

**Trade and Cooperation Agreement**  
**Third meeting of the Partnership Council**  
**Minutes**

**Brussels, in-person and online**

**16 May 2024**

**12:00-13:30 CEST**

**1. Opening remarks and adoption of the agenda**

The EU co-chair, Maroš Šefčovič, Executive Vice-President for the European Green Deal, Interinstitutional Relations and Foresight, opened the meeting and noted the excellent ongoing cooperation between the EU and the UK in responding to Russia's illegal invasion of Ukraine. He recalled that the Trade and Cooperation Agreement (TCA) was, next to the Withdrawal Agreement, the cornerstone of the EU-UK relationship. He reaffirmed the EU commitment to exploiting the full potential of the TCA in parallel to the full, faithful and timely implementation of the Withdrawal Agreement.

The UK co-chair, The Rt Hon. the Lord Cameron of Chipping Norton, Secretary of State for Foreign, Commonwealth and Development Affairs, welcomed the strong partnership being built by the UK and EU.

Both co-chairs welcomed progress in implementing the TCA since the last meeting of the Partnership Council, including the association of the UK to Horizon Europe and Copernicus, the one-off extension to the transitional period for rules of origin for electric vehicles until the end of 2026, the signing of a Memorandum of Understanding on financial services regulatory cooperation, and the launch of dialogues on cyber and counterterrorism. The co-chairs welcomed the intensive activity of the joint bodies established under the TCA which resulted in more than 25 formal meetings last year.

The agenda was adopted.

**2. Energy and Climate**

On climate, the EU recalled that the commitment to fight against climate change constituted one of the essential elements of the TCA, including the UK and EU's shared commitment to non-regression. It noted that the EU had strengthened its targets, revised its emission trading system (for example, by including maritime transport), and set up the European Green Deal Industrial Plan to facilitate the green transition of the EU economy. It expressed concern about the UK's historically low carbon price, which could impact on EU competitiveness.

The UK noted that the government does not comment on carbon prices, and presented its record on tackling climate change (including by cutting CO<sub>2</sub> emissions at the fastest rate in the G7 and halving emission levels since 1990), highlighting that the UK's focus was on the best way to decarbonise. It

welcomed the EU's Carbon Border Adjustment Mechanism (CBAM) but raised the significant practical challenges with CBAMs and the need for more clarity on the implementation of the EU CBAM for trade in electricity, recommending that the parties engage in technical discussions.

Both sides welcomed the cooperation frameworks for transmission system operators (electricity, gas) and energy regulators and agreed on the importance of concluding cooperation arrangements.

On cooperation in energy matters more broadly, the UK proposed that the Specialised Committee on Energy discuss carbon capture, utilisation and storage (CCUS), biomethane and offshore hybrid assets and update the Partnership Council on these discussions. On electricity trading arrangements, the UK underlined the need to respect commitments under the TCA and to move faster on this. It proposed that the Specialised Committee on Energy prepare a roadmap for implementation with a view to updating the Partnership Council on progress by the autumn. On security of supply, it highlighted the importance of cooperation and proposed the establishment of a Working Group on Security of Supply.

The EU noted that the TCA had proven an excellent framework for such cooperation and agreed that the Specialised Committee on Energy should exchange on future technologies, such as carbon capture. It noted the ongoing discussions in the context of cooperation with the North Seas Energy Cooperation (NSEC) on topics such as hydrogen and offshore hybrid assets. On electricity trading arrangements, the EU highlighted the complexity of the issue and shared the view that progress had not been satisfactory. Therefore, the EU agreed that the Specialised Committee on Energy should be invited to develop a roadmap for implementation to provide impetus to this work, without prejudging the outcome of the technical advice sought from the transmission system operators. On security of supply, the EU agreed that the establishment of a Working Group on Security of Supply would facilitate greater cooperation in this area. It agreed that both sides should work at pace towards the establishment of the Working Group by the next meeting of the Specialised Committee on Energy, while noting that on the EU side this would require a mandate from the Council.

### **3. Trade and level playing field**

#### State of Play

The UK acknowledged recent achievements including the reassessment of the recognition of equivalence of organic products and the standing up Working Groups under the Trade Specialised Committee on Technical Barriers to Trade. The EU agreed that the EU-UK trading relationship has been working well although it was now qualitatively different to when the UK was a Member State. It noted that it would remain vigilant to ensure that the level playing field provisions of the TCA were respected and recalled that it had raised certain issues of concern at the meetings of joint bodies, including for example as regards subsidy control.

#### Cloud

On public procurement of cloud services, the UK expressed concerns about the existing requirements in one Member State and draft EU scheme. The EU noted that these issues had been discussed in the relevant Committees and that the Commission would ensure that the measures of the EU and the Member State in question were in line with the EU's international obligations, including those under the TCA.

### Seed Potatoes/Live Bivalve Molluscs

On seed potatoes, the UK welcomed the planned EU audit of UK's seed potato system but asked the EU to provide definitive timelines for the audit to take place in 2024, to allow trade to resume prior to the 2025 growing season. The UK noted that all options remain on the table to escalate its concerns. On live bivalve molluscs, the UK stated that it believed the EU rules were disproportionate and requested responses to written questions on the EU's risk assessments. The EU stated that the restrictions on their import was not a measure targeting the UK but had long applied to all third countries that do not align dynamically with EU food law. It noted that the EU needed to carry out an audit to assess the UK proposal on seed potatoes and understood the UK would need a similar process to authorise the export of EU seed potatoes to the UK.

### Pet travel

On pet travel, the UK argued that EU rules imposed an undue burden on non-commercial travellers, that disproportionately impact assistance dog users and tourists. The UK reiterated its request for 'Part I' third country listed status to support pet travel movements to the EU. The EU explained that accompanying pets from Great Britain can enter the EU provided that the health certificates could be presented according to the standard rules of third countries and noted that the "EU pet passport" was a facilitation only available for third countries that dynamically align with EU law.

### UK Legal Services

On the provision of designated legal services by UK lawyers in one Member State, the UK highlighted its concern at delays to the implementation of legislation necessary to clarify this TCA right for UK lawyers, and asked when the existing barriers in the Member State in question would be resolved. The EU noted that the Member State in question was working on the preparation of the legal measure that should clarify the situation for the benefit of UK lawyers.

### Intellectual Property MoU

On cooperation in the area of intellectual property, the UK expressed dissatisfaction with progress in agreeing a Memorandum of Understanding between the UK's Intellectual Property Office (IPO) and the EU Intellectual Property Office (EUIPO). The EU noted that the EUIPO and IPO had been negotiating a draft Memorandum of Understanding on administrative cooperation and confirmed that the position of EUIPO was in line with Article 273(2)(g) of the TCA and its powers and responsibilities under EU rules as well as its capacity to engage with officers from third countries.

### UK Visa Sponsorship Scheme

On the UK's sponsorship scheme for service providers, the EU recalled that these issues had been raised in the relevant Committees and noted its perspective that the scheme discriminates against EU service providers and impairs the benefits of the TCA. It noted that the UK could take steps to remove the application of the system to EU service providers by means of statutory instrument. The UK welcomed discussions and feedback on its sponsorship scheme and noted that it had been changing the scheme over the past two years to streamline guidance and processes. It considered the system to be a reasonable and proportionate way to ensure that the migration system was not abused and noted that the system allowed visa processing time to be reduced to three weeks which was a competitive service compared to international standards.

### Border Target Operating Model (BTOM)

On the UK's "Border Target Operating Model" (BTOM), the EU noted that the latest stage of implementation had started on 30 April 2024 and that conflicting information had been received, for example on the frequency rate of identity and documentary checks, the fee system and the risk categorization. It noted its intention to follow up with questions via the secretariat to the Partnership Council. The UK responded that the implementation of the latest stage of the BTOM was going well. It underlined that the checks were necessary to protect against biosecurity risks and confirmed the UK would look into the issues raised by the EU. The UK added that UK businesses have faced EU import controls since 2021 and that it was ready for discussions on how the UK and EU can mutually reduce checks to facilitate trade in line with the TCA.

### Competition Cooperation Agreement

Both Parties welcomed the start of negotiations on the Competition Cooperation Agreement between the EU and UK and hoped the agreement would be concluded as soon as feasible.

### Consumer Protection

On consumer protection and product safety, both sides stood ready to resume discussions on facilitating the regular exchange of information between the EU's rapid alert system for dangerous non-food products (Safety Gate) and the UK's market surveillance and product safety database, to protect consumers from the risk of unsafe products, pursuant to Article 96(4) of the TCA. The EU raised the arrangements under the Withdrawal Agreement for the exchange of information on product safety in respect of Northern Ireland and noted that technical discussions were ongoing to ensure their full implementation.

## **4. Health security**

The UK stated its ambition to see more cooperation to protect public health and boost health security. It proposed to establish cooperation in the following areas: (i) on pandemic and cross border threats through the conclusion of an EU-UK pandemic preparedness agreement; (ii) between EU and UK medicines regulators; and (iii) an agreement between the EU and the UK on the exchange of information on health issues. The EU noted its view that the TCA contained strong provisions on cooperation on health security and that its focus was on the full implementation of these provisions. It also noted its preference to use the existing fora and mechanisms to discuss such issues related to health security.

Both Parties welcomed the participation of the UK in the EU's Critical Medicines Alliance, the first meeting of the EU-UK Working Group on Medicinal Products and the cooperation between the European Centre for Disease Prevention and Control (ECDC) and the UK Health Security Agency (UKHSA). They called on the two bodies to agree a joint action plan<sup>1</sup> to implement the MoU signed by the two agencies. The UK and EU also noted on-going work in international fora in the areas of health.

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<sup>1</sup> The Joint Action Plan has since been agreed and is now operational.

## 5. Fisheries

The EU welcomed the very good cooperation between the EU and the UK in the area of fisheries. It noted that EU vessels could no longer fish sandeel in English waters of the North Seas and all Scottish waters and considered that this full closure was not compatible with the TCA. It recalled that it had launched the first stage of the dispute resolution mechanism of the TCA on 16 April 2024. The EU said it stood ready to engage with a view to finding solution that settles the matter at the consultation stage. On management measures, it expressed its concern about the cumulative impact of the UK's technical measures on the fishing rights of the EU fleet, including for example the recent measures in the Marine Protected Areas and emphasised that the Commission was ready to explore all available tools under the TCA where UK fisheries measures did not respect the obligations of the TCA. On access to waters post-2026, the EU noted growing concerns of potential changes to the arrangements and underlined the importance of ensuring stable access beyond this date. It called for the EU and UK to begin work on this issue immediately to ensure legal certainty and predictability for fishers and continued guaranteed access to each other's waters.

The UK acknowledged the importance of fisheries matters and underlined the importance of the EU and UK working together to ensure sustainable fishing and to meet the shared UK and EU goal of protecting 30% of the seas by 2030. The UK noted that their approach to fisheries measures is science-based, proportionate and fully in line with the TCA. The UK underlined that it had consulted extensively on Marine Protected Areas to progress environmental commitments and would continue to consult in the future. On access to waters post-2026, the UK noted the importance of the matter but stated that it was premature to discuss the issues now.

## 6. Security

On the state of play, the UK and the EU welcomed cooperation on law enforcement and judicial cooperation under Part Three of the TCA and noted that it helped to safeguard the security of both the EU and the UK. The EU recalled the commitments, under Article 524 of the TCA, and specifically the commitment to the protection of human rights and fundamental freedoms as set out in the European Convention on Human Rights (ECHR). It noted that the ECHR was considered an "essential element" of the TCA in line with Articles 763 and 771 of the TCA, and that the TCA was contingent on it being respected. It explained that the EU and its Member States followed very attentively the developments in the UK regarding the ECHR and reiterated its importance. The UK noted that it has a long-standing tradition of ensuring rights and liberties were protected and that it had no plans to change its status in relation to the ECHR. It stated the UK's positive record regarding cases brought to the ECHR.

On information exchange on vehicle registration data, the EU proposed to advance work in this area pursuant to Articles 537, 539, 540 of the TCA as discussed at the relevant Specialised Committee meeting in June last year. The UK noted preparations were underway to allow it to exchange vehicle registration data via the Prüm system and it aimed to submit the notification on readiness to be evaluated under Article 540 shortly<sup>2</sup>.

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<sup>2</sup> The UK has since submitted the notification on readiness to be evaluated under Article 540 of the TCA.

## **7. Other areas of cooperation**

On road transport and safety, both sides agreed that officials should progress work at a technical level to exchange data on infringement and convictions of transport managers and road hauliers, to contribute to enforcement of TCA rules on road transport.

On mobility of researchers in the context of the UK's association to Horizon Europe, the EU noted that both Parties had committed to not make mobility for Horizon Europe programme participants more difficult. It noted that since taking those commitments, the UK had significantly increased its visa fees and the healthcare surcharge which affected EU researchers moving to the UK under Horizon. It urged the UK to revert to the previous fee and surcharge levels, which it considered would be in line with TCA commitments. The UK highlighted its commitment to making the UK the best place in the world for top scientists, researchers and innovators to work and live. It acknowledged that navigating any visa regime has complexities and said it sought to make its guidance as clear as possible. It stated that the post-Brexit reality means that cross-border movement of researchers is now subject to visa and immigration regimes on both sides but did not want this to stand in the way of making the UK's association to Horizon Europe a success. Both sides agreed to continue to talk about this issue and the EU urged concrete proposals to resolve the matter.

## **8. AOB**

### Touring artists

The UK raised the issue of touring artists and explained that it was committed to supporting artists touring between the UK and the EU. It acknowledged that Brexit had changed how the supply of performing services were undertaken but stated that UK artists wanted to tour the EU and venues, and audiences in the EU wanted to host them. The EU replied that the issue had been raised several times in the Committees under the TCA and that the EU position had not changed. It explained that the situation faced by British touring artists was the result of the United Kingdom leaving the EU.

### VAT Threshold

The UK argued that the need to appoint a fiscal representative in the EU to access EU online trade platforms and sell online to EU consumers was a significant issue for UK Small and Medium-sized Enterprises (SMEs). The EU replied that this issue had been raised several times in the Committees under the TCA and at higher level, and that the EU position had not changed. The matter was linked to the debt recovery threshold for administrative cooperation under the VAT Protocol. The EU did not see the need to change that threshold.

### Data Protection and Digital Information Bill

The EU recalled that their data adequacy decisions granted to the UK were subject to a "sunset clause" and would expire in 2025 unless they were renewed. It underlined that the continuity of the adequacy decisions was in the EU's and the UK's common interest but noted that some aspects of the Data Protection and Digital Information Bill currently before the UK Parliament risked the continuity of the adequacy decisions. The UK reaffirmed its commitment to maintaining high data protection standards and noted that it will continue to have one of the closest regimes to the EU in the world.

## **Annex 1: Decisions and recommendations adopted by written procedure since the second meeting**

Decision No 1/2023 of the Partnership Council of 21 December 2023 as regards the transitional product-specific rules for electric accumulators and electrified vehicles

## **Annex 2: Participation list**

### EU Delegation

- EU Co-chair of the Partnership Council
- European Commission Officials
- EU officials from the European External Action Service and Delegation of the EU to the UK
- Representatives of EU Member States

### UK Delegation

- UK Co-chair of the Partnership Council
- First Minister and Deputy First Minister of Northern Ireland
- Parliamentary Under-Secretary of State for Nuclear and Renewables
- UK Government Officials from the Foreign, Commonwealth and Development Office
- UK Government Officials from the Department for Energy Security and Net Zero
- UK Government Officials from the UK Mission to the European Union
- Scottish Government Officials
- Northern Ireland Executive Officials
- Welsh Government Officials
- Officials from the Isle of Man, Bailiwick of Jersey and Bailiwick of Guernsey