

# **Meeting of the UK TCA Domestic Advisory Group**

## **19 March 2025**

### **List of organisations present:**

- ADS Group Ltd
- Agricultural Industries Confederation
- Association of Medical Research Charities
- Association of the British Pharmaceutical Industry
- Bar Council of England and Wales
- British Beer and Pub Association
- British Chambers of Commerce
- Business Services Association
- Chartered Accountants Ireland
- Chemical Business Association
- Chemical Industries Association
- Community
- Confederation of British Industry
- Federation of Small Businesses
- GMB Union
- Green Alliance
- Horticultural Trades Association
- Intellectual Property Federation
- International Meat Trade Association
- Law Society of England and Wales
- LIVE (Live music Industry Venues & Entertainment)
- Logistics UK
- Make UK
- Musician's Union
- National Farmer's Union
- National Office of Animal Health (NOAH)
- NHS Confederation
- Northern Ireland Committee - Irish Congress of Trade Unions
- Prospect
- Prosper
- Scotch Whisky Association
- Scottish Council for Voluntary Organisations
- Scottish Fishermen's Federation
- Shellfish Association of Great Britain
- Society of Motor Manufacturers and Traders
- TheCityUK
- Trades Union Congress
- UK Finance

- UK Music
- Unison
- United Kingdom Accreditation Service
- Wales Council for Voluntary Action
- Wine and Spirit Trade Association

### **Agenda:**

1. Introduction from DAG Executive Council Chair and adoption of November minutes.
2. State of play on the UK-EU reset from UK Government.
3. Discussion on UK DAG statement ahead of UK EU summit.

### **Introduction from DAG Executive Council Chair and adoption of November minutes:**

1. The DAG Executive Council Chair Mike Clancy welcomed everyone to the meeting and communicated the agenda to members. The chair noted the written subgroup updates that had been circulated prior to the meeting, and conveyed that the main purpose of the meeting was to re-assess the latest on the UK-EU relationship, given the ever changing geopolitical situation. Mike Clancy reminded members that there would be an upcoming hybrid DAG plenary on 29 April with Ministerial attendance confirmed ahead of the UK-EU summit in May, and that the Civil Society Forum would take place on 24 June. Clancy also stated that the secretariat would assist in producing a statement with an updated DAG position ahead of the summit, and that this would be discussed at the next meeting.
2. The November minutes were adopted, then the DAG Executive Council Chair passed over to Dunstan Hadley, Deputy Director, Strategic Communications and Engagement, EU Relations Secretariat, Cabinet Office to give an update on the UK-EU reset on behalf of the UK Government.

### **State of play on the UK-EU reset from UK Government:**

3. Dunstan Hadley thanked everyone for attending the meeting, and reiterated how important engagement with business and civil society was ahead of the upcoming UK EU summit.
4. He updated on UK-EU scoping talks, and how DAG members could assist in the process:
  - He suggested to members that they do not take media reporting at face value, given the fact a lot of the media coverage was speculative. He

also communicated that there had been a restructuring in the Cabinet Office, that included a new Second Permanent Secretary Michael Ellam being appointed, who would oversee talks with the EU, among wider global issues and taking on the role of G20 sherpa.

- He explained that the UK was in the process of testing the level of ambition on the EU side, including in areas such as economic cooperation, defence, and security, particularly given the fact that the geopolitical situation had escalated. He stated that the EU seemed open to a conversation on a wider range of issues including migration cooperation, justice, Mutual Recognition of Professional Qualifications (MRPQs), and an Sanitary and Phytosanitary (SPS) agreement. He conveyed that the EU were interested in considering fish, and youth mobility, but had not submitted any formal proposals on these at that point.
- Whilst discussions had started, they were not at a negotiation stage, and with the UK EU summit coming up within 2 months and the government was aiming for some kind of statement that set out a range of areas that the UK and EU had agreed to pursue.
- Regarding summit planning, he explained that the exact format was still to be determined, and that EU - third party summits were generally small and leader level affairs. However, the UK wanted to be ambitious in this regard.
- He reminded members of the letter that Paymaster General Minister Nick Thomas-Symonds had sent the DAG which outlined its role in making the public case for increased ambition in the UK EU relationship.
- He went on to say that having household names making statements would be helpful. He said that organisations should start pointing to what could be achieved ahead of the summit, and how these would benefit business, workers, and consumers.
- Regarding the Civil Society Forum (CSF), He stated that the date had been negotiated with the EU, and that although securing a venue had been difficult the CSF would be held in the Locarno Suite, FCDO on the 24 June 2025 at 11am to allow travel in the morning. The joint-DAG meeting would also be in the same location on the day before.

## 5. Points raised:

- **DAG input into summit discussions:** A member asked what the best way of the DAG collating its views ahead of the summit was, and another member raised the idea of creating a grid showing upcoming engagements for members. Those opportunities could then be used to help leverage the reset process. Members also expressed a desire to speak to their counterparts in the EU, and amend the joint statement

from the previous year as there were various factors that had changed. Members discussed the potential UK EU statement from the summit and suggested that it should include topics, such as youth mobility . A member raised the CSF, and suggested it would be a chance to build on the summit, but also pointed to the fact it was relatively soon after so the EU may not be able to comment extensively.

- **Reset:** Members remarked on the slow progress on reset talks, with another member asking if the prosperity pillar could be given the same prominence in discussions as the security and safety pillars. They also pointed to the EU automotive action plan, and asked if the ambition could be reflected on the UK side. A member asked how negotiations would interact with the UK's trade strategy, and whether the outcome would be future proof, and asked how the three pillars would interplay with each other. Another member asked how the UK Government would ensure that the EU kept in mind a vision of shared prosperity, and given the global context (particularly regarding the U.S) warned that the EU may take a more protectionist line, that would not have third countries in mind. This was evident in the European Defence Industry act and the Green Deal Industrial Plan (GDIP). Members also pointed to the need for increased research funding, cooperation on clinical trials, and medicines supply, including research and innovation.
- **SPS agreement:** One member asked when the UK's negotiating position would become public and said they had heard speculation in the media that the UK would adopt full alignment. Another member stated that it was currently easier for some food suppliers to export to Japan than to Northern Ireland, and that there were still issues with trading Live Bivalve Molluscs and Seed Potatoes.
- **Goods:** A member asked what the UK Government's plan was on fisheries, given that the EU wanted to discuss this as a priority. Members discussed whether the UK and EU were looking at closer collaboration on chemicals. Another member asked whether there was any flexibility to review the TCA in regards to the manufacturing sector, particularly in reference to the defence and security cooperation.
- **Energy:** A member stated that energy policy should align with security policy, and that the UK should look at becoming a full member of the North Seas Energy Cooperation (NSEC).
- **Services:** Members asked how the TCA review related to the reset, and remarked that the TCA was a largely goods focussed agreement, and asked whether there was scope to extend the provision of services in the TCA.
- **Touring artists:** A member raised statistics around UK artists not being able to travel across Europe, and said that it was a significant loss to the UK. Another member stated that the TCA lacked provision

for the creative industries, so asked where the UK stands in terms of improving it. A member also stated the need to rejoin CreativeEurope.

- **Youth Mobility:** A member stated that the EU had set out a list of priorities including on a Youth Mobility Scheme (YMS), where their message had been consistent, and asked what the UK government position on this was. They claimed that a YMS would not violate a UK red line, nor would association with Erasmus + and asked whether there would be any movement. A member pointed out that a YMS would also be useful for early career scientists.

## 6. The UK Government responded:

- The government noted the importance of the Withdrawal Agreement (WA) or Trade and Cooperation agreement (TCA), but pointed out how the geopolitical and economic situation has changed since 2019. There was currently a war in Europe, economic instability, and safety and security concerns, and the UK and EU needed to ask if there was more they could do together, and whether they can be more ambitious.
- The reset was not about changing the TCA, but being more ambitious either within the confines of the TCA or as a supplementary agreement. There was a need to show that shared prosperity was beneficial for both the UK and EU and it was not a zero sum game.
- On how the reset would interact with wider global issues; there was now a new second permanent secretary in the Cabinet Office, Michael Ellam, who oversaw talks with the EU, as well as being involved in U.S. negotiations, leading the economic and trade secretariats, and being G20 sherpa. Things were therefore being shaped in government to allow everything to interlink. The Summit would also be the first of many, so even if something was not announced on 19 May, that did not mean that it would not be addressed on another occasion. Prosperity was a key priority of the talks, and it was essential that DAG members were vocal in support of UK and EU ambition to build on this, as there could be more political upheaval, should Europe's shared prosperity not be looked at.
- In terms of the perceived delay to talks, the government confirmed that it was never going to be a quick process as the UK had to come up with a list of proposals and priorities domestically. Getting positions on the stated aims was a lot for ministers to work through; for example on an SPS agreement there would be a range of options. Aside from this the new Commission had not got into place until the end of the previous year, with both sides now still understanding each other's initial positions.

- Members should be sceptical of some media reporting. There were stories about an Australia style YMS, and a full alignment SPS agreement, which were pure speculation.
- If members were happy with sharing engagement information, they could share with the secretariat, and they would look at a way of collating wider activity.
- On fish, the UK Government was prepared to hear the EU out, but listening to their suggestions was different to agreeing to something. The government was very aware of the fishing industry's position.
- Energy was a large part of the stated aims of the reset, and the UK could have been quicker uptaking cooperation with NSEC. Emissions trading was also a ripe space for greater collaboration, as well as climate change cooperation.
- Regarding Financial Services, the government confirmed that the EU did not want UK companies outcompeting them, and the UK had to do more to convince the EU of the case that it would generate growth and prosperity on both sides.
- On Horizon, there had been substantial benefit from the UK's re-association, and Minister Nick Thomas-Symonds had recently visited a Horizon event at Cambridge. However, it was difficult to predict the future given that any future settlement could not be foreseen at that point, and the UK would need to see the details before agreeing to an extension.
- On youth mobility, the government understood that it was an EU priority, but had no plans for a YMS, though they were prepared to consider proposals.
- On the CSF mandate, the government confirmed that anything agreed by the time of the UK EU summit will have already been written around the Council, though different areas would be at different stages. However, the EU would be able to discuss what had been agreed in principle.

7. DAG Chair Mike Clancy thanked Dunstan Hadley for his responses, and thanked the wider secretariat for their work around securing a date for the CSF. Clancy stated that it had been worthwhile extending this session, and shortening the statement discussion.

#### **Discussion on UK DAG statement ahead of UK EU summit:**

8. The DAG Executive Council Chair stated that members should consider suggestions as to what the Executive Council programme should be in the run-up to the summit, and what structure the DAG's pre Summit statement should take. Clancy said that the subgroup updates circulated prior to the meeting could provide the basis of the product, to built upon. The Chair then

made the case to consider what the common DAG position would be, taking into consideration the government's red lines, and the asks in the minister's letter to the DAG.

#### **9. Points raised:**

- A member asked for clarity around the timeline, given that various subgroups were still working on updated positions and having consultations with colleagues, so they may still require a few weeks.
- On youth mobility, a member stated that it would be good for more DAG members to feed in on an updated position, ahead of the statement being drafted.
- Another member commented on the subgroup focussed structure of the statement, and were concerned that services would be overlooked. The member stated that in terms of strategy, services would need to be flagged given there were wider issues other than MRPQs and mobility.
- Members stated the need to continue to monitor the referral of Northern Ireland's Legacy Act by the UK government to the Supreme Court and its implications for Article 2(1) of the Windsor Framework, following the decision by the NI Court of Appeal in September.

#### **10. The Executive Council concluded:**

- Vice-Chair Sean McGuire stated that all members should be involved in drafting a statement at an early point, rather than devolving to subgroups, as the positions of the subgroups may not be reflective of all members.
- Vice-Chair Irene Oldfather proposed that the statement could involve written suggestions from members, which the Executive Council could reflect on and then send back to members. Oldfather also suggested that the statement should remain high-level, and suggestions from members would have to be moderated. Anything in the statement should be cross-cutting rather than sector specific.
- DAG Chair Mike Clancy agreed that the statement should remain high level, and that it should conduct a positive dialogue, taking into account the geopolitical context. The Chair thanked members for his first meeting as chair, and stated that he was looking forward to seeing everyone at the end of April. Clancy then closed the meeting.