UK Domestic Advisory Group Statement following the UK-EU Summit

The UK-EU Summit on 19th May 2025 was a major milestone for the new strategic relationship. The UK Domestic Advisory Group (DAG) welcomes the positive outcomes of the Summit and urges both the UK and EU to continue enhancing pragmatic co-operation with the European Union, beyond the boundaries of the current Trade and Cooperation Agreement (TCA).

As <u>stated</u> before the Summit, this moment needed to establish a roadmap for a new UK/EU strategic relationship, with clear and accountable deliverables. The UK DAG believes that the Common Understanding framework provides the basis for the resolution of many issues. However, the UK and EU must now proceed at pace to realise the potential of the Common Understanding, with transparency and industry consultation over both the content and how the details will be delivered. The DAG expects clear timescales for the negotiations to be communicated by the UK and EU. That way, the parties can be held accountable for their part in the process. This accountability must also include the continued consultation and inclusion of devolved administrations, in areas of devolved competence.

We welcome the measures designed to boost growth and remove frictions at borders. In particular, the announcement of a future UK-EU Sanitary and Phytosanitary (SPS) Zone is a positive step for the improved movement of agri-food goods between the UK and our largest trading partner. Food businesses will however need Government support to adapt to any changes in regulation to align with the EU and the DAG would also like to see a Veterinary Medicines agreement, to ensure availability of these important products for animal health and welfare. The UK DAG welcomes measures to improve the movement of goods between Great Britain and Northern Ireland. Despite the positives, the UK DAG notes the concerns from the fishing industry, regarding the twelve-year access arrangement and requests that the UK government continue engaging with sector representatives to consider their concerns.

The UK DAG strongly welcomes the announcement of a future youth experience scheme with the EU and urges both sides to be ambitious in defining the parameters of the scheme, including the age range that may benefit. Not only will this create new opportunities for productive, cultural exchange with our European neighbours. It also represents a welcome return to pragmatic, mutually beneficial policy making. The DAG also supports the announcement to move towards UK association to Erasmus+, and urges both the UK and EU to maintain ambition in this vital area.

The DAG strongly welcomes the UK-EU Security and Defence Partnership, which was announced as a work in progress. We endorse the ambition for joint investment in our defence industrial base and future UK association to the Security Action for Europe initiative which would support thousands of UK jobs. However, a lack of detail at this stage means it is too early to make a substantive assessment, and we urge the UK Government to continue negotiations at pace to provide the clarity needed to move forwards. In addition, we urge the UK Government to secure mutual recognition of civil aviation frameworks, noting that such

regulatory alignment would more effectively support dual-use initiatives, and in turn, strengthen regional security.

Despite the number of positive mobility outcomes, we believe the UK and EU can and must go further in future talks. Specifically, the UK should negotiate with the EU a broader range of permitted activities for short-term business visitors and allow work on a short-term basis without the need for a work permit, visa or economic needs test.

As outlined before the Summit, the UK DAG strongly endorses closer co-operation with the EU on energy, strengthening our energy security and achieving our shared net zero goals. Climate Change remains the single biggest collective challenge we face. This is why we strongly support the decisions to make the Energy Title of the TCA permanent and explore further cooperation on streamlining electricity trading. We particularly support both sides working towards an agreement to link emissions trading schemes which will stabilise prices, lower the cost of the path to net zero, and protect jobs. Given the urgency on CBAM implementation timings, an interim arrangement will be needed to facilitate the pricing of international maritime transport emissions through the International Maritime Organization and to ease the implementation of those emissions trading schemes.

The DAG welcomes the text on health security which sets out a joint intent to enable regular exchanges and cooperation at all levels on health security in the immediate term. These should provide a helpful platform for future opportunities, including progress on vital health research collaboration that improves outcomes for all.

But despite the positives, the UK DAG calls for continued discussion and future progress regarding the recognition of professional qualifications, as well as how arrangements for touring artists will be improved across Europe. A leading test of success in this regard will be the removal of current restrictions for the creative sector in general. Specific details regarding next steps for these key issues are unfortunately absent from the UK/EU Summit text.

We also challenge the UK and EU to greater ambition in guaranteeing long-term data flows; in judicial cooperation on both the civil and criminal sides where our shared commitment to the rule of law and respect for human rights provides the necessary foundation on which to build such ambition; in financial services cooperation; chemical regulation (including cooperation between UK and EU REACH); Rules of Origin for electrified vehicles and batteries which will expire in 2027 with appropriate shared guidance on Cathode Active Material (CAM), as well as achieving mutual recognition agreements across several key areas, such as conformity assessments.

We also look forward to engaging with the government on the need for the UK to uphold mutual high standards on employment rights with the EU, building on Level Playing Field provisions in the UK-EU Trade and Cooperation Agreement, and to ensure Article 2 commitments in the Windsor Framework on non-diminution of rights are respected.

The UK/EU summit was a vital step in the right direction for a more effective and mutually beneficial UK-EU partnership. But simply put, the hard work cannot stop now and we urge both the UK and EU to redouble their efforts to achieve ambitious and pragmatic results, including in areas not addressed in the Summit texts, like customs. We acknowledge that the UK and EU are implementing the outcomes of the reset agreement at the same time as concluding trade agreements with other countries. As far as the UK is concerned in particular, the DAG calls on the UK government to ensure nothing agreed in other trade agreements acts as a barrier to progress in securing a better relationship with the EU.

The UK DAG will continue to match these efforts and support the UK Government on delivering this, by bringing together crucial expertise from across business, trade unions, and civil society.

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Signed by the Domestic Advisory Group Executive Council, on behalf of the membership - *Mike Clancy, Irene Oldfather, Sean McGuire*.