Subject: Opinion on the 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 (2020/0382(NLE))

Dear Chairs,

Under the procedure referred to above, the Committee on Industry, Research and Energy has been asked to submit an opinion to your committees.

The Committee on Industry, Research and Energy considered the matter at its meeting of 14 January 2021. Following a written procedure involving its coordinators concluded on 29 January 2021, the Committee decided to call on the Committee on Foreign Affairs and the Committee on International Trade, as the committees responsible, to attach the following opinion to the consent recommendation.

Yours sincerely,
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 attach the following opinion to the consent recommendation:

1. Welcomes the fact that an agreement on the future relations between the EU and the UK could still be found before the end of the transition period; deeply regrets, however, that the time for parliamentary scrutiny is extremely short given the fact that the agreement came late, and that its provisional application has been limited and will expire at the end of February 2021;

2. Supports overall the agreements reached, underlines the need to remain vigilant on the full respect of the non-regression clauses; highlights, however, that many details still need to be worked out in the Partnership Council and its specialised committees; calls on the Commission to ensure that Parliament and its specialised committees are kept adequately informed and involved from an early stage in the work in the Partnership Council and its committees; calls furthermore for a permanent structure to ensure Parliament’s involvement in the regular reviews of the Trade and Cooperation Agreement;

3. Expresses concern about the autonomous role the Partnership Council will have not only in reviewing, but also in amending the Agreement with regard to future participation in EU programmes, including Horizon Europe and other programmes in the ITRE remit; calls therefore for the conclusion of an interinstitutional agreement between the Parliament and the Commission to ensure that any decisions adopted in the Partnership Council with regard to future participation in Union programmes will only be taken after obtaining support from Parliament;

Research

4. Welcomes the continuation of European cooperation with the UK in the fields of science, research and innovation; underlines the importance of supporting researchers’ mobility to ensuring that scientific knowledge and technology circulate freely; deplores, however, the UK’s selective participation in this area; considers that the Erasmus+ programme is an indispensable part of Europe’s education system, which trains excellent researchers and offers unique opportunities for researchers; notes that the benefits of Horizon Europe cannot exist without excellent education; believes therefore that UK participation in Horizon Europe should go hand in hand with participation in Erasmus+, and that additional efforts should be made to convince the UK to also sign up to Erasmus+; believes UK participation in both programmes will benefit both parties and further contribute to Europe’s success in science and technology;

5. Welcomes the UK association in Horizon Europe; highlights that this is a historic association, as an association has never before had such important budgetary implications for the Union; recalls that the relevant conditions for the participation of third countries established in the corresponding programmes set the basis for the negotiations on programme participation; highlights that association agreements with third countries have in the past been concluded under Article 218(6) of the TFEU following a consent procedure; calls therefore for full parliamentary scrutiny, including
consent by Parliament before adoption of Protocol I (Programmes and activities in which the United Kingdom participates);

6. Urges the UK and the Commission to continue dialogue with a view to establishing an effective framework for the mutual recognition of academic and professional qualifications;

**Space**

7. Welcomes the participation of the United Kingdom in the Copernicus component of the EU Space Programme, and the fact that UK users can continue to access EU space surveillance and tracking services; believes that the EU and the UK should closely cooperate on space, notes in this regard that the UK could participate in other components of the Space Programme, based on similar third-country agreements subject to negotiations for each programme or component, and on an appropriate balance between obligations and rights, while respecting the EU’s strategic autonomy in the space sector;

**Industry and SMEs**

8. Supports the provisions for a level playing field for open and fair competition and sustainable development which aim to provide for equitable conditions for European industries; welcomes the special provisions for small and medium-sized enterprises (SMEs) which aim to enhance their ability to take full advantage of the Agreement’s trade provisions, such as the setting up of dedicated SME contact points; urges the Commission to remain vigilant about protecting European industry supply chains against the direct and indirect effects of Brexit; calls in particular for assistance during this transition process to SMEs integrated in the value chains of big companies;

9. Emphasises the importance of avoiding regulatory uncertainty, administrative burdens and procedural complexity, in particular with regard to dispute settlement, increased certification requirements and testing to meet both EU and UK standards, which will add complexity and cost; calls therefore on the Partnership Council to closely monitor the risks of dumping, as well as the administrative burden for businesses and the energy and research communities, and to ensure that formalities are as few as possible when exporting goods or providing services; is concerned nevertheless that SMEs will struggle to comply quickly with the new rules, and believes that more needs to be done to support SMEs in this regard;

10. Welcomes in particular the guarantees on environmental protection, over and above the non-regression provisions applicable to the environment, climate and labour protection; emphasises that these should be monitored and upheld in order to ensure a level playing field between the Parties in the future, and to prevent businesses from relocating their activities to the territory with lower costs of production stemming from relaxed environmental rules or social standards, thus lowering the competitiveness of one Party;

**ICT**
11. Supports the agreement reached on the provision of telecommunications networks and services, which largely safeguards the existing *acquis*; regrets however that transposition of the Roaming Regulation could not be agreed on; calls therefore on mobile service operators to continue applying the ‘roam like at home’ principle in both the EU and the UK;

12. Underlines the importance of the free flow of data for both citizens and businesses; welcomes therefore the provisions ensuring cross-border data flows to facilitate trade in the digital economy while ensuring proper application of the EU *acquis*; emphasises the need for intense cooperation to ensure data interoperability; stresses the need to structure a regular dialogue on the challenges and opportunities of artificial intelligence; calls for regular monitoring of these provisions due to the fast-changing technological and regulatory environment, and calls on the Partnership Council to ensure the UK’s continued alignment with the General Data Protection Regulation (GDPR);

13. Welcomes the provisions on cybersecurity which provide for a regular dialogue between the EU and the UK, continued information exchange between computer emergency response teams (CERTs), the UK’s participation in specific activities of the Network and Information Systems (NIS) Cooperation Group, and the UK’s cooperation with the EU Agency for Cybersecurity (ENISA), and notes the need for more cooperation in this field;

**Energy**

14. Notes that the energy chapter expires on 30 June 2026, unless both the EU and the UK agree to extend the arrangement on an annual basis; underlines the need to continue cooperation on all energy matters beyond that date, given the interconnection of both energy markets and the fact that Northern Ireland will remain within the EU’s internal energy market; calls for a strong role of the European Parliament when deciding on this extension;

15. Calls for Projects of Common Interests (PCIs) and the guidelines for trans-European energy infrastructure (TEN-E guidelines) to take into account the specific challenges Ireland is facing;

16. Invites the UK to seek cooperation arrangements with the European Network of Transmission System Operators for Electricity and Gas (ENTSO-E and ENTSO-G) and the European Union Agency for the Cooperation of Energy Regulators (ACER); calls on the Commission to implement an energy cooperation practice, including with the aim of avoiding a rise in final energy prices;

17. Welcomes the integration of some principles of EU electricity market design into the Agreement; underlines that the inclusion of all key principles would be mutually beneficial for future cooperation; calls furthermore for ongoing projects in the field of energy to be continued;

18. Encourages efforts, and considers it essential, to link the EU’s Emissions Trading System and the UK’s future domestic scheme in order to jointly work on the reduction of greenhouse gas emissions and respect the Paris Agreement;
19. Calls for a memorandum of understanding, based on the North Seas Energy Cooperation (NSEC) framework, that includes at least joint projects, maritime spatial planning, the integration of offshore energy in energy markets, including best practices in each party’s offshore and onshore grid planning, support framework and financing, with adequate scrutiny by both parties;

20. Notes the EU-UK Agreement for cooperation on the safe and peaceful uses of nuclear energy, regrets that it is not part of the consent procedure as the Euratom Treaty does not provide for a role of the European Parliament; encourages a swift adoption of Protocol I [Programmes and activities in which the United Kingdom participates], allowing the UK’s participation in the ITER activities as an associated third country to Fusion For Energy;

The Committee on Industry, Research and Energy thus calls on the Committee on Foreign Affairs and the Committee on International Trade, as the committees responsible, to recommend that Parliament give its consent to the EU-UK Trade and Cooperation Agreement.