the UK remains a party to the European Convention on Transfrontier Television, and audiovisual works originating in the UK are considered ‘European works’ for the purposes of the Audiovisual Media Services Directive³ (AVMSD) in accordance with Article 1(1), point (n) and paragraph 3; whereas the UK implemented the AVMSD during the transition period as this legislation fell within the scope of retained EU law;
- P. whereas the TCA applies a cultural exception, excluding audiovisual services from its scope;
- Q. whereas the Windsor agreement is a significant step towards easing relations between the UK and the EU and has created a context in which opportunities for further cooperation may be explored;
- R. whereas the UK and the EU share many of the same values in the fields of culture and

¹ House of Lords – European Affairs Committee, [The future UK-EU relationship – Fourth Report of Session 2022-23](#), 29 April 2023.

² House of Commons – Digital, Culture, Media and Sport Committee, [The potential impact of Brexit on the creative industries, tourism and the digital single market – Second Report of Session 2017-19](#), 25 January 2018.

³ [Directive 2010/13/EU of 10 March 2010 on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services \(Audiovisual Media Services Directive\)](#) (OJ L 95, 15.4.2010, p. 1).

education, notably freedom of academia and freedom of the arts;

- S. whereas the war in Ukraine has shown that the UK remains strongly connected to the EU, with clear historical, geographical and cultural ties;

General remarks

1. Deeply regrets the unilateral, political decision of the UK Government not to participate in the Erasmus+, Creative Europe and European Solidarity Corps programmes, despite the openness shown by the EU negotiating team; is convinced that this decision leads to a lose-lose outcome, depriving people and organisations in the EU and in the UK of life-changing opportunities through exchange and cooperation projects;
2. Notes that numerous education, culture and youth stakeholders, both in the EU and the UK, are calling for the UK to be associated with Erasmus+, Creative Europe, the European Solidarity Corps and Horizon Europe once more; calls for the issue to be addressed in different political contexts and for practical, intermediary solutions to be explored to mitigate the loss of opportunities; underlines that, should the UK wish to re-associate with EU programmes, its financial contribution should be fair and ensure the inclusiveness and diversity of participants in the programmes;
3. Acknowledges the excessive bureaucracy created by the withdrawal of the UK from the EU; notes with concern the uncertainties and difficulties created for students, teachers, artists and cultural professionals willing to learn, teach, perform and work in the UK, in particular the lack of available information on administrative requirements, and the unprecedented administrative burden on the UK's and Member States' consulates and administrations;
4. Notes with satisfaction that numerous EU and UK education, youth and cultural institutions and organisations continue their relations on a bilateral basis despite the lack of funding and increased administrative burden and obstacles; is concerned that not all organisations may be able to afford the additional human resources required to maintain or pursue those connections;

Education

5. Underlines the significant benefits of the Erasmus+ programme not only for higher education students, vocational education and training (VET) students, adult learners and young people, but also for teachers, academics, researchers, administrative staff and generally for educational institutions and society as a whole, which cannot be measured by the size of its financial envelope;
6. Regrets the narrowness of the 'value for money' approach adopted by the UK Government regarding Erasmus+, which disregards the numerous benefits in terms of exchange of knowledge and transferrable skills for students, teachers and administrative staff, the contribution of the programme to diversity on campuses and in educational institutions, increased mutual understanding, a reduction in prejudice and discrimination, exposure of UK learners and teachers to their fellow Europeans, and its contribution to broadening participants' perspectives and opportunities, as well as to improving their employability;

7. Welcomes the remarks made by Minister for Europe Leo Docherty acknowledging that participation in Erasmus+ had been ‘very beneficial’ for the UK⁴;
8. Notes that at the time of the EU referendum in 2016, as many as 5 % of students in the UK were EU citizens from the other 27 Member States⁵, making them an important part of the total body of foreign students in the UK;
9. Notes that some Erasmus+ projects from the 2014-2020 programming period, in which UK organisations were participating, were still ongoing in May 2023, making it difficult to properly assess the full impact of the UK’s withdrawal from the Erasmus+ programme;
10. Notes the creation of the Turing scheme by the UK Government; regrets, however, that this programme only covers outgoing student mobility, and does not cover the youth and sport sectors⁶; notes that the Turing scheme, which applies the UK Government’s ‘value for money’ approach, cannot therefore be seen as an equivalent replacement for Erasmus+; underlines the importance of staff mobility currently not covered by the Turing scheme;
11. Acknowledges that concerns expressed by UK stakeholders about the operation of the Turing scheme in comparison to Erasmus+ include the absence of provisions to support staff mobility, limited funding for non-university exchanges and the need to resubmit funding bids on an annual basis⁷;
12. Welcomes the new possibility for Erasmus+ mobility grant beneficiaries to dedicate 20 % of the grant funding to outgoing international mobility outside the 33 Erasmus+ programme countries; notes, however, that this share cannot be dedicated entirely to one specific partner country, and manifestly does not replace the missed opportunities resulting from the UK’s withdrawal from the Erasmus+ programme;
13. Welcomes the creation of the Taith programme by the Welsh Government, covering both incoming and outgoing mobility; notes that this programme, like the Turing scheme, does not cover the sport sector, but it does support mobility actions for sports teams;
14. Welcomes the work currently being undertaken by the Scottish Government to create a similar programme, covering both incoming and outgoing mobility; invites the Scottish Government to consider covering, through its programme, the same areas of education and training, youth and sport as Erasmus+;
15. Welcomes the decision of the Irish Government to fund Erasmus+ mobility for students from universities in Northern Ireland, irrespective of their nationality, by enrolling them in Irish universities for the duration of their exchange; takes note of the work currently being undertaken by the Irish Government to develop a similar scheme for VET

⁴ House of Lords – European Affairs Committee, [Corrected oral evidence: The future UK-EU relationship](#), 7 March 2023.

⁵ Corbett, A. and Hantrais, L., *Higher education and research in the Brexit policy process*, 2023.

⁶ UK Government, [Turing scheme website](#).

⁷ House of Lords – European Affairs Committee, [The future UK-EU relationship – Fourth Report of Session 2022-23](#), 29 April 2023.

students;

16. Is concerned by the significant drop in the number of EU students studying at UK universities, which fell by as much as 50 % in the case of first year students between 2020-2021 and 2021-2022, in contrast to student numbers from other regions⁸; underlines that this situation is clearly linked to the UK's withdrawal from the Erasmus+ programme, the end of equal treatment rules for tuition fees and scholarships for EU students and the difficulty of obtaining a student visa; notes that European students contributed to diversity across a broad range of subjects, whereas non-EU international students tend to be more concentrated in particular subject areas such as engineering and business; notes that UK universities welcome an increasing number of foreign students, notably from India and China^{9, 10}, which contribute to their financial stability;
17. Notes that many UK universities can be considered among the best in the world¹¹; notes that the end of cooperation projects between these universities and EU universities is detrimental to research and academic excellence in Europe;
18. Notes that 11 UK universities are partners in alliances through the European Universities initiative; regrets that their participation will end when the first-generation alliances expire (at the end of 2024); notes that UK universities are allowed to be part of European Universities alliances, but can no longer be included in the governance structure, which de facto relegates them to the status of second-class partner; encourages their continued partnership through the European Universities initiative;
19. Notes that the numerous partnerships that UK universities had with their EU counterparts through the Erasmus+ programme have to be re-negotiated bilaterally one by one, posing the risk that some smaller universities will be excluded;
20. Expresses concern regarding the negative effects the ongoing situation has on issues related to European sovereignty, as all European countries, whether they belong to the EU bloc or not, must be able to compete, particularly with China and the US, in strategic areas such as industrial innovation, digitalisation, clean energy solutions and space capabilities; reiterates that research cooperation between universities in Europe, especially in the fields of science and innovation, is instrumental in this regard;
21. Notes that the TCA allows the UK to opt to participate in the Horizon Europe programme; recalls that education and research are both integral parts of academic cooperation and that synergies between Horizon Europe and Erasmus+ are a key dimension of the 2021-2027 programme generation; encourages the Erasmus+ and Horizon Europe programmes being considered a package;
22. Highlights that all interested neighbouring and like-minded countries, including the UK, are welcome to seek association with the Erasmus+ programme and thus contribute to

⁸ Higher Education Statistics Agency (HESA), [Chart 6 – First year non-UK domiciled students by domicile 2006/07 to 2021/22](#), 2023.

⁹ HESA, [Where do HE students come from?](#), 2023.

¹⁰ [Report of the Intelligence and Security Committee of the UK Parliament on China](#).

¹¹ The Times Higher Education World University Rankings 2023.

European education systems; regrets that the UK is not participating in the initiatives and measures designed to establish a genuine European Education Area by 2025, further denting cooperation;

23. Recalls that Directive 2005/36/EC¹² on the recognition of professional qualifications no longer applies to the UK and regrets that the TCA does not contain provisions to enable the mutual recognition of professional qualifications; urges the UK and the Commission to continue their dialogue with a view to establishing an effective framework for the mutual recognition of professional qualifications; reiterates that the mutual recognition of professional qualifications is beneficial to both the UK and the EU;
24. Underlines that the UK continues to participate in the European Higher Education Area ('Bologna process'); urges the UK, the Commission and the Member States to continue their work towards full mutual recognition of academic qualifications;

Culture

25. Recalls the importance of the cultural sectors and industries in the UK, which contributed GBP 109 billion to the UK economy in 2021 (i.e. as much as 5.6 % of the UK economy), with one in 11 jobs being in the creative economy¹³; notes that the cultural sectors and industries are considered a central element of the UK's 'soft power' and wider global influence¹⁴; underlines the inherent value of culture, which promotes the enrichment of societies and brings people closer together;
26. Underlines that 96 % of British artists were against the UK's withdrawal from the EU¹⁵;
27. Deeply regrets the absence of any provisions linked to culture and the cultural and creative sectors in the TCA, making it de facto a 'No Deal Brexit' for both EU and UK artists and the whole cultural sector;
28. Notes that the Creative Europe programme was not replaced by any other programme dedicated to culture to support artists in the UK;
29. Encourages strengthening cooperation between EU and UK artists and other professionals in the cultural and creative sectors and industries, as well as safeguarding their labour rights; notes that numerous UK cultural organisations have continued to be connected after Brexit through their partnerships with European cultural networks, professional associations and trade federations; expresses concern that in the medium term the sustainability of these relationships is at great risk and that the adverse effects of the UK's exit from the Creative Europe programme will increase;
30. Is concerned by the excessive bureaucracy created by the UK's withdrawal from the EU for UK artists wanting to tour in the EU and European artists wanting to tour in the UK,

¹² [Directive 2005/36/EC of 7 September 2005 on the recognition of professional qualifications](#) (OJ L 255, 30.9.2005, p. 22).

¹³ Creative Industries Federation, [Brexit Report: The impact of leaving the EU on the UK's arts, creative industries and cultural education – and what should be done](#), 2016.

¹⁴ House of Commons - Digital, Culture, Media and Sport Committee, [The potential impact of Brexit on the creative industries, tourism and the digital single market – Second Report of Session 2017-19](#), 25 January 2018.

¹⁵ Creative Industries Federation, op. cit.

as illustrated by the administrative obstacles that have resulted from the application of the CITES Regulations for artists travelling with musical instruments containing elements of protected species; calls for creating dedicated mechanisms to facilitate artists' mobility and to reduce their bureaucratic burden;

31. Notes that the plethora of migration rules, including different visa and work permit systems in each of the EU Member States, as well as customs and VAT rules for merchandising, rules on cabotage and cross-border trade for specialist hauliers transporting merchandising and stage decor between the UK and the EU, are making it difficult and expensive for emerging and independent UK artists to tour in the EU or participate in European festivals; notes that EU artists are also affected by similar issues when touring in the UK;³². Stresses that streamlining visa and work arrangements is in the interest of the cultural and creative sectors in both the EU and the UK and urges both parties to work towards an agreement; believes that these visa and work arrangements should be part of a future EU framework for artists and cultural professionals;
33. Notes the concern expressed by some British stakeholders from the cultural sector on the future regulatory environment for cultural and media services in the UK and the dismantling of the Union *acquis* in this policy area;
34. Regrets that the number of EU citizens working in the cultural and creative sectors and industries in the UK has dropped since Brexit¹⁶;

Youth

35. Regrets the absence of any provisions relating to youth, youth exchanges and projects, youth dialogue and volunteering in the TCA;
36. Stresses the importance of international youth projects and volunteering, which enable young people to broaden their horizons, while creating an appetite for discovering other cultures that has lifelong benefits;
37. Is concerned that almost none of the youth projects previously funded by Erasmus+ and the European Solidarity Corps involving school-age children are now being funded through the UK Government's Turing scheme;
38. Notes with regret the absence of organisations specifically representing young people among the UK civil society organisations selected to participate in the TCA Civil Society Forum;
39. Notes that school trips and youth mobility are hindered by the new migration rules and the need for schools to pay for a visa for every student; asks the UK Government and the Member States, therefore, to create a youth group travel scheme for young people under 18;
40. Notes that the 'au pair' industry has been severely affected by Brexit and the UK's new

¹⁶ The Compendium of Cultural Policies, UK Office for National Statistics.

immigration's rules^{17 18}; regrets that au pairs from the EU cannot benefit from the Youth Mobility Scheme visa as au pairs from selected countries outside the EU can¹⁹; underlines the loss this represents in terms of skills and cultural and linguistic exchanges for young European and UK children;

41. Highlights that all interested neighbouring and like-minded countries, including the UK, are welcome to seek association with the European Solidarity Corps programme, which fosters volunteering opportunities and collaboration between young people across Europe;

Sport

42. Regrets the absence of any provisions linked to capacity-building of grassroots and professional organisations, partnerships and exchanges in the fields of sports and esports in the TCA, which negatively affects the sport sector in both the EU and the UK;
43. Notes that the UK sport sector no longer relies on the Court of Justice ruling in the Bosman case of 15 December 1995²⁰, which allowed for the free movement of players and athletes within the EU; notes with concern that this situation adversely affects the participation of EU athletes in UK teams or professional competitions by potentially limiting their number; is worried that it could be detrimental to the functioning of the transfer system and to EU players and EU clubs which rely on the funds deriving from transfer deals;
44. Highlights that since Brexit EU players and athletes need a work permit to play in the UK, as was previously the case only for non-EU players, hindering their ability to compete on the other side of the Channel; underlines the importance of better cooperation between the EU and the UK in this regard;
45. Notes that UK athletes are now subject to Schengen rules, which can lead to difficulties in the case of competitions taking place in various European countries in a short period of time;
46. Notes that the Turing programme replacing the Erasmus+ programme does not have a part dedicated to sport, creating a gap with regard to sport cooperation projects; is worried that this will be detrimental to grassroots sports.

¹⁷ <https://www.bloomberg.com/news/articles/2023-06-02/uk-government-killed-au-pair-industry-leaving-british-parents-desperate>.

¹⁸ UK Government website 'Employing someone to work in your home', <https://www.gov.uk/au-pairs-employment-law/au-pairs>.

¹⁹ UK Government website 'Youth Mobility Scheme visa', <https://www.gov.uk/youth-mobility/eligibility>.

²⁰ Judgment of the Court of Justice of 15 December 1995 in Case C-415/93, *Union royale belge des sociétés de football association and Others v Bosman and Others*, ECLI:EU:C:1995:463.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

| | |
|---|---|
| Rule 58 – Joint committee procedure Date announced in plenary | 15.12.2022 |
| Date adopted | 7.9.2023 |
| Result of final vote | +: 28 -: 2 0: 1 |
| Members present for the final vote | Asim Ademov, Christine Anderson, Andrea Bocskor, Ilana Cicurel, Laurence Farreng, Tomasz Frankowski, Catherine Griset, Sylvie Guillaume, Hannes Heide, Irena Joveva, Niyazi Kizilyürek, Predrag Fred Matić, Martina Michels, Niklas Nienass, Diana Riba i Giner, Monica Semedo, Michaela Šojdrová, Sabine Verheyen, Maria Walsh, Milan Zver |
| Substitutes present for the final vote | Isabella Adinolfi, Ibán García Del Blanco, Chiara Gemma, Marcel Kolaja, Alessandro Panza |
| Substitutes under Rule 209(7) present for the final vote | Clara Aguilera, Vilija Blinkevičiūtė, Delara Burkhardt, Margarita de la Pisa Carrión, Angel Dzhambazki, Niclas Herbst |

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

| 28 | + |
|-----------|--|
| ECR | Angel Dzhambazki, Chiara Gemma, Margarita de la Pisa Carrión |
| NI | Andrea Bocskor |
| PPE | Asim Ademov, Isabella Adinolfi, Tomasz Frankowski, Niclas Herbst, Michaela Šojdrová, Sabine Verheyen, Maria Walsh, Milan Zver |
| Renew | Ilana Cicurel, Laurence Farreng, Irena Joveva, Monica Semedo |
| S&D | Clara Aguilera, Vilija Blinkevičiūtė, Delara Burkhardt, Ibán García Del Blanco, Sylvie Guillaume, Hannes Heide, Predrag Fred Matić |
| The Left | Niyazi Kizilyürek, Martina Michels |
| Verts/ALE | Marcel Kolaja, Niklas Nienass, Diana Riba i Giner |

| 2 | - |
|----|--------------------------------------|
| ID | Christine Anderson, Catherine Griset |

| 1 | 0 |
|----|------------------|
| ID | Alessandro Panza |

Key to symbols:

+ : in favour

- : against

0 : abstention

10.10.2023

OPINION OF THE COMMITTEE ON CIVIL LIBERTIES, JUSTICE AND HOME AFFAIRS

for the Committee on Foreign Affairs and the Committee on International Trade
on the implementation report on the EU-UK Trade and Cooperation Agreement
(2022/2188(INI))

Rapporteur for opinion: Katarina Barley

PA_NonLeg

SUGGESTIONS

The Committee on Civil Liberties, Justice and Home Affairs calls on the Committee on Foreign Affairs and the Committee on International Trade, as the committees responsible, to incorporate the following suggestions into their motion for a resolution:

1. Recalls that the application of Part Three of the Trade and Cooperation Agreement¹ (TCA) on law enforcement and judicial cooperation in criminal matters is subject to the conditions of respect for democracy, the rule of law and the protection of human rights and fundamental freedoms, including as set out in the Universal Declaration of Human Rights and in the European Convention on Human Rights (ECHR), as well as to the commitment to high-level protection of personal data; recalls the importance of effective, close and mutually beneficial law enforcement and judicial cooperation between the EU and the UK in view of their geographical proximity and shared challenges;
 - 1a. Emphasises that the ECHR is a legally binding instrument in the UK and that legislative proposals should be compatible with its standards and in line with the rights and freedoms therein; underlines that Article 524 of the TCA provides that cooperation between the EU and the UK is based on the importance of giving effect to the rights and freedoms in that convention domestically; expresses its concerns over discussions in the UK on leaving the ECHR and recalls the concerns expressed by the Council of Europe Commissioner for Human Rights in this regard²; recalls the provision in the TCA on the possible termination of this part of the TCA in the event that the UK or a Member State denounces the ECHR;
2. Expresses its deep concern over current legislative processes in the UK that would put

¹ 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 149, 30.4.2021, p. 10).

² <https://www.coe.int/ca/web/commissioner/-/united-kingdom-commissioner-warns-against-regression-on-human-rights-calls-for-concrete-steps-to-protect-children-s-rights-and-to-tackle-human-rights-issues-in-northern-ireland>.

these conditions at risk, namely the Retained EU Law Bill, the Data Protection and Digital Information (No. 2) Bill (DPDI2) and the Illegal Migration Bill;

3. Recalls that Part Three of the TCA allows for extended data flows between the EU and the UK, such as the exchange of DNA data, passenger name record data and criminal record information; underlines, therefore, that it is of the utmost importance that the UK ensures that the level of protection is essentially equivalent to that afforded by the European Union in order to avoid putting EU standards and therefore EU citizens' fundamental rights at risk when sharing data with the UK; calls, therefore, on the Commission to closely scrutinise the impact that the DPDI2 has on the data protection rights of EU citizens;
4. Underlines the serious risk of the onward transfer of personal data to non-EU countries that do not provide for an adequate level of protection; recalls that a primary data recipient may only transfer personal data onwards if the recipient is also subject to rules affording an adequate level of protection; stresses, therefore, that the UK must ensure that its data transfers to non-EU countries are based on appropriate safeguards and that a level of data protection equivalent to that afforded by the European Union is guaranteed;
- 4a. Stresses that enacting the UK's DPDI2 in its current form could further jeopardise the adequacy decision granted to the UK; recalls that the Commission has pledged to closely monitor the situation and repeal the adequacy decisions if privacy is no longer 'essentially equivalent' in the UK;
- 4b. Strongly regrets the provisions in the new DPDI2 that would introduce new delegated legislative powers for the UK Government to legalise data processing for national security, law enforcement and public authorities' access to personal data held by private entities; is deeply concerned by the introduction of delegated legislative powers that provide for some fundamental aspects of data protection law to be changed by the UK Government through secondary legislation; stresses the risks that these delegated powers pose to legal certainty and the future of the UK's adequacy decision;
5. Condemns the UK's general and broad exemption from the data protection principles and data subject rights for the processing of personal data, set out in its Data Protection Act, for immigration purposes; believes that the exemption in cases in which giving effect to data subjects' rights would jeopardise effective immigration control or in the investigation or detection of activities that would undermine the maintenance of effective immigration control does not comply with the principle of legal certainty and therefore, is not sufficient to prevent arbitrary decision-making; calls on the Commission to closely monitor the evolution of the judicial review process of the DPDI2 regarding the immigration exemption;
6. Expresses its concern that the UK's proposed DPDI2 would allow for automated decision-making; stresses that this bill would deprive individuals of their right, protected in the EU under the EU General Data Protection Regulation³ and

³ Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (OJ L 119, 4.5.2016, p. 1).

internationally under the Convention for the Protection of Individuals with Regard to Automatic Processing of Personal Data, not to be subject to a decision based solely on automated processing (including profiling) that has either a legal or similarly significant effect on them; calls on the Commission to closely and continuously monitor the situation;

7. Strongly regrets the provisions in the new UK Data Protection and Digital Information Bill that weaken the obligations for data controllers and processors, including the new provisions that only require a senior responsible individual to be appointed when carrying out processing, which is likely to result in a high risk to individuals; regrets, equally, the provisions removing the requirement to designate a non-UK based representative for data controllers and processors that is subject to UK data protection rules, and those eliminating the obligation to consult with the UK data protection supervisory authority prior to processing when the controller's assessment indicates that the processing is likely to result in a high risk;
- 7a. Expresses its concern over clauses in the UK's new DPDI2 that would undermine the independence of the Information Commissioner's Office (ICO) and introduce powers that allow the government to interfere with the ICO exercising its functions;
8. Highlights that the UK data protection supervisory authority has found multiple instances of enforcement failures and that its statistics show very low rates of hard enforcement; recalls that, in order to ensure a high level of data protection, the anticipated rules must be enforced and individuals must have access to an effective complaints procedure; is also concerned about the change introduced to the refusal to act on a complaint and the inclusion of criteria such as the resources available to the Commissioner, which will have a negative effect on the effectiveness of the complaints;
- 8a. Recalls that the UK's mass surveillance programmes do not comply with standards that are essentially equivalent to EU data protection rules; reiterates its call on the UK to take into consideration the case-law of the Court of Justice of the European Union in this field.
9. Urges the UK to fulfil the data protection requirements for the processing of passenger name record data, in line with Article 552 of the TCA; regrets the long transition period of three years, which is delaying the implementation of the requirement to delete passengers' personal data after their departure from the country;
10. Underlines that Article 541 of the TCA provides for an amendment procedure in the event that EU law under the Prüm framework is amended substantially; recalls, therefore, that the UK's participation in the newly revised Prüm framework is not automatic and should be conditional on the UK maintaining its current human rights standards and ensuring an adequate data protection framework and effective legal safeguards, which are essential prerequisites for enabling police and judicial cooperation in criminal matters;
11. Recalls that the two adequacy decisions for the UK expire in 2025 and that the Commission can intervene at any point if the UK deviates from the level of data protection currently in place; recalls that to benefit from these adequacy decisions, the UK is subject to the jurisdiction of the European Court of Human Rights and it must

adhere to the ECHR; points out that, with regard to the necessary revision of the adequacy decision for the transfer of personal data to the UK in two years, it is of the utmost importance that guaranteeing the rights protected under the European Convention on Human Rights be non-negotiable and that the European Parliament closely and regularly monitors any non-compliance; calls on the UK authorities to refrain from adopting any legislation that would jeopardise the adequate level of protection;

- 11a. Strongly regrets the substantial increase in the number of EU citizens who have been denied entry into the UK and subsequently returned after the end of the transition period; regrets the fact that the UK applied differentiated treatment in terms of visa fees for the citizens of a number of EU countries; is concerned that visa procedures for EU citizens are lengthy and cumbersome; calls on the UK not to discriminate against EU citizens on the basis of their nationality, both in terms of registration in the EU settlement scheme and of mobility and visa issues; stresses that such practices go against the principles of reciprocity and non-discrimination set out in the TCA and calls on the Commission to closely monitor these developments;
12. Recalls that the fundamental right to a fair trial includes, among other things, the right to information, the right to interpretation and translation, the right to have a lawyer, the right to be presumed innocent and the right to be present at trial, as well as special safeguards for children who are suspects or accused persons in criminal proceedings and the right to legal aid, which must also be ensured in the course of judicial cooperation in criminal matters with non-EU countries;
13. Recalls that, in order to ensure effective extradition procedures, an arrest warrant must be executed as a matter of urgency and, in the event that a person does not consent to the extradition, a hearing must take place within 21 days of the arrest; recalls that, in order to safeguard the fundamental right to a fair trial, these time limits must not be exceeded; calls on the UK to respect the time limits established in the TCA to facilitate the application of mutual legal assistance between the Member States and the UK;
- 13a. Recalls that, pursuant to Article 525(1) of the TCA, law enforcement and judicial cooperation in criminal matters between the Union and the UK is based on the Parties' long-standing commitment to ensuring a high level of protection of personal data, including in relation to cooperation with Europol and Eurojust; insists that personal data exchanges with the Justice and Home Affairs Agencies should be allowed only where the EU data protection standards are guaranteed and human rights are respected.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

| | |
|---|---|
| Rule 58 – Joint committee procedure Date announced in plenary | 15.12.2022 |
| Date adopted | 9.10.2023 |
| Result of final vote | +: 32 -: 4 0: 2 |
| Members present for the final vote | Abir Al-Sahlani, Malik Azmani, Pietro Bartolo, Theresa Bielowski, Malin Björk, Patrick Breyer, Saskia Bricmont, Jorge Buxadé Villalba, Patricia Chagnon, Lena Düpont, Lucia Ďuriš Nicholsonová, Nicolaus Fest, Sophia in 't Veld, Assita Kanko, Alice Kuhnke, Jeroen Lenaers, Juan Fernando López Aguilar, Erik Marquardt, Javier Moreno Sánchez, Maite Pagazaurtundúa, Pina Picierno, Paulo Rangel, Diana Riba i Giner, Isabel Santos, Birgit Sippel, Tineke Strik, Ramona Strugariu, Yana Toom, Milan Uhrík, Tom Vandendriessche, Javier Zarzalejos |
| Substitutes present for the final vote | Cyrus Engerer, José Gusmão, Dragoș Tudorache, Maria Walsh |
| Substitutes under Rule 209(7) present for the final vote | Petros Kokkalis, Ljudmila Novak, Thomas Rudner |

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

| 32 | + |
|-----------|--|
| PPE | Lena Düpont, Jeroen Lenaers, Ljudmila Novak, Paulo Rangel, Maria Walsh, Javier Zarzalejos |
| Renew | Abir Al-Sahlani, Malik Azmani, Lucia Ďuriš Nicholsonová, Sophia in 't Veld, Maite Pagazaurtundúa, Ramona Strugariu, Yana Toom, Dragoș Tudorache |
| S&D | Pietro Bartolo, Theresa Bielowski, Cyrus Engerer, Juan Fernando López Aguilar, Javier Moreno Sánchez, Pina Picierno, Thomas Rudner, Isabel Santos, Birgit Sippel |
| Verts/ALE | Patrick Breyer, Saskia Bricmont, Alice Kuhnke, Erik Marquardt, Diana Riba i Giner, Tineke Strik |
| The Left | Malin Björk, José Gusmão, Petros Kokkalis |

| 4 | - |
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| ID | Patricia Chagnon, Nicolaus Fest, Tom Vandendriessche |
| NI | Milan Uhrík |

| 2 | 0 |
|-----|-------------------------------------|
| ECR | Jorge Buxadé Villalba, Assita Kanko |

Key to symbols:

+ : in favour

- : against

0 : abstention

31.08.2023

ANNEX: LETTER OF THE COMMITTEE ON BUDGETS

Mr David McAllister
Chair
Committee on Foreign Affairs

Bernd Lange
Chair
Committee on International Trade
BRUSSELS

Subject: Implementation report on the EU-UK Trade and Cooperation Agreement
(2022/2188(INI))

Dear Chairs,

At its meeting of 12 January 2023, the Committee on Budgets decided to submit an opinion in the form of a letter to the implementation report on the EU-UK Trade and Cooperation Agreement. Subsequently, the committee considered the matter at its meeting of 30 August 2023 and adopted the opinion at that meeting¹.

Background

The section of the EU-UK Trade and Cooperation Agreement relevant to the Committee on Budgets is the part that governs UK participation in Union programmes, sound financial management and financial provisions.

In its previous relevant resolutions, Parliament expressed the view that those provisions met its expectations and constituted a fair basis for UK participation in Union programmes. Since then, the UK has not taken part in any programmes, so the provisions have not yet been tested.

It is Parliament's long-standing view that the UK would be a welcome partner in Union programmes. Indeed, it has always been a matter of regret that the UK wished to play a role in only a small number of them. In particular, Erasmus+ exchanges and cooperation projects would provide an excellent opportunity to build ties that would be highly beneficial to the long-

¹ The following were present for the final vote: Rasmus Andresen, Anna-Michelle Asimakopoulou, Maria da Graça Carvalho, Olivier Chastel, Andor Deli, Pascal Durand, Eider Gardiazabal Rubial, Alexandra Geese, Jens Geier, Vlad Gheorghe, Valérie Hayer, Eero Heinäluoma, Hervé Juvin, Fabienne Keller, Joachim Kuhs, Pierre Larrouturnou, Margarida Marques, Andželika Anna Moźdzanowska, Siegfried Mureşan, Victor Negrescu, Andrey Novakov, Alessandro Panza, Dimitrios Papadimoulis, Karlo Ressler, Maria Veronica Rossi, Ralf Seekatz, Massimiliano Smeriglio, Nils Ušakovs, Rainer Wieland, Ivan Štefanec

term relationship of the EU and the UK.

It would therefore be desirable to reach an agreement with the UK on its participation in Union programmes. In that connection, negotiations are under way on the UK's association to all the programmes in which it has expressed a willingness to take part. It would make sense to take into account the reduced period of participation.

Position of the Committee on Budgets

The Committee on Budgets would be grateful if your two committees could incorporate the following suggestions into their motion for a resolution:

1. Recalls that the EU-UK Trade and Cooperation Agreement includes a part on UK participation in Union programmes, sound financial management and financial provisions; considers that the conditions and rules set out therein constitute a fair basis for UK participation and would help to ensure the protection of the Union's financial interests; recognises that those provisions have not been put to the test, since the UK has not yet participated in any programmes;
2. Considers that third-country participation in Union programmes provides considerable benefits to the EU and helps strengthen ties between the EU and its partners; would therefore very much welcome UK participation in Union programmes; in that connection, deeply regrets that the UK has not expressed an interest in taking part in Erasmus+; considers that exchanges between young people from the EU and the UK would help build long-term relationships to the benefit of all;
3. Expresses the view that collaboration in the field of science, research and innovation, and space is of particular importance; considers therefore that it would be desirable to find agreement on UK participation in Horizon Europe, the Euratom Research and Training programme, Fusion for Energy (F4E)/ITER, and the Copernicus and SST components of the Union Space programme, as a package; believes that it would be appropriate to take account of the reduced period of the UK's participation;

Yours sincerely,

Johan Van Overtveldt

Cc: Siegfried Mureşan, BUDG standing rapporteur on Brexit

13.06.2023

**ANNEX: LETTER OF THE COMMITTEE ON THE ENVIRONMENT, PUBLIC
HEALTH AND FOOD SAFETY**

Mr David McAllister
Chair
Committee on Foreign Affairs

Mr Bernd Lange
Chair
Committee on International Trade
BRUSSELS

Subject: Opinion on the Implementation reports 2021 and 2022 on the EU-UK Trade and
Cooperation Agreement (2022/2188(INI))Dear Chairs,
Under the procedure referred to above, the Committee on the Environment, Public Health and
Food Safety decided to submit an opinion to your committees in the form of a letter.

The Committee on the Environment, Public Health and Food Safety considered the matter and
adopted its opinion on 15 June 2023¹. The Committee on the Environment, Public Health and
Food Safety calls on the Committee on Foreign Affairs and the Committee on International
Trade, as the committees responsible, to take these considerations into account, reminding the
agreed ENVI exclusive competences for paragraphs 3-5 on page 15 of chapter 7.1 of the
Commission's First TCA (2021) report focusing on environment and climate, and for paragraph
2 on page 13 of chapter 5.2.2 of the Commission's Second TCA (2022).

Yours sincerely,

Pascal Canfin

¹ The following were present for the final vote: Pascal Canfin(Chair), Bas Eickhout (Vice-Chair), César Luena(Vice-Chair) , Marian-Jean Marinescu (Vice-Chair), Sergio Berlato, Mathilde Androuët, Maria Arena, Aurélia Beigneux, Tom Berendsen, Alexander Bernhuber, Malin Björk, Michael Bloss, Franc Bogovič, Traian Băsescu, Daniel Caspary, Antoni Comín i Oliveres, Rosanna Conte, Maria Angela Danzi, Esther de Lange, Christian Doleschal, Herbert Dorfmann, Lena Düpont, Agnès Evren, Malte Gallée, Andreas Glueck, Catherine Griset, Roman Haider, Christophe Hansen, Martin Hojsík, Pär Holmgren, Jan Huitema, Yannick Jadot, Adam Jarubas, Karin Karlsbro, Petros Kokkalis, Joanna Kopcińska, Peter Liese, Sylvia Limmer, Fulvio Martusciello, Sara Matthieu, Marina Measure, Tilly Metz, Silvia Modig, Dolors Montserrat, Grace O'Sullivan, Max Orville, Alessandro Panza, Jutta Paulus, Francesca Peppucci, Jessica Polfjärd, Erik Poulsen, Nicola Procaccini, Inma Rodríguez-Piñero, Rob Rooken, Robert Roos, Maria Veronica Rossi, Bert-Jan Ruissen, Anne Sander, Simone Schmiedtbauer, Christine Schneider, Günther Sidl, Ivan Vilibor Sinčić, Róza Thun und Hohenstein, Nils Torvalds, Edina Tóth, Tom Vandenkendelaere, Achille Variati, Nikolaj Villumsen, Petar Vitanov, Veronika Vrecionová, Mick Wallace, Sarah Wiener, Emma Wiesner, Michal Wiezik, Tiemo Wölken, Anna Zalewska,

General Remarks

1. Welcomes the Commission's constructive approach to provide for practical solutions, including through specific temporary flexibilities agreed by the Parties to limit disruptions caused by the implementation of the Protocol on Ireland and Northern Ireland on trade between Great Britain and Northern Ireland of certain products, including the supply of medicines and certain chilled meats and other food products to supermarkets;
2. Welcomes the Windsor Framework arrangement of 24 March 2023, under which the parties commit to binding legal obligations that maintain the essence of the Protocol while setting out the terms for flexible but effective implementation; welcomes the UK Government announcement in this context to stop and put on hold the proposed Northern Ireland Protocol Bill;
3. Recognises the Windsor Framework arrangements as an opportunity towards a new chapter of friendly bilateral cooperation; calls on the Commission to fully exploit the untapped potential of the Trade and Cooperation Agreement (TCA), and to maximise the potential of the relationship between the EU and the UK in ways that benefit both parties through friendly cooperation on common issues in international forums and with regard to third countries, in particular to achieve the highest level of ambition regarding climate action, including mitigation, resilience, adaptation and climate finance mobilisation, to support the conservation, protection, restoration and sustainable management of biodiversity and ecosystems, to deliver on the Sustainable Development Goals; to coordinate efforts to advance the ecological transition of all sectors in a just and inclusive way while strengthening industrial sovereignty and international competitiveness;
4. Welcomes the Sanitary and Phytosanitary (SPS) proposal stemming from Windsor Framework as a way forward for a permanent solution for the entry into Northern Ireland from other parts of the UK of consignments of certain goods, accompanied by safeguard measures to protect the integrity of the internal market and the human, animal and plant health as well as the interests of consumers in the Union; calls to monitor the acknowledgement of the "One Health" approach as an integrated and unifying approach that aims to sustainably balance and optimise the health of people, animals and ecosystems; stresses that rules and procedures related to the transport of pet animals should respect the "Five Freedoms of Animal Welfare" reflecting the Council of Europe's Convention for the Protection of Animals; underlines that the solutions put forward will require proper and effective implementation and monitoring and are conditional, among other things, on the UK authorities completing fully-functioning and well-resourced Border Posts and access and compatibility between the Union and UK databases;
5. Notes that the UK's departure from the EU's internal market and Customs Union mean that both parties will maintain separate regimes regulating human, plant and animal health; notes that the provisions on sanitary and phytosanitary (SPS) measures largely reflect the WTO rules in these areas;
6. Welcomes the medicines proposal stemming from the Windsor Framework as a permanent solution to ensure that people in Northern Ireland have access to all medicines, including novel medicines, such as cancer drugs, at the same time and under the same conditions as people in Great Britain, accompanied by safeguards to ensure that all medicines placed on the market in Northern Ireland will not be made available in any

Member State; following the lift of EU obligations for the safety features of medicinal products marketed for Northern Ireland, calls the Commission to monitor in particular aspects related to anti-tampering device measures in the UK; underlines that also the flexibility provided by the medicines proposal will need to be properly monitored to prevent the unlawful distribution of UK medicines marketed for Northern Ireland into the internal market, and to ensure they remain in Northern Ireland;

7. Stresses the need for the Commission to monitor the implementation and application of the safeguards as set out in the Windsor Framework; the need to stand ready to make full use of the dispute resolution tools available in the Trade and Cooperation Agreement, the Withdrawal Agreement and the Windsor Framework in the event of non-compliance by UK authorities; the need to monitor UK's regulatory divergence from EU requirements on food security and on human, animal and plant health;
8. Highlights how the European Parliament should exercise maximum scrutiny on the implementation of the Trade and Cooperation Agreement and the Windsor Framework by participating actively in the Parliamentary Partnership Assembly; furthermore, parliamentary committees should hold the Commission accountable for its participation in the Joint Committee, the Partnership Council, the Trade Specialised Committees and Working Groups; the European Parliament should also participate in any future review procedure of the agreements, and the Committee on the Environment, Public Health and Food Safety should be involved in all relevant areas;

Environment and climate (ENVI exclusive competences)

9. Recalls the EU's climate ambition to reach a 55 % reduction in EU net greenhouse gas (GHG) emissions by 2030, compared with 1990 levels, and to achieve net-zero greenhouse gas (GHG) emissions by 2050, as set in the European Climate Law and as operationalised in the recently adopted 'fit for 55' legislation;
10. Calls on the Commission to monitor the practical implementation, ambition and effectiveness of the UK emission trading system (ETS); to consider that, should significant differences emerge between the two systems, this could lead to a distortion of the level playing field and should thus be taken into account in the application of the EU Carbon Border Adjustment Mechanism; to explore opportunities for bilateral cooperation, including the linking of the UK ETS with the EU ETS without undermining the integrity and effectiveness of the EU ETS, similar to the agreement between the EU and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems;
11. Recalls that the EU will phase in from 2026 until 2034 a Carbon Border Adjustment Mechanism (CBAM) for iron, steel, cement, aluminium, fertilisers, electricity, hydrogen as well as indirect emissions under certain conditions, to ensure that EU and global climate efforts are not undermined by production being relocated from the EU to countries with less ambitious policies; welcomes that the UK Government has launched an inquiry into a UK carbon border adjustment mechanism (CBAM) looking at the role CBAM could play in addressing potential carbon leakage and meeting the UK's environmental objectives, while also considering the wider impacts, risks and opportunities which might arise; calls on the Commission to monitor the UK's CBAM policy and to explore opportunities for cooperation in order to raise the level playing field and climate

protection globally;

12. Recalls that the TCA requires that parties do not weaken or reduce their levels of social, labour and environmental protection below those in place at the end of the transition period in 2020 (non-regression) whereby a party can take appropriate rebalancing measures to offset any (adverse) 'material impacts on trade or investment' arising from 'significant divergences' between parties; recalls that existing commitments and ambitions on climate change, in particular on climate neutrality by 2050, remain in place for both parties;
13. Underlines how, prior to the UK withdrawal, there have been a number of infringement cases brought by the Commission against the UK in the environmental field, including for air and water quality; underlines how given their transboundary nature, divergence in environmental protection in these areas could jeopardise air and water quality in the EU;
14. Takes note of the creation of the Office for Environmental Protection (OEP) in November 2021, under the Environment Act 2021; calls on the Commission to monitor whether the Office is provided with sufficient powers and resources to be able to effectively enforce the environmental rules, in line with the TCA obligations, and whether the environmental commitments and secondary legislation are effectively implemented and enforced;
15. Takes note that the UK Government has published in December 2022 a first set of legally binding environment targets under the Environment Act 2021 and the Environmental Improvement Plan 2023, in January 2023; calls for a close and upward alignment of EU and UK targets of climate and environmental protection and to ensure that the level playing field conditions are respected;
16. Recalls that the UK is no longer part of the European Chemicals Agency (ECHA) or bound by the EEA-based regulatory framework for chemicals (EU REACH); underlines how the UK's new regulatory framework (UK REACH) must demonstrate the same robustness and transparency as EU REACH; calls on the Commission to monitor if there is a regulatory regression and divergence of the UK chemicals safety management from the EEA-based regulatory framework for chemicals, in particular in view of the upcoming revision of EU REACH; calls on the Commission to work with the UK authorities to ensure a closely aligned regulatory framework which should aim to ensure the highest possible standard of chemicals safety management in the EU and the UK;

Health aspects

17. Recalls the ongoing legislative work to revise the pharmaceutical legislation that shall also aim to ease the historical dependency of markets in Cyprus, Ireland and Malta on medicines supply from or through the UK; stresses the need to ensure the availability, affordability and security of supply of medicines and the strategic approach to pharmaceuticals in the environment to tackle pharmaceutical pollution;
18. Notes that the Genetic Technology (Precision Breeding) Bill passed into law in England on 23 March 2023, which revises the rules for release, marketing of, and risk assessments relating to gene-edited, precision-bred plants and animals by removing them from the regulatory system for genetically modified organisms (GMOs); notes that neither the Scottish nor Welsh Parliaments have granted legislative consent to the Bill; is highly

concerned about regulatory divergence in this area, which could result in the entry of genetically modified products into the EU with disparate safety controls or without proper labelling;

19. Welcomes the provisions on cooperation on health security which enable the Parties and Member States' competent authorities to exchange relevant information, but regrets that this cooperation has been limited to assess 'significant' public health risks, and to coordinate the measures that could be required to protect public health; underlines how the COVID-19 pandemic has reinforced the case for stronger cooperation on health matters, as well as a structured and regular two-way communication between authorities and stakeholders to better react to crisis situations;

The Committee on the Environment, Public Health and Food Safety asks the Committee on Foreign Affairs and the Committee on International Trade, as the committees responsible, to address and include the above expressed views in its implementation report on the EU-UK Trade and Cooperation Agreement, to take into account its position as set out above.

INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

| | |
|---|---|
| Rule 58 – Joint committee procedure Date announced in plenary | 15.12.2022 |
| Date adopted | 24.10.2023 |
| Result of final vote | +: 71 –: 1 0: 3 |
| Members present for the final vote | Alexander Alexandrov Yordanov, Anna-Michelle Asimakopoulou, Petras Auštrevičius, Traian Băsescu, Anna Bonfrisco, Saskia Bricmont, Reinhard Bütikofer, Jordi Cañas, Włodzimierz Cimoszewicz, Katalin Cseh, Paolo De Castro, Michael Gahler, Giorgos Georgiou, Sunčana Glavak, Raphaël Glucksmann, Bernard Guetta, Heidi Hautala, Danuta Maria Hübner, Sandra Kalniete, Dietmar Köster, Andrius Kubilius, Miapetra Kumpula-Natri, Danilo Oscar Lancini, Bernd Lange, David Lega, Leopoldo López Gil, Jaak Madison, Margarida Marques, Pedro Marques, Sara Matthieu, David McAllister, Vangelis Meimarakis, Sven Mikser, Francisco José Millán Mon, Matjaž Nemec, Urmas Paet, Demetris Papadakis, Kostas Papadakis, Tonino Picula, Thijs Reuten, Nacho Sánchez Amor, Andreas Schieder, Helmut Scholz, Joachim Schuster, Sven Simon, Jordi Solé, Sergei Stanishev, Tineke Strik, Dominik Tarczyński, Dragoș Tudorache, Kathleen Van Brempt, Marie-Pierre Vedrenne, Thomas Waitz, Jörgen Warborn, Iuliu Winkler, Jan Zahradil, Tomáš Zdechovský, Bernhard Zimniok, Juan Ignacio Zoido Álvarez, Željana Zovko |
| Substitutes present for the final vote | Attila Ara-Kovács, Lars Patrick Berg, Marco Campomenosi, Dacian Ciolos, Corina Crețu, Clare Daly, Svenja Hahn, Seán Kelly, Andrey Kovatchev, Georgios Kyrtos, Sergey Lagodinsky, Javier Moreno Sánchez, Giuliano Pisapia, Mick Wallace |
| Substitutes under Rule 209(7) present for the final vote | Mircea-Gheorghe Hava |

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

| 71 | + |
|-----------|--|
| ECR | Lars Patrick Berg, Dominik Tarczyński, Jan Zahradil |
| ID | Anna Bonfrisco, Marco Campomenosi, Danilo Oscar Lancini |
| PPE | Alexander Alexandrov Yordanov, Anna-Michelle Asimakopoulou, Traian Băsescu, Michael Gahler, Sunčana Glavak, Mircea-Gheorghe Hava, Danuta Maria Hübner, Sandra Kalniete, Seán Kelly, Andrey Kovatchev, Andrius Kubilius, David Lega, Leopoldo López Gil, David McAllister, Vangelis Meimarakis, Francisco José Millán Mon, Sven Simon, Jörgen Warborn, Iuliu Winkler, Tomáš Zdechovský, Juan Ignacio Zoido Álvarez, Željana Zovko |
| Renew | Petras Auštrevičius, Jordi Cañas, Dacian Cioloș, Katalin Cseh, Bernard Guetta, Svenja Hahn, Georgios Kyrtos, Urmas Paet, Dragoș Tudorache, Marie-Pierre Vedrenne |
| S&D | Attila Ara-Kovács, Włodzimierz Cimoszewicz, Corina Crețu, Paolo De Castro, Raphaël Glucksmann, Dietmar Köster, Miapetra Kumpula-Natri, Bernd Lange, Margarida Marques, Pedro Marques, Sven Mikser, Javier Moreno Sánchez, Matjaž Nemec, Demetris Papadakis, Tonino Picula, Giuliano Pisapia, Thijs Reuten, Nacho Sánchez Amor, Andreas Schieder, Joachim Schuster, Sergei Stanishev, Kathleen Van Brempt |
| The Left | Clare Daly, Helmut Scholz, Mick Wallace |
| Verts/ALE | Saskia Bricmont, Reinhard Bütikofer, Heidi Hautala, Sergey Lagodinsky, Sara Matthieu, Jordi Solé, Tineke Strik, Thomas Waitz |

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|----|------------------|
| NI | Kostas Papadakis |

| 3 | 0 |
|----------|--------------------------------|
| ID | Jaak Madison, Bernhard Zimniok |
| The Left | Giorgos Georgiou |

Key to symbols:

+ : in favour

- : against

0 : abstention