



TEXTS ADOPTED

P9_TA(2021)0141

The outcome of EU-UK negotiations

European Parliament resolution of 28 April 2021 on the outcome of EU-UK negotiations (2021/2658(RSP))

The European Parliament,

- having regard to the Treaty on European Union (TEU) and the Treaty on the Functioning of the European Union (TFEU),
- having regard to the Charter of Fundamental Rights of the European Union (‘the Charter’),
- having regard to the draft Council decision (05022/2021),
- having regard to the Council Decision (EU) 2020/2252 of 29 December 2020 on the signing, on behalf of the Union, and on provisional application 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 information¹,
- having regard to the request for consent submitted by the Council in accordance with Articles 217 and 218(6), second subparagraph and Article 218(8), second subparagraph of the Treaty on the Functioning of the European Union(C9-0086/2021),
- having regard to its resolutions of 5 April 2017 on negotiations with the United Kingdom following its notification that it intends to withdraw from the European Union², of 3 October 2017 on the state of play of negotiations with the United Kingdom³, of 13 December 2017 on the state of play of negotiations with the United Kingdom⁴, of 14 March 2018 on the framework of the future EU-UK relationship⁵, of 18 September 2019 on the state of play of the UK’s withdrawal from the European

¹ OJ L 444, 31.12.2020, p. 2.

² OJ C 298, 23.8.2018, p. 24.

³ OJ C 346, 27.9.2018, p. 2.

⁴ OJ C 369, 11.10.2018, p. 32.

⁵ OJ C 162, 10.5.2019, p. 40.

Union¹, of 15 January 2020 on implementing and monitoring the provisions on citizens' rights in the Withdrawal Agreement², of 12 February 2020 on the proposed mandate for negotiations for a new partnership with the United Kingdom of Great Britain and Northern Ireland³, and of 18 June 2020 on the negotiations for a new partnership with the United Kingdom of Great Britain and Northern Ireland⁴,

- having regard to its legislative resolution of 29 January 2020 on the draft Council decision on the conclusion 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 Community⁵,
 - 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 Community⁶ (the 'Withdrawal Agreement'), and to the political declaration setting out the framework for the future relationship between the European Union and the United Kingdom⁷, that accompanies the Withdrawal Agreement, (the 'Political Declaration'),
 - having regard to the contributions from the Committee on Foreign Affairs, the Committee on Development, the Committee on International Trade, the Committee on Budgets, Committee on Budgetary Control, the Committee on Economic and Monetary Affairs, the Committee on Employment and Social Affairs, the Committee on the Environment, Public Health and Food Safety, the Committee on Industry, Research and Energy, the Committee on the Internal Market and Consumer Protection, the Committee on Transport and Tourism, the Committee on Agriculture and Rural Development, the Committee on Fisheries, the Committee on Culture and Education, the Committee on Legal Affairs, the Committee on Civil Liberties, Justice and Home Affairs, and the Committee on Constitutional Affairs,
 - having regard to the Recommendation for a Council decision authorising the opening of negotiations for a new partnership with the United Kingdom of Great Britain and Northern Ireland, which nominates the Commission as the Union negotiator, and the Annex thereto containing the directives for the negotiation of a new partnership (COM(2020)0035) ('negotiating directives'),
 - having regard to Rule 132(2) of its Rules of Procedure,
1. Strongly welcomes the conclusion of the EU-UK Trade and Cooperation Agreement (the Agreement) which limits the negative consequences of the United Kingdom's (UK's) withdrawal from the European Union (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

¹ Texts adopted, P9_TA(2019)0016.

² Texts adopted, P9_TA(2020)0006.

³ Texts adopted, P9_TA(2020)0033.

⁴ Texts adopted, P9_TA(2020)0152.

⁵ Texts adopted, P9_TA(2020)0018.

⁶ OJ L 29, 31.1.2020, p. 7.

⁷ OJ C 34, 31.1.2020, p. 1.

certainty for citizens and businesses; applauds the strong work and pivotal role of the EU's Chief Negotiator and his team in this respect;

2. Reiterates that the UK's withdrawal from the EU is a historic mistake and recalls that the EU has always respected the UK's decision while insisting that the UK must also accept the consequences of leaving the EU and that a third country cannot have the same rights and benefits as a Member State; recalls that throughout the process of the UK's withdrawal from the EU, Parliament has sought to protect the rights of EU citizens, protect peace and prosperity on the island of Ireland, protect fishing communities, uphold the EU's legal order, safeguard the autonomy of EU decision making, preserve the integrity of the customs union and internal market while avoiding social, environmental, fiscal, or regulatory dumping as this is essential to protect European jobs, industry and competitiveness and to pursue the ambitions set in the European Green Deal;
3. Welcomes that these goals have been largely achieved by the EU-UK Trade and Cooperation Agreement and the Withdrawal Agreement, through an enforceable level playing field, including for state aid, social and environmental standards, a long-term settlement on fisheries, an economic agreement which will mitigate many of the negative consequences of the UK's withdrawal from the EU, and a new framework for justice, police and internal security cooperation based on full respect for the ECHR and the EU's data protection legal framework; regrets nonetheless the limited scope of this Agreement, due to the lack of political will on the part of the UK to engage in important areas, notably foreign, defence and external security policy, which falls well short of the stated ambitions in the Political Declaration; regrets also the UK's decision not to participate in Erasmus+, depriving young people of such a unique opportunity;
4. Welcomes the strong goods-focused element of the Agreement, given the intensity of EU-UK trade in goods, and notes 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 for the UK's largely service-based economy are vastly reduced, with no continued country of origin or passporting approach, no automatic recognition of professional qualifications, and UK service providers potentially facing 27 different sets of rules and thus increased bureaucracy; highlights that this is the first agreement in the history of the EU where the negotiations sought to achieve divergence rather than convergence and as such more friction, barriers and costs for citizens and businesses were inevitable;
5. Welcomes the wider horizontal dispute settlement mechanism, which should allow for the timely resolution of disputes and the possibility for cross-suspension across all economic areas, should one of the parties not respect what it has signed up to; considers that this mechanism could become the blueprint and standard for all future free trade agreements;
6. Recalls the UKCG's and Group Leaders' statement of 11 September 2020 and takes note that the UK as a signatory to the Withdrawal Agreement is legally bound to fully implement and respect its provisions and welcomes the withdrawal of the offending provisions of the UK Internal Market Bill; condemns the UK's more recent unilateral actions, in breach of the Withdrawal Agreement, to extend grace periods exempting exports from Great Britain to Northern Ireland from providing export health certificates for all shipments of animal products, exempting parcels from making customs

declarations, and derogating from EU rules preventing soil from entering the internal market and on pet passports; considers these actions present a serious threat to the integrity of the Single Market; reiterates that all such decisions need to be agreed jointly through the relevant joint bodies; strongly calls on the UK Government to act in good faith and fully implement the terms of the agreements which it has signed, without delay, and on the basis of a credible and comprehensive timetable jointly set up with the European Commission in accordance with the good faith obligation under the Withdrawal Agreement; calls on the Commission in this regard to pursue with vigour the infringement proceeding against the UK launched on 15 March 2021 under Article 12(4) of the Protocol on Ireland and Northern Ireland; recalls that persistent non-compliance with the outcome of dispute settlement proceedings under the Withdrawal Agreement may also result in the suspension of obligations, including the restriction of the unprecedented levels of market access under the TCA; considers in this respect that the ratification of the TCA strengthens our enforcement toolbox for the Withdrawal Agreement; recalls that the full and proper respect and implementation of the Withdrawal Agreement is key to protecting citizens' rights, protecting the peace process and avoiding a hard border on the island of Ireland, protecting the integrity of the internal market, and ensuring the UK pays its fair share of liabilities accrued over the course of its membership and beyond and therefore continues to be an essential precondition for the future development of the relationship between the EU and the UK; highlights the importance of good faith and the need for trust and credibility in this respect; recalls that the design of the Protocol on Ireland/Northern Ireland, and Article 16 thereof, reflects a very delicate and sensitive political balance; insists that proposals or actions which could alter this balance should not be taken lightly or without proper prior consultation by either party; highlights the unique circumstances of Northern Ireland, and the role given to the Northern Ireland Assembly in the Protocol, including its required consent to the continued application of the Protocol in four years' time; expresses the need for ongoing and enhanced dialogue between political representatives and civil society, including with Northern Ireland representatives, on all aspects of the Protocol on Ireland/Northern Ireland and the broader Northern Irish peace process; is deeply concerned by the recent tensions in Northern Ireland and recalls that the EU is one of the main guardians of the Good Friday Agreement and is determined to protect it;

The Role of the European Parliament

7. Regrets the extreme last-minute nature of the Agreements, and the resulting uncertainty which is imposing high costs on citizens and economic operators and has also impacted Parliament's prerogatives to scrutinise and apply democratic oversight of the final text of the Agreements ahead of their provisional application; highlights the exceptional nature of this process given the firm deadline for the expiry of the transition period and the UK's refusal to extend, even in the midst of a pandemic; stresses that in no way can this process constitute a precedent for future trade agreements, where the usual format of cooperation and access to information must be guaranteed, in line with Article 218(10) TFEU, including the sharing of all negotiating texts, regular dialogue, and sufficient time for formal Parliament scrutiny and debate of agreements; underlines that agreements must not be applied provisionally without the consent of Parliament; notwithstanding the above, acknowledges that Parliament was able to express its opinion on a regular basis given the strong and frequent consultation and dialogue with the EU's Chief Negotiator and the Commission's UK Taskforce, and the adoption of two Parliament resolutions in February and June 2020, which ensured our positions

were fully reflected in the EU's initial mandate and defended by the EU's Chief Negotiator during the course of negotiations;

8. Supports the establishment of a Parliamentary Partnership Assembly for Members of the European and UK Parliaments, under the Agreement; believes that this Parliamentary Partnership Assembly should be tasked with monitoring the full and proper implementation of the Agreement and making recommendations to the Partnership Council; suggests that its scope should also include the implementation of the Withdrawal Agreement, without prejudice to the governance structures of each agreement and the mechanism for their scrutiny, as well as the right to submit recommendations for areas where improved cooperation could be beneficial for both parties and to take joint initiatives to promote close relations;
9. Insists that Parliament must play a full role in the monitoring and implementation of the Agreement in line with letter of 5 February 2021 from Parliament President Sassoli; without prejudice to the existing commitments taken by the respective Commissioners vis-à-vis the responsible parliamentary committees, welcomes the Commission's statement on Parliament's role in the implementation of the Agreement, including the following undertakings:
 - (a) to keep Parliament immediately and fully informed of the activities of the Partnership Council and other joint bodies;
 - (b) to involve Parliament in important decisions under the Agreement in relation to any unilateral actions of the Union under the Agreement, and to take utmost account of the Parliament's views, and should it not follow Parliament's views to explain the reasons for which it did not;
 - (c) to involve Parliament sufficiently in advance of its intention to present a proposal for the Union to terminate or suspend Part Three [Law enforcement and judicial cooperation in criminal matters] of the Agreement, should the UK not respect its commitments under the European Convention on Human Rights;
 - (d) to involve Parliament in the selection process of potential arbitrators and panellists foreseen by the Agreement;
 - (e) to submit to Parliament any proposal for legislative acts regulating the modalities for adopting the autonomous measures that the Union is entitled to take under the Agreement;
 - (f) to take utmost account of the views of Parliament regarding the implementation of the Agreement by both Parties, including regarding possible breaches of the Agreement or imbalances in the level playing field and should it not follow the view of Parliament, to explain its reasons;
 - (g) to keep Parliament fully informed of the Commission's assessments and decision concerning data adequacy, as well as arrangements for regulatory cooperation with the UK authorities on financial services and the possible granting of equivalences in financial services;

Requests the consolidation of these commitments into an Interinstitutional Agreement to be negotiated at the earliest opportunity;

10. Welcomes the Agreement concerning security procedures for exchanging and protecting classified information; emphasises that this agreement, in particular its Article 3, is without prejudice to Parliament's rights under Article 218(10) TFEU, particularly in the light of paragraph 9 above; points out that the manner in which Parliament's consent has been requested by the Council, covering two agreements in one procedure – the EU-UK Trade and Cooperation Agreement and the EU-UK Agreement concerning security procedures for exchanging and protecting classified information – is not in line with standard practice and that it should in no way become a precedent, as Parliament should be able to provide its consent for each international agreement, before its entry into force, separately and not as a package, otherwise its prerogatives would be seriously undermined;
11. Urges the strong involvement of EU and UK trade unions and other social partners and civil society organisations in the monitoring and implementation of the Agreement, including their consultation and potential participation in the specialised committees where relevant matters are considered, as well as the establishment of a dedicated labour forum to meet before each Partnership Council meeting; suggests in light of the importance and potential wide-ranging consequences of the Agreement, that the Domestic Advisory Group be enlarged with increased representatives from the trade unions and other social partners, in particular from the European Sector Federations, and that civil society organisations and trade unions and other social partners should be empowered to submit complaints to the Commission, with a requirement on the Commission to act on such complaints;
12. Welcomes the Commission's efforts to involve stakeholders as much as possible given the limited time available and also welcomes the detailed readiness notices which have helped businesses to prepare for the inevitable changes as from 1 January 2021, when the UK left the customs union and the internal market; calls for increased efforts by all EU Member States and, where applicable, regions, to ensure that these first months under the new regime vis-à-vis the new status of the UK go as smoothly as possible for all economic operators and citizens; recognising that the UK's withdrawal from the EU has significant short-term economic consequences, calls on the Commission to make full and timely use of the EUR 5 billion Brexit Adjustment Reserve, once adopted by the co-legislators, to help sectors, businesses and workers alike, and Member States most affected by the negative and unforeseen impacts of the new relationship between the EU and the UK;

Trade

13. Emphasises the unprecedented scope of the Agreement with regard to trade in goods whereby the objective of zero quotas and zero tariffs has been achieved and as a result will facilitate trade with the UK, in the framework of appropriate rules of origin, safeguarding the interests of EU producers, including through bilateral cumulation, the self-certification of origin by exporters, as well as the 12-month exemption period for some of the documentation; stresses the importance of an effective level-playing field, in particular on non-regression and avoiding future divergences, in combination with this unprecedented scope of the Agreement;
14. Underlines that for trade in services both parties' commitments deliver a level of liberalisation beyond their WTO commitments, including through a forward-looking 'most favoured nation' clause, a review commitment with a view to future

improvements, and with special rules provided for mobility of professionals for business purposes ('Mode 4' services); however, at the same time recalls that, by leaving the internal market, the UK lost its automatic unlimited right to provide services across the EU; recognises clear provisions on professional qualifications that are different due to the UK being a third country; welcomes nevertheless the mechanism provided for in the Agreement whereby the EU and the UK may later agree on a case-by-case basis and for specific professions on additional arrangements;

15. Welcomes the chapter on digital trade, including the explicit prohibition of data localisation requirements or mandatory disclosure of source code, novel to the Free Trade Agreements the EU has so far concluded, while at the same time preserving the EU's right to regulate and data protection requirements; recognises that this digital chapter can serve as a model for future trade agreements; also welcomes regulatory cooperation on emerging technologies, including artificial intelligence;
16. Commends the fact that, despite the initial reticence from the UK side, the most ambitious overarching chapter on public procurement ever has been negotiated going beyond the Agreement on Government Procurement to guarantee equal treatment for EU companies, as well as a chapter on the needs and interests of micro-enterprises and small and medium-sized enterprises (SMEs); recalls that the existing stock of geographical indications (GIs) has been protected under the Withdrawal Agreement, but regrets that no arrangements regarding future GIs could be found contrary to the commitments taken in the Political Declaration; acknowledges nevertheless the 'rendez-vous' clause to extend protection in the future and urges both parties to activate this clause as soon as possible;
17. Strongly urges the Commission and the Member States to set up and actively engage in relevant regulatory coordination platforms providing full transparency to Parliament to allow for a high degree of regulatory convergence in the future, in line with the European Green Deal, and to avoid unnecessary conflicts, while at the same time safeguarding each party's right to regulate as highlighted in the Agreement;

Level playing field

18. Welcomes the overarching and modern title on a level playing field for open and fair competition and sustainable development which should be considered as a model for other future Free Trade Agreements negotiated by the EU, including:
 - (i) rules on non-regression from the current high levels of protection in labour and social standards, environment and climate, taxation, which cannot be lowered in a manner affecting trade or investment, as well as rules on competition and state-owned enterprises;
 - (ii) the possibility to apply unilateral rebalancing measures in the case of significant future divergences in the areas of labour and social standards, environment or climate protection, or of subsidy control, where such divergences materially impact trade or investment between the parties; emphasises the need to ensure that significant divergence with material impact on trade or investment is broadly interpreted and can be demonstrated in a practical manner to ensure that the ability to use such measures is not unduly restricted;

- (iii) the agreed set of binding subsidy control principles, the non-respect of which can be challenged by competitors, with the courts empowered to order beneficiaries to pay back the subsidy where necessary, and the possibility for the EU to tackle any non-compliance by the UK through unilateral sanctions, including the introduction of tariffs or quotas on certain products or the cross-suspension of other parts of the economic partnership; emphasises the need to monitor the new UK State aid regime and assess the efficacy of the mechanism to address unjustified subsidies so that it effectively contributes to a level playing field;
 - (iv) however regrets that the chapter on taxation is not subject to dispute settlement provisions nor to rebalancing measures; requests the Commission to remain vigilant on questions of taxation and money laundering, where all available tools such as the listing processes should be used to dissuade the UK from adopting unfair practices; recalls in this respect the possibility to request a review of the trade heading four years after the entry into force of the Agreement should imbalances arise;
 - (v) recalls that provisions on the level playing field apply in a general manner, including in so-called special economic zones;
19. Highlights that due monitoring and adequate oversight are of crucial importance to get a solid understanding of both remaining and new barriers that companies, and especially SMEs, face on the ground; emphasises the importance of avoiding unnecessary regulatory uncertainty, administrative burdens and procedural complexity which will add complexity and cost; calls in this regard on the Commission and the Member States to engage with the business community, especially SMEs in order to mitigate emerging trade irritants;

Governance

20. Welcomes the horizontal governance and institutional framework set out in the Agreement, ensuring a common coherence, link and enforcement between all chapters, thus avoiding additional parallel structures and bureaucracy, as well as providing legal certainty and robust guarantees of compliance by the parties; acknowledges in particular the robust mechanism to resolve disputes that may arise between the EU and the UK on the interpretation or implementation of their commitments;
21. Welcomes the non-discrimination clause in the governance chapter that ensures that the UK cannot, in its national visa policy, discriminate between citizens of EU Member States for the purpose of granting short-term visas; condemns the discriminatory treatment of some EU citizens (from Bulgaria, Estonia, Lithuania, Romania and Slovenia) who do not benefit from the same visa application fee regime in the UK as citizens of the other 22 EU Member States with regard to fees for work visas and certificates of sponsorship;

Security, foreign affairs and development

22. Regrets that contrary to the Political Declaration which envisaged an ambitious, broad, deep and flexible partnership in the field of foreign policy, security and defence, the UK refused to negotiate on these aspects as part of the Agreement; recalls nevertheless that it is in both sides' interest to maintain close and lasting cooperation in these fields,

particularly for the promotion of peace, security, including counter-terrorism, promoting a rules-based global order, effective multilateralism, the UN Charter, consolidation of democracy and the rule of law, and the protection of human rights and fundamental freedoms as per Article 21 TEU; proposes that future cooperation and coordination between the EU and UK should be governed by a systemic platform for high-level consultations and coordination on foreign policy issues, including challenges posed by countries such as Russia and China, a close engagement on security matters, including in the framework of EU-NATO cooperation, and a systematic preferential cooperation as regards in particular peacekeeping operations; calls in particular for in-depth cooperation and coordination with the UK as regards sanctions policies with the EU given the shared values and interests and for the establishment of a coordination mechanism in this respect;

23. Deplores in that regard the UK's decision to downgrade the European Union's diplomatic status and calls on relevant UK authorities to urgently remedy this action and urges the Commission to stand firm in defence of the proper implementation of the Treaties;
24. Notes the importance of the UK as a development and humanitarian aid actor, owing to the scale of its official development assistance (even with the cut from 0,7 to 0,5 % of GNI), its expertise, project implementation capacities and comprehensive relations with the Commonwealth and developing countries; encourages the UK to help minimise the negative impacts of the UK's withdrawal from the EU on developing countries and to sustain its commitment to being at the forefront of development assistance and humanitarian aid; calls for close EU-UK donor coordination and cooperation, including the possibility to draw on each other's capacities so as to maximise efficiency, development effectiveness and progress towards the United Nations' Sustainable Development Goals;

Specific sectoral issues and thematic cooperation

25. Considers that the internal market is a key achievement of the European Union, has been highly beneficial for both parties' economies and has created a basis for improving citizens' quality of life; stresses that this new era of economic partnership should be oriented towards generating mutually beneficial opportunities and should by no means result in any undermining of the integrity and functioning of the internal market and the customs union; acknowledges that the extension of the facilitations granted to authorised economic operators is an appropriate way forward to avoid distortions in trade;
26. Underlines that as part of the implementation process the EU should pay special attention to the conformity of the customs checks performed before goods enter the internal market (either coming from the UK or from other third countries via the UK) as envisaged in the Agreement, and insists that ensuring the compliance of goods with internal market rules is of utmost importance; stresses the need for greater investment in customs control facilities and for further coordination and exchange of information between both parties in order to prevent trade disruptions as far as possible, as well as to preserve the integrity of the customs union in the interest of consumers and businesses; considers that smooth cooperation between customs and market surveillance authorities is absolutely necessary and raises concerns in particular about the necessary operational capacity of the EU presence in Northern Ireland;

27. Notes that consumer habits and consumer confidence in cross-border shopping have already been negatively affected by the uncertainty over the applicable rules and calls on the UK Government, the Commission and the Member States to swiftly implement the measures set out in the Agreement for the protection of consumers, and to reinforce cooperation on various sectoral policies relating to sustainable production methods and product safety; calls for transparency along the product-service supply chain for the benefit of consumers, and declares that prices that reflect the total costs of the purchase, including all relevant applicable fees and duties, and clarity on the applicable consumer rights are key to avoiding friction and fostering the confidence of consumers when purchasing across the border;
28. Deplores the negative impact on certain fishing communities, while recognising that the provisions on fisheries which establish a 25 % reduction phased in over 5½ years represents a less damaging outcome than a complete closure of UK waters; in this respect, calls on the Commission to take all necessary actions to ensure that the 25 % reduction threshold is never exceeded and that reciprocal access remains in place; in that regard is concerned that the Partnership Council is allowed to amend Annexes 35, 36 and 37; requests that Parliament be properly consulted ahead of any such change;
29. Expresses its strong concern as regards the situation at the end of this period, and reminds the UK that its continued access to EU markets is directly linked to the access of EU fisheries to UK waters thereafter; recalls that should the UK consider limiting access after the initial 5½ year period, the EU will be able to take action to protect its interests, including by re-establishing tariffs or quotas for UK fish imports or suspending other parts of the Agreement, should there be a risk of serious economic or social difficulties for EU fishing communities; deeply regrets that EU rights to fish are being questioned with diversionary means through the impossibility to timely adopt an agreement on TACs and quotas and through unacceptable technical measures, as well as through controversial restrictive interpretations concerning the conditions to acquire licences;
30. Highlights its deep concern at the potential consequences of the UK diverging from Union regulations on technical measures and other related Union environmental legislation that could lead to a de facto limitation of access to UK waters for some European fishing vessels; recalls that the Agreement obliges each party to precisely justify the non-discriminatory nature of any development in this area, and the necessity, in the light of scientifically verifiable data, to ensure long-term environmental sustainability; calls on the Commission to be particularly vigilant that these conditions are complied with and to strongly respond in case the UK acts in a discriminatory manner;
31. Expresses concerns with regard to the consequences of different rules applicable to territories with special UK related status, notably Crown Dependencies and Overseas Territories; calls on the Commission to pay special attention to these territories and their specificities;
32. Is concerned about how a future possible unilateral lowering of social and labour standards by the UK would be addressed and contested under the Agreement; reiterates once again that any unilateral lowering of social and labour standards at the expense of European workers and companies must be swiftly addressed and remedied in order to maintain a level playing field; also deplores that although the UK was obliged under

Article 127 of the Withdrawal Agreement to transpose the Directive on work-life balance for parents and carers and the Directive on Transparent and Predictable Working conditions¹ during the transition period, it has not yet taken the necessary steps to do so and has thus deprived workers in the UK of certain newly established rights;

33. Welcomes the fact that the new cooperation mechanism as regards social security coordination is close to existing rules under Regulation (EC) No 883/2004² on the coordination of social security systems and Regulation (EC) No 987/2009³ laying down the procedure for implementing Regulation (EC) No 883/2004; welcomes, in particular, the fact that EU provisions on non-discrimination, equal treatment and the aggregation of periods are safeguarded in the Agreement; regrets, nevertheless, the restrictions on the material scope and, in particular, that family benefits, long-term care and non-contributory cash benefits and the exportability of unemployment benefits are not included; calls on the parties to immediately provide citizens affected by restrictions to free movement with solid and reliable information regarding their rights to residence, to work and to social security coordination;
34. Takes note of the interim provision for transmission of personal data to the UK; reiterates its resolutions of 12 February 2020 and 18 June 2020 on the importance of data protection both as a fundamental right, as well as a key enabler for the digital economy; recalls that, as regards the adequacy of the UK data protection framework, according to case law of the CJEU the level of protection of the UK must be ‘essentially equivalent’ to that offered by the EU legal framework, including onward transfers to third countries, both as regards commercial transfers and transfers for law enforcement purposes; acknowledges the launching of the procedure for the adoption of the two adequacy decisions for transfers of personal data to the United Kingdom, under the General Data Protection Regulation⁴ (GDPR) and the Law Enforcement Directive⁵ on 19 February 2021; calls on the Commission not to adopt a positive adequacy decision if the conditions set under EU law and case law are not fully respected; stresses that an adequacy decision may not be the object of negotiation between the UK and the EU since it refers to the protection of a fundamental right recognised by the ECHR, the

¹ Directive (EU) 2019/1152 of the European Parliament and of the Council of 20 June 2019 on transparent and predictable working conditions in the European Union (OJ L 186, 11.7.2019, p. 105).

² Regulation (EC) No 883/2004 of the European Parliament and of the Council of 29 April 2004 on the coordination of social security systems (OJ L 166, 30.4.2004, p. 1).

³ Regulation (EC) No 987/2009 of the European Parliament and of the Council of 16 September 2009 laying down the procedure for implementing Regulation (EC) No 883/2004 on the coordination of social security systems (OJ L 284, 30.10.2009, p. 1).

⁴ 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 (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1)

⁵ Directive (EU) 2016/680 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 by competent authorities for the purposes of the prevention, investigation, detection or prosecution of criminal offences or the execution of criminal penalties, and on the free movement of such data, and repealing Council Framework Decision 2008/977/JHA (OJ L 119, 4.5.2016, p. 89).

Charter and the EU Treaties;

35. Underlines that the Agreement establishes cooperation with the UK in law enforcement and judicial cooperation in criminal matters, which is of an unprecedentedly close nature with a third country; points out that, as an additional safeguard, Part III, Title III of the Agreement provides for a specific regime on dispute-settlement in view of the sensitive area regulated by it; welcomes the provisions on suspension and termination of Part III, notably the ECHR conditionality;
36. Deplores that Parliament's demands regarding a common EU approach on asylum, migration and border management have not been followed up and that these important matters, which also impact the rights of the most vulnerable, such as unaccompanied minors, are now left to be dealt with via bilateral cooperation; calls for a relevant agreement that would replace the Dublin Regulation¹ to be agreed swiftly between the EU and the UK;
37. Regrets the lack of ambition of the Agreement on mobility policies and calls for the development of safe legal migration pathways between the EU and UK; welcomes the provisions on visas for short-term visits and the non-discrimination clause among Member States; calls on the UK not to discriminate among EU citizens on the basis of their nationality, both in terms of registration in the EU settlement scheme, as well as in mobility and visa issues; calls on the Commission to strictly enforce the reciprocity principle; condemns the UK's discriminatory decision to apply different fees for work visas for citizens of certain EU Member States as regards, for instance, seasonal work visas and health and care worker visas; emphasises the importance of guaranteeing equal access to the UK's labour market for EU citizens and the need to apply the same fee for all EU nationals, and therefore urges the UK to immediately reverse its decision;
38. Calls on the Commission to keep Parliament fully informed on monitoring of the implementation of the Agreement by the European Central Bank, the European Supervisory Authorities, the European Systemic Risk Board and the Single Resolution Board, as well as of 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;
39. Calls on the Commission to use the tools available, to consider new tools in the upcoming revision of the anti-money-laundering framework and to ensure sincere cooperation in relation to beneficial ownership transparency, to guarantee a level playing field and to protect the single market from money laundering and terrorist financing risks emanating from the UK;
40. Notes with appreciation that the Agreement includes commitments on taxation transparency and fair tax competition, as well as a joint Political Declaration on

¹ Regulation (EU) No 604/2013 of the European Parliament and of the Council of 26 June 2013 establishing the criteria and mechanisms for determining the Member State responsible for examining an application for international protection lodged in one of the Member States by a third-country national or a stateless person (OJ L 180, 29.6.2013, p. 31).

countering harmful tax regimes;

41. Welcomes the announcement of an agreement between the UK and EU on a Memorandum of Understanding of financial services, but regrets that the UK equivalence decisions have so far been granted only to individual EEA States, including the Member States of the European Union, rather than to the Union as a whole; recalls that equivalence decisions cover several areas of law subject to harmonisation at EU level, and that in some cases, supervision is directly carried out by EU authorities; therefore calls on the Commission to consider whether UK equivalence decisions have been addressed to the EU as a whole, before making its own equivalence determinations;
42. Considers that there is a need to further clarify the scope of the non-regression obligation with regard to tax matters; fears the impact of differing legislation concerning tax matters; is particularly concerned about the early announcement from the UK to only commit to the mandatory disclosure of reportable arrangements based on weaker international standards and also regrets public statements on the opening of free ports in the UK;
43. Warns that unclear terminology and non-binding or unpredictable legal rules and oversight mechanisms on taxation within the Agreement increases the risk of fiscal dumping; notes in addition that the enforcement of the Agreement risks generating unresolved disputes due to a lack of clauses with direct effect, including on harmful tax practices; notes with concern that conditions on tax state aid are more stringent in EU trade agreements with Switzerland and Canada;
44. Notes that the Agreement does not apply to the UK Crown Dependencies and UK Overseas Territories; considers that thorough scrutiny should be conducted in order to ensure that the Agreement does not contain loopholes that allow these territories to be used as counterparts for developing new harmful tax schemes impacting the functioning of the internal market;
45. Welcomes that the Paris Agreement will constitute an essential element of the Agreement; regrets, however, that the climate base level of protection with respect to greenhouse gases did not take into account the revised economy-wide 2030 targets which are about to be adopted; underlines, furthermore, that the EU plans to further strengthen and expand the scope of the EU Emissions Trading System; considers that, should significant differences emerge between the EU Emissions Trading System and the UK Emissions Trading Scheme, this could lead to a distortion of the level playing field and could thus be taken into account in the application of the EU Carbon Border Adjustment Mechanism, once in place;
46. 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;
47. Welcomes that there will be no changes to EU food safety standards and that the Agreement aims to safeguard the EU's high sanitary and phytosanitary (SPS) standards; reiterates that the trade flows of goods bound by SPS measures will be extremely high between the EU and the UK and that the EU should have a proper coordination process

to avoid inconsistent control checks on UK goods at EU ports;

48. Welcomes the comprehensive chapter on air transport included in the Agreement, which should ensure that the EU's strategic interests are protected, and which contains appropriate provisions on market access, traffic rights, code sharing and passengers' rights; welcomes the specific level playing field provisions within the chapter on aviation, which will ensure that EU and UK air carriers compete on an equal footing; notes the solution found to the ownership and control rules, which govern the access to the internal market, while leaving the possibility for continued liberalisation in the future; welcomes the specific chapter on aviation safety, which provides for close cooperation in aviation safety and air traffic management; considers that such cooperation should not limit the EU in determining the level of protection that it considers appropriate for safety; underlines the importance of future close collaboration between the UK Civil Aviation Authority and European Union Aviation Safety Agency;
49. Welcomes the fact that the Agreement will ensure quota-free connectivity between the EU and the UK for road transport hauliers and that it will guarantee full transit rights across each other's territories, the so-called 'land bridge'; welcomes the strong level playing field achieved in the negotiations for road transport and the specific provisions thereof, which will bind the UK to the high EU standards applicable to the road haulage sector; highlights, in this regard, that the Agreement includes inter alia standards on access to profession, posting of drivers, driving and rest times, tachograph and weights and dimensions of vehicles; notes that such standards will not only ensure fair competition, but will also guarantee good working conditions for drivers and a high level of road safety; welcomes the specific provisions relating to Northern Ireland, adopted in recognition of Ireland's unique situation, which will minimise disruption to the all-island economy; calls on Member States to intensify efforts to provide transport stakeholders with accurate and useful information, ensure the functioning and robustness of relevant IT systems and make all documents required for transit accessible online; draws attention to the need to consider financial support to certain ports in order to rapidly remove hurdles to physical infrastructure that arise due to increased waiting time for hauliers crossing the border; calls for close EU-UK cooperation to prevent unnecessary delays and disruptions in the transport system, maintaining connectivity to the greatest extent possible;
50. Welcomes the continuation of European collaboration with the UK in the field of science, research, innovation and space; underlines the importance of supporting researchers' mobility, ensuring that scientific knowledge and technology circulate freely; calls on mobile service operators to continue applying the 'roam like at home' principle in both the EU and the UK; notes that the energy chapter expires on 30 June 2026; underlines the need to continue the 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; 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 Parliament; calls for a Memorandum of Understanding, based on the North Seas Energy Cooperation (NSEC) framework, that includes joint projects, maritime spatial planning and the integration of offshore energy in the energy markets;
51. Welcomes the rules governing UK participation in Union programmes set out in the relevant section of the Agreement; considers that those rules broadly meet Parliament's

expectations, as set out in its recommendation of 18 June 2020 on the negotiations for a new partnership with the United Kingdom of Great Britain and Northern Ireland; considers in particular that those rules protect the Union's financial interest; in that regard, welcomes the application of the automatic correction mechanism to the Horizon Europe programme;

52. Welcomes the UK association to Horizon Europe; and welcomes the fact that the UK intends to take part in the Euratom research and training programme, the Copernicus component of the Space programme, and ITER, and will have access to space surveillance and tracking services under the Space programme; welcomes the fact that the PEACE+ programme will be the subject of a separate financing agreement;
53. Deeply regrets the UK's decision not to participate in the Erasmus+ programme for the period of the 2021-2027 Multiannual Financial Framework (MFF); underlines that the decision will result in a lose-lose outcome, depriving people and organisations in the EU and in the UK of life-changing opportunities through exchange and cooperation projects; is particularly surprised that the UK cited excessive participation costs as the reason for its decision; urges the UK to use the 'cooling-off' period provided for under the Joint Declaration on Participation in EU Programmes to reconsider its position; welcomes Ireland's generous offer to put in place a mechanism and financing to allow students from Northern Ireland to continue to take part;
54. 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 new generation of programmes; underlines that it will monitor the situation closely to ensure that the differentiated approach to UK participation in the EU's two academic cooperation programmes does not undermine their effectiveness or the results of past cooperation;
55. Underlines the importance of ensuring the protection of the Union's financial interests in all dimensions, and that the UK respects its financial obligations under the Agreement in full; underlines the need for strong cooperation on VAT and customs duties in order to ensure proper collection and the recovery of claims; highlights that customs procedures are highly complex, and that there is a permanent need for ensuring the swift exchange of information and strong cooperation between the EU and the UK in order to ensure efficient controls and clearance, and enforcement of relevant legislation; stresses also the need to avoid customs and VAT fraud, including trafficking or smuggling through adequate controls, taking into account the likelihood of specific goods being trafficked or smuggled or of incorrect declarations of origin or content being submitted for them;
56. Underlines the need to ensure that the implementation of the Agreement and, in line with the provisions of close cooperation between the parties, the right of access of Commission services, the European Court of Auditors, OLAF and EPPO, as well as Parliament's right of scrutiny, are fully respected; stresses furthermore the importance of the competence of the CJEU over decisions by the Commission;
57. Highlights the importance of intellectual property (IP) and the need to ensure regulatory continuity, with the exception of future geographical indications; welcomes in this regard the enhanced protection of IP rights established in the Agreement, which covers all types of IP rights, and the enforcement and cooperation provisions, covering a wide

range of measures;

58. Deeply regrets that the parties' existing company types, such as the *Societas Europaea* (SE) or limited companies, are not covered by the Agreement and will no longer be accepted by the respective opposite party; is nevertheless pleased that the parties, while protecting economic operators, took into account the need to ensure a sustainable and competitive development climate by committing to non-regression in terms of labour and social standards and by agreeing on provisions on forbidden practices, enforcement and cooperation when it comes to competition policy;
 59. Regrets that judicial cooperation in civil matters was not part of the negotiations for the future partnership between the EU and the UK and emphasises the need to reach a joint understanding in this area as soon as possible; recalls, in this regard, that the EU should consider very carefully its decision on the possibility for the UK to remain a party to the 2007 Lugano Convention, especially in view of its Protocol II on its uniform interpretation and of the possibility to maintain an overall balance of its relationships with third countries and international organisations and that effective collaboration and dialogue between the Commission and Parliament, particularly with the Committee on Legal Affairs, in charge of the interpretation and application of international law, in so far as the EU is affected, would be of paramount importance;
 60. Deeply regrets that a detailed and meaningful solution with regard to matrimonial, parental responsibility and other family matters has not been established by the Agreement; welcomes in this regard the possibilities for enhanced cooperation, at least in key family law issues and matters of practical cooperation in the areas of parental responsibility, child abduction and maintenance obligations, that can be offered via the participation of the UK as an observer to the meetings of the European Judicial Network on civil and commercial matters;
 61. Regrets that the Agreement gives no role to the Court of Justice of the European Union, in spite of the commitment of the parties in the Political Declaration to ensure that the arbitration panel would refer to the CJEU for a binding ruling in case a dispute between them raised a question of interpretation of concepts of EU law;
 62. Notes that the Agreement does not apply to Gibraltar nor has any effects on its territory; takes note of the preliminary agreement between Spain and the UK on a proposed framework for an EU-UK agreement on Gibraltar's future relationship with the EU that will permit the application of relevant provisions of the Schengen *acquis* in Gibraltar;
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63. Instructs its President to forward this resolution to the Council and the Commission, the governments and parliaments of the Member States and to the Government and Parliament of the United Kingdom.