

Meeting of the UK TCA Domestic Advisory Group

22 February 2024

List of organisations present:

- Agricultural Industries Confederation (AIC)
- Association of the British Pharmaceutical Industry
- British Beer and Pub Association
- British Chambers of Commerce
- British Meat Processors Association (BMPA)
- British Ports Association
- British Standards Institution
- Chartered Accountants Ireland
- Chemical Industries Association
- Confederation of British Industry (CBI)
- Energy UK
- Federation of Small Businesses
- Food and Drink Federation
- Greener UK
- Law Society of England and Wales
- LIVE (Live music Industry Venues & Entertainment)
- Make UK
- National Farmers' Union
- Northern Ireland Chamber of Commerce and Industry
- Northern Ireland Committee – Irish Congress of Trade Unions
- NHS Confederation
- Prosper (Scottish Council for Development and Industry)
- Scottish Council for Voluntary Organisations
- Society of Motor Manufacturers and Traders
- The Business Services Association (BSA)
- TheCityUK
- Trades Union Congress (TUC)
- UK Chamber of Shipping
- UK Finance
- UK Music
- Unison
- Unite the Union
- United Kingdom Association of Fish Producer Organisations (UKAFPO)
- Universities UK
- Wales Council for Voluntary Action
- Wine and Spirit Trade Association (WSTA)

Agenda:

1. Introduction from DAG chair
2. Adoption of November minutes
3. UK Government update from Civil Society Forum
4. Discussion on DAG future work programme and DAG report
5. Prep for 26 April DAG meeting in Edinburgh and next Civil Society Forum

Introduction from DAG chair:

1. The DAG chair Sean McGuire welcomed everyone to the meeting and communicated the agenda to members.

Adoption of November Minutes:

2. The DAG Chair stated that the minutes from 6 November 2023 had been circulated, and that the DAG would adopt the minutes if there were no further comments. The minutes were adopted with one alteration to an organisation's name.

UK Government update from Civil Society Forum:

3. The DAG chair then invited Dunstan Hadley, Head of EU Directorate Strategic Communications and Engagement at the FCDO, to give an update on points raised at the Civil Society Forum.
4. Dunstan opened by providing an overview of the UK-EU relationship. The government welcomed the re-establishment of the Northern Ireland Executive at the beginning of the month. He then highlighted the positive meeting between the PM and the President of the European Commission earlier in the week where final working agreement with Frontex was discussed among other topics. He reflected on the positive agreement on the Electric Vehicle Rules of Origin at the end of the last year and noted that the UK and EU were in the process of organising the Partnership Council and Joint Committee to further continue discussions.
5. **Dunstan then moved to an update on issues that were raised at the Civil Society Forum:**
 - **Border Target Operating Model:** DAG members had wanted more guidance on the BTOM ahead of the January 31 implementation date. FCDO organised a briefing session and provided written updates in response. Dunstan confirmed further guidance ahead of the next implementation date.
 - **Technical Barrier to Trade Working Groups:** Progress had been made on establishing the groups and, subject to the EU engaging

constructively with the UK Government, they hoped the groups should all meet ahead of the Summer. The government was keen to engage with the DAG in advance of these meetings to hear its priorities and views and would be happy to reach out once the meetings were in the diary.

- **Packaging and Packaging Waste regulation:** A detailed policy assessment of the individual provisions of the PPWR and the various negotiating positions were underway, and over the coming weeks the potential impact on businesses exporting to the EU and interactions with domestic legislation would be considered. He stated that the UK would continue to engage with the EU, follow the negotiations and welcomed views from members on the potential impact.
- **EU Cloud Certification Scheme:** It was possible that the EU Cybersecurity Certification Scheme for Cloud Services would introduce barriers to trade for UK and other non-EU cloud service providers and users. The government acknowledged that members wanted assurance that any ruling would comply with EU TCA commitments. Dunstan said that the implications of the scheme would not be clear until it was finalised. The government would continue to monitor developments and had made clear to the EU that such schemes should not impose blanket nationality bans and should uphold the EU's international commitments, including under the TCA.
- **DAG observation of Trade Specialised Committees:** Members had asked whether it was possible for external organisations to observe the TSCs. Whilst there was a possibility of subject-matter experts from external organisations attending sections of TSC meetings to provide information on a specific topic, it did not provide for external organisations to send general observers. Dunstan said that there would be expert consultations and briefings around the TSCs for members.
- **DAG review:** Dunstan explained that the Executive Council term would finish at the end of 2024 and the government would provide details on the membership review in the coming months. He explained that, until the review is finalised, the current DAG's work would continue.

6. Points raised:

- A member asked whether the agreement with Frontex extended to operation of the EU Entry Exit System (EES).
- Another member asked what encouragement there would be for experts to attend the TSCs and commented on the lack of transparency.

7. Dunstan confirmed that the government was following EU plans to introduce the Entry Exit System and engaging with the EU and MSs on the potential implications. The Frontex agreement did not extend to operation of the EES, but rather involved intel and data sharing for illegal migration. He explained

that decisions regarding the TSCs were down to both the UK and EU, and that a significant part of the work is done ahead of the TSCs. This includes consultation with stakeholders and devolved governments.

Discussion on DAG future work programme and DAG report:

8. The DAG chair opened the session by thanking the secretariat for sending out a draft of the DAG report. He then thanked the convenors for their efforts, comments, and interest, and stated that it showed they had taken it seriously. He said that the report needed to be representative and robust, and that the paper would be useful ahead of the TCA review. He then confirmed the secretariat would send an updated report to the convenors with all the latest comments from members, so that the paper could be finalised and adopted by written procedure. The next DAG meeting would then focus on how the DAG could use the report.
9. **The meeting then moved to an update from each subgroup convenor on the DAG report and their respective sections:**
 - **Trade and Customs:** co-convenor Richard Rumbelow stated that they had undertaken a review of the report, and the current draft was reflective of the comments of each subgroup. The overall draft would need some collective judgement, but overall, the report looked fair. He stated that on some topics, events had overtaken the drafting, and some of the changes that had taken place would need to be reflected in the report. Examples of this would be the Electric Vehicles Rules of Origin issue and the Stormont command paper. He said that the report needed more of a standard template and guidelines to how content should be presented for consistency between the sections, so that some would not end up as a long wish list of individual ideas. Co-convenor Konstanze Scharring said that they would look where there was overlap with the Level Playing Field and Regulatory Cooperation paper but agreed that the progress on the report was good.
 - **Nations and Regions:** Convenor Irene Oldfather opened by saying that the presentation of the section was yet to be finalised, and each nation had a geographic lead so there were a lot of competing styles even within the Nations and Regions section. There was a broad consensus when finalising the section, however wording was used that did not commit the DAG to particular policy positions, as situations were evolving quite quickly. She recognised that not everything fit into one of the national sections, as some issues were cross cutting. There were case studies of where things had worked well, and some of the challenges that were faced by the withdrawal of European funding. The report looked at a scheme in Wales that could look at a Horizon alternative, as well as improvements that could be made to disability rights and citizens' rights. She stated that the group had not consulted

as widely on every policy position as they would have liked but was grateful to everyone who had participated.

- **Level Playing Field and Regulatory Cooperation:** Convenor Rosa Crawford commented on the good discussions when finalising the section of the report. She recognised some comments crossed over with the Trade and Customs section but believed they could be easily resolved. She stated that she was keen to publish the report soon, thanked everyone for their collaboration, and said she was happy to work on the finalisation.
- **Energy and Climate Change:** Convenor Sarah Williams stated that the section was in a good position, and unlike other sections the situation had not developed much. The section was concerned with TCA implementation and not changes to the TCA text. She said it made sense to keep the Carbon Border Adjustment Mechanism (CBAM) paragraph in the section.
- **Business and Labour Mobility:** Convenor Marco Cillario opened by saying that the section would need some minor changes as the UK had added some changes to the rules, but there would not need to be any substantial change. He said that it would be important to share the report with the EU DAG, as they had shared their paper with the UK DAG. EU DAG members also had mobility concerns, so UK organisations should be able to reach out on common issues, and this in turn could influence how the UK-EU relationship evolves.

10. Points raised:

- One participant asked if the format of the report was appropriate for the public domain and whether the DAG was seeking the views of the public, as well as the government. They stated that there was a certain protocol for public-facing documents and would have been happy to support the process.
- Participants commented on aspects of the Level Playing Field and Regulatory Cooperation section that needed updating; it was pointed out that the text in the Chemical Regulation paragraph needed redrafting as the situation had evolved since it was drafted in November. They said that it should refer to the Chemicals annex in the TCA, and what could be done by supplementary agreement – another participant pointed out that this made it a short term and long-term issue. A participant mentioned that the Financial Services paragraph would need updating and would be happy to complete that in the next couple of days. Another participant said they would pick up the Medicines paragraph update.
- One participant pointed out that consistency across the DAG paper would be a challenge, particularly with the Nations and Regions section as this had some distinctive properties. They also said the section would need some careful analysis by the UK Government, and other

bodies set up by the Windsor Framework. They also stated that it would be good to incorporate a Northern Ireland business perspective into the section, although it might have sometimes fit better into another section.

11. The DAG chairs responded:

- DAG chair Sean McGuire said that the DAG was independent and could do what it wished within the rules of procedure. He stated that the report would be published on gov.uk and would reflect what members think needed to be done in the short term and the long term. He said that some sections would be more general for particular sectors, and some would be quite technical. He said the report would be government rather than public facing and would show political leaders on both sides how members thought implementation of the TCA could be improved, where UK-EU relations could be improved, and what could be done in the TCA review. He said that the report would give organisations the strength to lobby based on wider DAG interest. He also said that after speaking to the EU DAG chair, that it would be good for convenors to go present priorities at the EU DAG meetings.
- He said that various sections of the paper needed to be changed and some paragraphs needed removing if duplicating other sections. He said that the Nations and Regions section was very long and had a lot of overlap with other sections. He stated that the convenors, with the support of the secretariat could cut out any duplication around Regulatory Cooperation, Mobility and Northern Ireland. He said that the Regulatory Cooperation and Mobility sections were a long collection of issues, some of which were in the confines of the TCA, and others that would require supplementary agreements. He said that the all-Ireland energy cooperation could be relevant for the energy section, as well as the Nations and Regions section.
- Vice-chair Steve Turner thanked all participants for their contribution to the report. Regarding evolving issues, he said that it was a report on a year of activity, and there would eventually be another report, so every report would have a cutoff point. He said that subgroup work would continue in collaboration with the UK government, EU DAG and Parliamentary Partnership Assembly (PPA). He added that it would have been good to finalise the report in time to feed into PPA discussions, and ahead of the Specialised Committee meetings. DAG chair Sean McGuire added that the secretariat could formulate some language at the beginning of the report to reflect that issues may have developed since the publishing of the report.
- Vice-chair Irene Oldfather stated that there was a feeling among the civil sector that they wanted to be involved to strengthen the democratic process. She cited the transparency of the specialised

committees and picked up on a participant's earlier point of circulating the PPA agenda.

- DAG chair Sean McGuire closed the agenda item by thanking everyone for their comments. He said that the issue of transparency was important and would be visited again. He said that members would have to accept that the issues in the report would evolve over time, and that it would be good to avoid repeatedly reopening issues and said that the report should be finalised. He said that the report will need to be supported by all the DAG organisations. He mentioned that any comments on the DAG Future Work Programme, the TCA review, and working with the EU DAG would be welcomed, and asked that comments be sent to the secretariat by Tuesday 27 February, so that the report could be finalised by mid-March.

Prep for 26 April DAG meeting in Edinburgh and next Civil Society Forum:

12. DAG chair Sean McGuire highlighted the requirement in the DAG's rules of procedure that meetings needed to be rotated between the UK nations, and that April's plenary session would be held in Edinburgh. He said that the venue would be the Queen Elizabeth House conference centre, and that the meeting would start early, ending with a lunch provided by the UK Government. This would allow people to leave promptly and travel back on the Friday afternoon. He stated that the UK Government was unable to fund an evening reception and would welcome ideas from the members about having that networking opportunity in advance of formal DAG. He said that the Scottish Parliamentary committee were gathering evidence for an enquiry on the TCA review and would welcome specific examples from businesses. He said that he wanted the meeting to be a chance to discuss the DAG report, and how the DAG may use it, as well as DAG to DAG interaction. He went on to say the Executive Councils planned to meet in March. He then passed over to the DAG Secretariat to talk about the next Civil Society Forum.
13. The DAG Secretariat relayed that DG Trade had suggested the next Civil Society Forum (CSF) meeting should take place before summer 2024 to take comments from business and civil society ahead of the Specialised Committees. The secretariat had consulted the executive council before responding to DG Trade. The date had not yet been finalised and venues were still being looked at, but it was expected at the end of June or beginning of July. The Secretariat said that comments would be welcome on whether the agenda themes at the last CSF were still relevant for that year. They concluded that the discussions on the SC agendas and timings would be before the CSF, and that it would be good if DAG members could input, so suggested an agenda item at the April DAG to consult on these and ensure that members' priorities were reflected.

14. Points raised:

- A participant said that there should be a conversation on which speakers should be invited to the April DAG.
- Participants stated that the format of the Civil Society Forum in 2023 worked well, and it was good that the agenda topics mirrored the subgroups. One stated it would be good to agree an exact date, so to discuss a common approach with EU DAG members beforehand and suggested that EU organisations could be invited to subgroup meetings.
- One participant raised wider civil society participation in the CSF and said that some participants in the first CSF were only able to observe the last one. Though they understood it was not solely a UK Government decision, he said that wider civil society groups, including those from Northern Ireland would like the opportunity to participate in the CSF.

15. The chairs concluded:

- Vice-chair Irene Oldfather said that the April DAG meeting would focus on the DAG report next steps. She said that openness and transparency was important, and that time should be given to finalising the agenda. She suggested that external speakers may be able to look at the completed DAG report. She added that she would be happy to look at logistics around the DAG, and potential options for hotels and a reception.
- DAG chair Sean McGuire concluded that the DAG meetings and CSF should be done in advance of all holidays in different UK nations, and if there was a lot to discuss an extra virtual DAG may be possible. On the issue of subgroup convenors reaching out to the EU DAG he stated that there were no natural interlocutors on the EU DAG due to them not having subgroups of their own. However, he cited that the EU DAG chair offered facilitating the discussion. He said that networking at the April DAG meeting would be important. On the report he said that he would be in touch with the convenors regarding the timelines, but it would be great if it was signed off ahead of the PPA and present an opportunity to look at common areas with the EU DAG. He closed the meeting by inviting people to send him suggestions for agenda items and thanked everyone for attending.