

Government response to the European Affairs Committee's 1st Report on "Unfinished Business: Resetting the UK-EU relationship"

The Government is grateful to the European Affairs Committee (EAC) for their report of 12 November 2025 on the 'reset' of the UK's relationship with the EU.

Since taking office, the Government has reset its relations with European partners in order to improve our diplomatic, economic, and security cooperation. At the UK-EU Summit in May 2025, the Prime Minister announced a new Strategic Partnership with the EU, underpinned by the Common Understanding. The Common Understanding sets out an agenda for strengthened cooperation with the EU across safety, security and economic prosperity, with further technical negotiations taking place in order to implement these commitments now and over the course of this Parliament, including via legislation. These commitments deliver on what the British public voted for and are good for bills, jobs and our borders, without compromising on our red lines – no return to the Customs Union, no return to freedom of movement, and no re-joining the Single Market.

As the Committee notes in its report, the strengthening of the UK-EU strategic partnership is a longer-term and ongoing process. The Summit in May 2025 was the first in a series of annual summits, and there will be opportunities to continue to strengthen our relationship and secure new agreements over the years to come. The Government welcomes the Committee's contributions as part of this process.

Indeed, since the report was published, the Government is pleased to note that the UK has struck a deal with the European Commission to rejoin Erasmus+ in 2027 - fulfilling a key commitment made at the UK-EU Summit and opening up world-class opportunities for young people across the country. The UK and EU have also concluded exploratory talks on the UK's participation in the EU's internal electricity market. Our focus for 2026 is all about driving forward - including finalising the food & drink and Emissions Trading Scheme deals, securing a balanced agreement on Youth Experience, and starting negotiations on joining the single electricity market. We will also continue our cooperation through the UK-EU Security and Defence Partnership to support our shared goal of strengthening European defence.

The Government has considered the report's findings carefully, and responses have been provided to the report's conclusions and recommendations (*in bold*) below, grouping recommendations as appropriate.

The May 2025 UK-EU summit in the reset process

We regret that the Government did not produce a White Paper or similar paper on its objectives for its reset of UK relations with the EU and with individual countries. This would have made it possible for Parliament and other stakeholders to engage more effectively with the Government on the policy-making process and the content of policy, and to scrutinise more fully the extent to which the Government met its objectives (Paragraph 20).

In its first 16 months in office, the Government has taken the first important steps towards achieving the objectives it set itself for the reset. Building on measures taken by its predecessors, the Government has intensified its engagement with the EU and its Member States and established a notably closer relationship in many areas. (Paragraph 24)

The machinery-of-government arrangements established since July 2024 for the handling of the UK-EU relationship replicate, to a large extent, the practice of previous periods when EU policy was driven from the Cabinet Office. On the basis of the evidence we received, and our experience of dealing with the Government, they seem to be effective. (Paragraph 29)

We welcome the fact that the Minister for the Cabinet Office and the Europe Minister are making a point of appearing together in front of us and other select committees, suggesting that they wish to highlight the close working relationship between the Cabinet Office and the FCDO on European policy. (Paragraph 30)

We note that the Government's specific policy objectives for the reset have evolved significantly over time. (Paragraph 49)

All of the Government's specific reset objectives found support in our evidence, albeit to varying degrees. Most of our witnesses agreed that the Government had identified areas where there was scope for a closer UK-EU relationship. However, we also heard some doubts about the direction of travel of the security and defence agreement, aspects of the possible SPS agreement, and the likelihood of real progress on touring artists and MRPQ. (Paragraph 50)

There was consensus among our witnesses that the overall economic impact of the Government's reset objectives, if all were achieved, would be marginal, albeit positive. (Paragraph 51)

Recommendation 1: To our knowledge, before the May 2025 summit the Government had not referred to the possibility of the UK participating in the EU's internal electricity market. We also note that none of our witnesses raised this policy as an aim prior to the summit. We ask the Government to set out how and why it came to agree with the EU that exploring this proposal should be a summit outcome. (Paragraph 61)

Recommendation 2: We ask the Government to set out the relationship between the ongoing work on the alternative electricity trading arrangements foreseen in the TCA and the new exploration of possible UK participation in the EU internal electricity market. We further ask the Government to tell us when it expects the current electricity trading arrangements to be superseded. (Paragraph 62)

1. The Government welcomes the Committee's reflections on the steps it has taken to reset relations with the EU. We are building a valuable relationship with the EU that genuinely benefits Britain - making people across the UK safer, more secure and more prosperous - without crossing the red lines set out in our manifesto.
2. The deal we struck with the EU at the 2025 Summit will reduce trade barriers through the Sanitary and Phytosanitary (SPS) agreement, increase energy efficiency through cooperation on electricity trading, and allow a cheaper transition to net zero through linking our Emissions Trading Schemes (ETS). These measures reduce costs for businesses, meaning better prices and more choice to consumers, and they will support British jobs and livelihoods.
3. Through this deal, the UK has unprecedented access to the EU market – the best of any country outside the EU or EFTA. The SPS and ETS linking measures alone are set to add nearly £9 billion a year to the UK economy by 2040, in a significant boost for growth.
4. In response to the Committee's recommendations around electricity trading, in the Energy Title of the Trade and Cooperation Agreement (TCA), the UK and EU committed to developing new efficient electricity trading arrangements for the day-ahead timeframe based on the concept of multi-region loose volume coupling (MRLVC). The UK-EU Electricity trading roadmap describes the progress expected to unfold in developing these arrangements in line with the TCA. UK and EU Transmission Systems Operators (TSOs) completed two analyses in 2021 and 2023. As per Recommendation No 1/2024 of the Specialised Committee on Energy, which monitors the implementation and functioning of the Energy Title, TSOs have recently completed an initial concept-validation phase, which was published on 19 December 2025. We welcome work with our EU colleagues and technical experts to consider MRLVC. However, MRLVC has many design challenges and industry is telling

us that it will not be viable.

5. Recognising these challenges, at the May 2025 Summit, the UK and EU agreed to explore in detail the necessary parameters for the UK's possible participation in the EU's internal electricity market, including participation in the EU's trading platforms in all timeframes. This commitment represents an effort to secure a more integrated and efficient long-term solution than the alternative electricity trading arrangements foreseen in the TCA (MRLVC). Exploratory talks concluded in December, and the necessary conditions for participation have been set out, with details on implementation to be shared in due course.
6. The Government is of the view that close cooperation on electricity is in the interest of both the UK and the EU. The exploration of UK participation in the EU's internal electricity market arose from a mutual recognition that a more efficient trading framework is in our shared interest. The UK and EU electricity markets are highly interconnected and interdependent. More efficient trade of electricity with the EU can help replace costly gas-fired generation and support investment in and deployment of renewable energy sources, reducing our exposure to volatile wholesale costs. Closer co-operation will also support our wider energy resilience - ensuring energy availability and reliability in the face of potential future disruptions and crises. As set out in the UK-EU Electricity trading roadmap, a decision will be taken in the first half of 2026 regarding when current arrangements will be superseded. The United Kingdom and the European Commission share the view that close cooperation on electricity is in the interest of both the European Union and the United Kingdom.

It is unsatisfactory that successive Governments have pursued significant changes to the Trade and Cooperation Agreement without any opportunity for this Committee to fulfil its Parliamentary responsibility to oversee and scrutinise UK-EU agreements. (Paragraph 67)

Recommendation 3: We ask the Government, in its response to this report, to confirm that the requirement to review the implementation of the TCA's fisheries heading in 2030 continues to apply and, if so, to set out what the review might comprise, given the decision to agree fisheries access arrangements to 2038. We also ask how the Government intends to involve Parliament, particularly this Committee, in this process. (Paragraph 79)

7. The Government recognises the importance of parliamentary scrutiny, which is why we have agreed a bespoke set of scrutiny arrangements with this Committee to ensure it can fulfil its parliamentary responsibility to scrutinise the UK's relationship with the EU. Parliament will scrutinise the legislation that implements any new UK-EU agreements where legislation is required, and we look forward to working with the Committee on the exact arrangements for scrutiny as the detailed negotiations progress.
8. On the Committee's recommendation, the Government has agreed to rollover the current reciprocal arrangements on fishing rights, with no reduction or increase in the quota the EU is allowed to catch. We have turned the deal signed by the last Government into an agreement that works for the UK, providing certainty for our fleet and clear benefits to our wider economy.
9. We will consider how best to engage with the EAC as we shape the scope and process for the 2030 review of the TCA's fisheries heading. The approach to this review will require further consideration as well as discussion with the EU.

We consider the Government's Explanatory Memoranda on the fisheries access agreement and the decision on the energy title to be unsatisfactory in both timing—appearing as they did after the agreements had already been reached—and substance, in that they provided no new information about how the agreements had been reached or their impact. We consider that future EMs must be prepared to a higher standard if confidence in the process is to be maintained. (Paragraph 86)

Recommendation 4: The reset agreement gives the EU certainty about the extension of the fisheries access arrangements for 12 years, while the renewal of the energy title remains on an annual basis. The new arrangements provide a degree of political comfort that the TCA energy title will continue to apply beyond 2027, notwithstanding the uncertainty created by the need for formal annual renewal. We ask the Government to set out the rationale behind these arrangements and to set out its degree of confidence that the energy provisions will not be used as leverage by the EU in future. (Paragraph 87)

10. The Government takes its commitments to parliamentary scrutiny extremely seriously, and it recognises the importance of providing the Committee with clear, comprehensive and timely information.
11. The Government is committed to ensuring that Explanatory Memoranda (EMs) submitted to the Committee are of consistently high quality and are provided within the expected timeframes. We will continue to include as much

relevant detail as possible to support effective scrutiny, while ensuring that the UK's negotiation position is not prejudiced.

12. The difference in duration between the 12-year fisheries access arrangements and the annual energy title renewal is due to the distinct needs of each sector. The deal reached at the summit, including the 12-year fisheries agreement but also other measures such as the SPS agreement which will support agrifood exports, delivers value for the UK's fishing fleet and clear benefits to the wider economy. For the energy title, the new arrangements provide a political comfort that the TCA energy title will continue to apply beyond 2027, and the Government is confident the energy title will continue to apply beyond 2027.

The Government has made progress in achieving its reset objectives. It has negotiated a security pact with the EU. It has also secured the EU's agreement to "work towards" its objectives of a Sanitary and Phytosanitary (SPS) agreement, and an agreement to link the UK and EU Emissions Trading Schemes. (Paragraph 88)

Recommendation 5: However, there has been little, if any, progress on the Government's other objectives, of further law enforcement cooperation, help for touring artists, and mutual recognition of professional qualifications. It would be helpful to know whether the obstacles to progress are on the EU side and, if so, whether these are likely to be overcome in the near future. (Paragraph 89)

13. The Government is continuing discussions to maintain momentum on issues agreed at the Summit and need to negotiate further as set out in the Common Understanding. The commitment to hold annual summits provides an opportunity to build on our strategic partnership, including implementing joint commitments made under the Common Understanding, and to further strengthen our relationship over time.
14. In the Common Understanding, the UK and EU recognised the value of travel and cultural and artistic exchanges, including the activities of touring artists and agreed to set up dedicated dialogues, focusing on the mutual recognition of professional qualifications.
15. We also set out a number of areas where we will seek to enhance our cooperation on law enforcement and justice issues to protect our publics and increase the safety and security of UK and EU citizens.
16. We are not going to provide a running commentary on the details of those future discussions but we will keep Parliament updated on significant developments.

The next phase: Foreign policy, security, defence and law enforcement cooperation

We welcome the Security and Defence Partnership signed between the UK and the EU in May 2025, recognising the continental security and defence challenges facing the UK and EU and providing a framework for pragmatic partnership cooperation. (Paragraph 113)

We note the identification in the Security and Defence Partnership of areas of shared concern, where both sides express ambitions for cooperation. These include areas which usually fall outside the traditional approach to security and defence, including the economy, corruption and illicit finance, irregular migration, climate and global health. (Paragraph 114)

Recommendation 6: We ask the Government to explain what practical difference the Partnership will make to the level of dialogue already existing between the UK and the EU, and how it intends to assess and prioritise possible future areas of cooperation outlined in the Partnership. (Paragraph 115)

17. The UK-EU Security and Defence Partnership (SDP), agreed at the Summit, represents a significant step forward in formalising and deepening our engagement with the EU on our shared security priorities. While dialogue between the UK and the EU has been strong, the Partnership provides a structured framework for cooperation, enabling us to move from ad hoc engagement to a more strategic and predictable approach. This will make a practical difference by:

- Creating a dedicated platform for regular consultations on security and defence issues, ensuring continuity and coherence in our engagement;
- Facilitating joint action on priority areas such as support for Ukraine, tackling hybrid threats and conflict prevention; and
- Providing a basis for future cooperation, allowing us to identify and prioritise areas where collaboration can deliver the greatest impact.

18. The inaugural foreign and security dialogue took place in October last year, led by the UK Foreign Secretary and Defence Secretary with HRVP Kaja Kallas. Since September, the Minister of State for Europe, North America and Overseas Territories has led strategic consultations with senior EU counterparts on Russia/Ukraine, hybrid threats and the Western Balkans. Our cooperation is already delivering results: in July, we worked closely with the EU to lower the Oil Price Cap and clamp down on revenues to Russia; and in October, we partnered with the EU to ensure a successful UK-hosted Berlin Process on the Western Balkans, promoting regional stability and growth and

tackling illegal migration. We have also attended FAC meetings and Gymnichs as a guest.

19. To assess and prioritise future areas of cooperation, we will:

- Use the SDP as a framework to agree shared priorities with the EU;
- Monitor progress through regular reviews of our joint initiatives; and
- Ensure alignment with wider UK foreign and security policy.

Recommendation 7: We note that, in most cases, the Security and Defence Partnership expresses an ambition to enhance existing mechanisms of cooperation, or to explore possible future opportunities. At this early stage it is perhaps inevitable that the Partnership has so far amounted only to a set of aspirations, but its success will be measured by the degree to which it improves the overall defence and security of Europe. We ask the Government to set out in detail the specific capability improvements it will be seeking, the mechanisms it will put in place for pursuing them, and the objectives and milestones it will use to monitor progress. (Paragraph 116)

20. We welcome the Committee's focus on delivery. The UK–EU SDP provides a broad, ambitious framework to strengthen cooperation with the EU in support of Europe's overall security, complementing NATO and advancing shared interests. Our immediate priority is to turn that framework into practical cooperation that reinforces collective defence, resilience and prosperity.

21. Since agreement of the Partnership, we have established senior, structured dialogues with EU counterparts, including the Foreign and Security Policy dialogue at ministerial level, and are working with the EU to put in place enabling arrangements (such as secondments, information-sharing and crisis coordination) where these are in the UK's interests. This approach is focused on agreed priority areas including support to Ukraine, countering hybrid threats, irregular migration, defence industrial collaboration and military mobility, ensuring cooperation delivers tangible benefits to European security.

22. To monitor progress, we have strengthened joint FCDO–MoD governance for the Partnership, including Delivery Board oversight, clear objectives for each priority area, and milestone tracking through regular senior official level consultations. Success will be judged against outcomes including enhanced operational and industrial cooperation with European partners, stronger resilience to hybrid threats, and sustained support to Ukraine. Some of this will need to remain private as we develop this collaboration with the European External Action Service but we will continue to engage with Parliament and the Committee as implementation advances, providing updates at suitable points.

Recommendation 8: We ask the Government to clarify whether it sees the UK-EU Security and Defence Partnership as a sufficient mechanism for cooperation with the EU, or whether it plans to pursue a closer and even more formalised relationship. (Paragraph 117)

23. The SDP provides a robust mechanism for structured cooperation with the EU on our shared security and defence priorities. It establishes a formal framework for dialogue and joint action, ensuring that engagement is regular, strategic and focused on delivering tangible outcomes. Our ambition is to build a long-term, forward looking security relationship that supports economic growth, protects citizens and strengthens Europe's collective security.

24. The Government's current approach is to implement the SDP ambitiously as the primary mechanism for cooperation on security and defence issues. We believe it strikes the right balance between enabling close collaboration and preserving the UK's ability to act independently and flexibly in line with our national interests. Through the SDP, and any subsidiary agreements that are deemed necessary, we can deepen cooperation where it adds value. We will continue to review this approach as the security environment evolves, but our priority remains making the SDP work effectively and delivering results for both the UK and the EU.

Although Members of the Committee hold a variety of views on the future UK-EU relationship, we all agree that NATO remains the cornerstone of European defence. Any more formalised approach to cooperation between the UK and the EU in the areas of security and defence must be designed to be complementary to NATO. (Paragraph 118)

Recommendation 9: The UK's potential participation in projects under SAFE is one of the key aspects of the UK-EU Security and Defence Partnership. It is critical to ensure that the agreement provides clear strategic benefits to the UK's defence ecosystem. We ask the Government to keep us informed about the ongoing negotiations so we can effectively scrutinise the details of the prospective agreement. (Paragraph 135)

Recommendation 10: The evidence we received from representatives of the defence industry indicates that their main priority is clarity and prioritisation. We therefore ask the Government to clarify how the UK's possible access to SAFE will contribute to existing and forthcoming bilateral defence agreements with EU Member States. (Paragraph 136)

Recommendation 11: Given that the UK is negotiating access to SAFE as a non-Member State, it is imperative that the agreement includes safeguards related to legal and technical arrangements for security information sharing, and a clear framework to protect export controls and the UK's intellectual property rights. It is also essential that the cost implications of participating in SAFE are properly understood, both direct and in future liabilities, and defined in the UK's access arrangements. (Paragraph 137)

Recommendation 12: We think it important that the negotiations on the UK's access to SAFE keep pace with the rapidly evolving threats from Russia to European security. As soon as the negotiations are concluded, we ask the Government to update the Committee and we invite the Minister for Europe to give evidence to the Committee as soon as possible. (Paragraph 138)

25. The Government agrees that NATO remains the cornerstone of our collective defence. The SDP will complement and reinforce NATO's role as the cornerstone of Euro-Atlantic security, and will support the delivery of this Government's NATO First policy. We have prioritised collaboration with the EU on areas where the EU's work is particularly beneficial to NATO priorities, like military mobility which is fundamental to the execution of NATO defence plans.
26. The Committee's recommendation refers specifically to the EU's Security Action for Europe (SAFE) instrument. Last autumn, the UK and the EU commenced formal negotiations on a bilateral agreement to facilitate enhanced UK participation in SAFE. The UK entered these negotiations in good faith, recognising our mutual strategic interest and commitment to work with the EU on defence. However, we have not been able to conclude these negotiations with an agreement.
27. As the Minister for the Cabinet Office set out in his Written Ministerial Statement on 1 December 2025, this Government has always been clear that we will only sign agreements that are in the national interest - in this case we were unable to reach an agreement on SAFE that passed that test. UK defence companies will still be able to participate and benefit from SAFE contracts to provide up to 35% of their content.
28. The Government kept the Committee informed of negotiations through evidence sessions, private briefings and correspondence. The Minister for the Cabinet Office personally informed the EAC Chair of the outcome of negotiations, and laid a Written Ministerial Statement to inform all Members.

29. The UK and EU will continue to explore possible mutual involvement in respective defence initiatives, regardless of participation in SAFE. The UK remains committed to a broad and constructive relationship with the EU, and we continue working together in good faith to implement the package agreed at the UK-EU Summit.

Recommendation 13: We invite the Government to clarify whether it is seeking UK participation in EU CSDP missions and, if so, on what basis it would assess possible participation, in particular given the operational and leadership constraints imposed by EU law on the participation of non-EU Member States. (Paragraph 144)

30. The SDP provides the UK an opportunity to cooperate further with, and explore participation in, EU CSDP civilian and military crisis management. As work progresses to implement the SDP, officials are considering how best to cooperate and coordinate with the EU on military crisis management activity, particularly where this aligns with UK strategic interests and complements our NATO commitments. This includes engagement that would support Euro-Atlantic security, including through support to Ukraine and Maritime Security opportunities.
31. It must be noted that the UK already engages with the EU to support Ukraine. For example, the EU's military training mission for Ukrainian forces, EUMAM Ukraine, works in close coordination with the UK's training programme Operation INTERFLEX. Under the SDP the UK and EU have had a strategic consultation on Russia and Ukraine followed by the Foreign and Defence Secretaries meeting with HRVP Kallas in October, for the first Foreign and Security Policy dialogue which included a focus on enhancing support to Ukraine. We are also working closely with the EU on sanctions and jointly announced to lower the Oil Price Cap in July 2025 to clamp down on Russian revenues, and have joined dialogues on key issues such as supporting Ukraine's energy infrastructure and future economic development and reconstruction.

Recommendation 14: We ask the Government to update us on progress towards joining the PESCO Military Mobility project and reaching an Administrative Arrangement with the European Defence Agency (EDA). (Paragraph 145)

32. Any UK-EU defence engagement will be in support of this Government's NATO First defence policy as set out in the Strategic Defence Review.

33. In line with this Government's European Security focus, the SDP looks to strengthen UK-EU cooperation where this supports defence goals and ensures value for taxpayers. Recognising the European Defence Agency's (EDA) role across defence capabilities, the SDP includes the possibility for establishing an Administrative Arrangement between the UK and the EDA. Officials are continuing working level exploratory discussions to boost broader defence industrial cooperation.

34. The SDP also sets out how the UK and the EU are committed to strengthening cooperation on military mobility issues, including through the UK's participation in the PESCO Military Mobility project. UK Officials are continuing to progress discussions to advance our application. Acknowledging the EUs recently launched Military Mobility Package, we will continue to discuss Military Mobility engagement options, not least including through NATO structures.

The arrangements in the TCA for sharing data via the Prüm system will inevitably be impacted by the 2024 EU legislation introducing Prüm II. Apart from a brief exchange of letters between this Committee and the Home Office in 2024, we have heard nothing about whether or not the process included in the TCA covering the UK's ongoing participation has been activated or about the Government's plans to keep us informed of this process. (Paragraph 154)

Recommendation 15: Our letter to the Government dated 2 May 2024 raised a number of concerns about the (then) proposal and the process by which the Government would keep Parliament informed about the UK's potential participation in Prüm II. We ask the Government to update us on its plans to discuss Prüm II with the EU and on how it intends to keep Parliament informed. (Paragraph 155)

35. The existing Prüm mechanism established between the UK and EU under the Trade and Cooperation Agreement continues to function well, with the UK having connected to all EU Member States for DNA exchange and 25 Member States for fingerprint exchange, and we are continuing to progress work to finalise the remaining two connections. In 2025 the UK was also evaluated to start the exchange of vehicle registration data; we expect an EU decision following that evaluation early this year and will notify Parliament of the outcome. The proposals for Prüm II would allow UK law enforcement to

continue to share DNA and fingerprints with EU partners in the way they do today, in support of criminal investigations, in addition to enabling new types of data exchange.

36. At the UK-EU Summit, we agreed with the EU to explore “ways to reinforce mutual and reciprocal exchanges of data on fingerprints, DNA....[and] extending the exchange of data to facial images for the prevention, detection and investigation of criminal offences”. Since then, the UK has had a series of conversations with the European Commission to understand and clarify what this might involve.
37. Whilst the EU adopted the primary legislation on Prüm II in 2024, it has yet to finalise the necessary secondary legislation in the form of technical Implementing Acts; we expect that the Commission will seek to publish those and allow eu-LISA to complete the remaining technical work before entering into conversations with the UK on potential participation in Prüm II. We understand the final Implementing Acts should be published in the first quarter of 2026.
38. As the technology and associated Prüm II Implementing Acts are still under development, it is not yet possible for us to consider the full impact of the new arrangements and to offer an assessment of the technical feasibility and value for UK law enforcement agencies. However, during the course of post-Summit exploratory talks we have clarified that participating States will be expected to concurrently run the existing and future DNA and fingerprint exchange arrangements. This will allow bilateral exchanges to continue between countries as they transition to the new infrastructure.
39. The Government will update the Committee on any significant developments which arise as we take forward the post-Summit discussions.

On extradition, we note that when the UK was an EU Member State both the European Commission and the Home Office published annual statistics highlighting requests for, and executions of, EAWs. It appears that this welcome practice has not been continued with regard to the TCA’s equivalent arrangements for extradition. This makes it very difficult for us to assess the success of the TCA’s extradition arrangements and the impact of the own-national extradition bar relied on by 13 of the 27 EU Member States. (Paragraph 156)

Recommendation 16: We therefore ask the Government to provide the Committee with its own detailed assessment of the effectiveness (or otherwise) of the TCA's extradition arrangements and to explain, in its response to this report, why it no longer publishes annual statistics on EU-facing extradition requests and executions. (Paragraph 157)

40. Since the TCA surrender arrangements entered into force, the UK has maintained an effective, warrant-based extradition relationship with EU Member States. Extradition activity, including arrests and surrenders, has remained stable and cases are regularly proceeding through the courts for a variety of offences. There is no evidence of a systemic issue with the provisional arrest power or of routine discharge for failure to provide a TCA warrant within statutory timescales, both indicators of potential challenges to the system's effectiveness.
41. To support ongoing assessment of the surrender provisions, we maintain regular, detailed engagement with UK operational partners and with the EU through the TCA Law Enforcement and Judicial Cooperation Specialised Committee. Based on these discussions; our assessment is that the surrender chapter of the TCA is functioning effectively. UK operational partners also engage regularly with counterparts on case-specific issues as necessary.
42. We recognise that Own Nationals bars present a serious challenge in a minority of cases. While these stem from EU Member States constitutions or domestic legal frameworks, we continue to engage and work with EU Member States to manage their impact and implement resolutions where possible. We are pleased that two EU Member States, both of operational priority given the seriousness of the criminality involved and the volume of requests in scope, have recently amended their notifications under the TCA in this context. This represents a significant step towards improved justice cooperation. We continue to work bilaterally and through the Specialised Committee and the UK-EU Strategic Partnership to mitigate the impact of nationality bars and to explore more effective alternatives where surrender is not possible.
43. On the publication of data, the National Crime Agency is the competent authority for all extradition requests between the UK and EU Member States and as such is the holder of data concerning UK-EU extradition cooperation.

Recommendation 17: We also ask the Government to update us on plans for new information-sharing arrangements with the EU Drugs Agency. (Paragraph 158)

44. Under our new UK-EU Common Understanding, we will establish new cooperation with the EU Drugs Agency (EUDA) to strengthen our collective response and resilience to the illicit drug trade.

45. The UK is working closely with EUDA representatives to develop a Working Arrangement that reflects shared priorities on drug risks and threats.

The next phase: Trade and mobility

Recommendation 18: With respect to the prospective SPS agreement with the EU, we ask the Government to confirm how it plans to handle the issues of i) future UK exceptions to dynamic alignment, and ii) UK-EU regulatory divergence that has already occurred, and to respond on whether it sees exceptions in these areas as an essential part of the promised agreement. We also ask for further information on what the Government would see as a fair financial cost to pay for the prospective SPS and ETS linkage arrangements. (Paragraph 172)

Recommendation 19: Our evidence showed that stakeholders need clarity at the earliest opportunity about the timescale for the conclusion and implementation of the prospective SPS agreement and about its practical consequences for those it will affect. We urge the Government to provide such clarity as soon as possible. (Paragraph 173)

46. Since January 2020, some legislative divergence related to SPS has occurred, such as the EU's changes to the Animal Health Regulations, and changes to adopted GB legislation. The Common Understanding is clear on the general principle that once the SPS agreement is in place the same rules will need to apply in the UK and EU.

47. However, the EU has accepted there will need to be a number of areas where we need to retain our own rules. The details of these are subject to negotiation, but we have been clear about the importance of being able to set high animal welfare standards, support public health, and support the use of new and innovative technologies.

48. The Government recognises the importance of providing clarity to industry. We aim to conclude negotiations and have legislative arrangements in place in 2027. We are in regular dialogue with stakeholders and will provide further clarity as soon as possible.

49. An appropriate financial contribution from the United Kingdom to EU agencies or databases has been agreed to realise the SPS and ETS linking agreements, as set out in the Common Understanding. This will form part of ongoing negotiations.

Recommendation 20: We ask the Government to tell us when it aims to conclude negotiations with the EU on a Youth Experience Scheme and bring the new Scheme into operation. We further ask the Government to provide more information about the basis for its statement that a cap on the numbers participating has been agreed. (Paragraph 182)

Recommendation 21: Given the frequency with which we heard complaints about slow visa processing times during our inquiry, in both the UK and the EU, it is important that the Government ensures that the administration of the new visa for the Youth Experience Scheme runs smoothly and swiftly from the outset. We recommend that the Government also presses EU Member States to ensure that the same applies to the administration of the new EU visa for UK participants in the Scheme. (Paragraph 183)

50. We have agreed to work towards the establishment of a balanced Youth Experience Scheme with the EU. This scheme will create new opportunities for young Brits to live and work overseas. We are committed to implementing the outcomes of the May 2025 Summit in a timely manner and so are aiming to conclude negotiations on the Youth Experience Scheme by the time of the next EU-UK summit.
51. We have been clear that any scheme will be in line with our plans to restore control over the immigration system and reduce net migration. That's why we have agreed that any scheme will be capped and subject to a visa requirement. This is what the Common Understanding language '*ensure that the overall number of participants is acceptable to both sides*' refers to. We also note the points made by the Committee in relation to visa processing times.
52. The exact parameters of any scheme are subject to ongoing negotiation.

Recommendation 22: The prospective agreements with the EU on a common SPS area, ETS linkage, and a Youth Experience Scheme involve substantive policy issues, and their negotiation could be technically complex. While respecting the need to protect the Government's negotiating stance, it is important in terms of parliamentary scrutiny and transparency that this Committee is kept informed about the negotiations. We ask the Government to clarify in its response to this report how it intends to keep us informed. We would welcome, at the very least, private briefings on their progress. (Paragraph 184)

53. The Government takes its ongoing commitment to scrutiny very seriously – it is a vital part of the Government's accountability to Parliament.

54. We are committed to being open and transparent in our engagement with Parliament regarding implementation of the Summit outcomes and further negotiations to put into effect what the UK and EU have agreed. The Minister for the Cabinet Office met with the EAC Chair ahead of the first UK-EU Summit in May 2025, and wrote to the Committee on the day of the Summit. Officials also briefed the Committee on the Summit outcomes, and have provided further briefings on progress in negotiations since then - most recently on 16 December 2025. Ministers also regularly give evidence to the Committee, with the Minister for the Cabinet Office and Minister for Europe, North America and the Overseas Territories appearing in July 2025, and the Minister of State in the Home Office appearing on 21 January.

55. The Government will continue to be as open and transparent with Parliament as it can be whilst protecting its negotiating position, including through formal evidence sessions, correspondence and private briefings to this Committee.

Recommendation 23: We note that the Government has agreed with the EU to negotiate SPS and ETS linkage agreements that include a dispute resolution mechanism. We would ask the Government for greater clarity on this, in particular whether the system will be based on international arbitration, and the specific role of the Court of Justice of the EU (CJEU). (Paragraph 185)

56. The Government can confirm that any disputes will go to independent arbitration, not the Court of Justice of the EU (CJEU) - just as was agreed in the Withdrawal Agreement.

57. The CJEU will have a limited role in assisting an independent arbitration tribunal responsible for deciding a dispute between the UK and the EU. The CJEU does not rule on the substantive outcome of the dispute - that is a matter for the independent arbitration panel.

Recommendation 24: We welcome the fact that negotiations are underway with the EU on the UK's association to Erasmus+ and that the Government is thus making progress on this issue. We ask the Government to set out in more detail the criteria against which it will assess the specific conditions of the UK's prospective participation in Erasmus+. We also ask the Government to tell us when it aims to conclude negotiations with the EU on the UK's association to Erasmus+ and to bring the scheme into operation in and for the UK. We further ask the Government to state how it plans to ensure that the UK's participation in Erasmus+ brings added value to UK universities, businesses and the third sector. We also ask the Government to explain how it sees an agreement on the UK's association to Erasmus+ interacting with the UK's existing Turing Scheme arrangements. (Paragraph 189)

58. We have concluded negotiations with the European Commission on the UK's association to Erasmus+ in 2027. We have agreed terms that represent a fair balance between the UK's contribution and the benefits the programme offers, which paved the way for UK participation in the programme.
59. Erasmus+ is the EU's flagship programme for education, training, youth and sport. The benefits extend to those of school age, those in further and higher education, adult learners, youth workers and sport sector professionals. It will ensure individuals can participate fully in high-quality international mobilities, cooperation projects and wider partnerships. Our association to Erasmus+ will offer a broad range of opportunities from school exchanges, work placements, language courses, and semesters abroad, to international youth work projects and training for grassroots sport staff.
60. The UK has negotiated financial terms which reflect a fair balance between our contribution and the benefits the programme offers, including a 30% discount in 2027 compared to the default terms in the Trade and Cooperation Agreement. The UK contribution for 2027 will be approximately £570 million (compared to £810m under default terms). This commitment covers the 2027/28 academic year. Any participation in Erasmus+ into the next Multiannual Financial Framework will need to be agreed in the future and be based on a fair and balanced contribution, and will be informed by our experience of association in 2027.
61. We have had positive engagement with the Devolved Governments on our association to Erasmus+. We recognise the successes of programmes such as Taith and will be taking a lot of the lessons learnt from it to inform our approach when we deliver Erasmus +.

62. We are now moving at pace to deliver Erasmus+ for the UK for 2027. The Department for Education has commenced discussions with the British Council with a view to them being appointed as the National Agency for Erasmus+ to deliver the programme for the UK.
63. Turing Scheme funded placements are underway in the current academic year those students will not be affected. Details on the Turing Scheme for future years will be shared in due course.

Recommendation 25: The challenges faced by UK artists seeking to tour in the EU remain high on the agenda of this Committee. We have been following this issue closely since Brexit. We find it unsatisfactory that no progress seems to have been made. We therefore ask the Government to step up the pace of work with the EU with the aim of an early agreement. We further ask the Government to update us on its activity with respect to the unilateral measures that our witnesses said would help UK-based creatives wishing to tour in the EU. (Paragraph 196)

64. The Summit text outlines that the UK and EU recognise the value of travel and cultural and artistic exchanges, including the activities of touring artists, and that we will continue our efforts to support travel and cultural exchange.
65. The Government engages regularly with industry on the challenges facing touring artists and values this ongoing exchange. In regard to the proposed measures put forward by industry, requirements such as ATA carnets and additional customs processes are a result of our trading relationship with the EU, particularly as the UK and EU operate separate customs and market regimes. However, the Government is working to explore how to reduce administrative burdens and minimise the associated financial impacts on touring artists. An example of this is the UK's leading role in the international initiative to digitise ATA carnets, which when fully implemented will make them simpler to use and could offer a pathway to better cost management by making them easier for individuals, including touring artists. Fees for Carnet are managed by the issuing chambers (London Chamber of Commerce) and it remains individual decisions on whether a Carnet is the most suitable option for them to use when transporting goods.
66. As ever, we recognise the UK's creative and cultural sectors provide a unique and valuable contribution to Europe's diverse cultural landscape. Our priority remains implementing the summit commitments and we will continue to explore how best to improve arrangements for touring across the European continent with the EU and EU Member States.

Recommendation 26: The Common Understanding proposes that the UK and EU address the issue of mutual recognition of professional qualifications in the wider context of arrangements for professional mobility under the TCA. We ask the Government, in its response to this report, to update us on the way in which the UK-EU dialogues proposed in the Common Understanding are being taken forward, and the scope of these discussions. (Paragraph 201)

Recommendation 27: Given previous UK-EU engagement on mutual recognition of professional qualifications, we further ask the Government what evidence it has that the EU may change its position compared to that which it held during the negotiation of the TCA. We invite the Government to set out the improvements that it will propose, if any, to the TCA legal framework on trade in services as part of the review of this issue that is due to take place as part of the wider TCA implementation review in 2026. (Paragraph 202)

67. In the Common Understanding agreed at the Leaders' Summit in May last year, the UK and EU agreed to set up dedicated dialogues on the recognition of professional qualifications and business mobility. We welcome these as an opportunity to collaborate on optimising the provisions of the Trade and Cooperation Agreement. We are taking forward these dialogues with our EU counterparts.

68. The Government is focused on negotiating and on the implementation of commitments from the UK-EU summit. However, we invite and support interest from sectors in the EU and the UK who want to improve access for their professionals through the Article 158 framework and continue to discuss with the EU a path to taking these forward.

Recommendation 28: We ask the Government to set out how it sees the Product Regulation and Metrology Act 2025 affecting UK-EU arrangements for trade in goods, and its intentions with respect to making further regulations under the Act. (Paragraph 207)

69. The Product Regulation and Metrology Act, sponsored by the Department for Business and Trade, provides the necessary powers to regulate products to support the UK's interests. How the UK responds to the EU's changes in product regulation, including where we currently recognise certain EU requirements, will be considered on a case-by-case basis, with parliament having oversight of the related secondary legislation. As part of plans to make regulations under the Act, the Government will consult on proposals to update the UK's product safety framework to include introducing a smarter enforcement toolkit, and put in place appropriate and proportionate duties that better reflect modern supply chains.

Recommendation 29: We ask the Government whether it plans to raise issues in the area of goods trade as part of the future agenda for UK-EU cooperation. (Paragraph 208)

70. The Government takes its manifesto commitment to breaking down barriers to trade for businesses seriously. The Summit marks real progress against that objective, and it will remain a clear focus of ours particularly as we build our partnership with the EU.

71. We continue to listen to industry and businesses about the barriers they face to trade and are committed to taking these forward. While this Government is focused on proceeding with technical negotiations and implementation of the commitments from the UK-EU summit, future summits will provide us with opportunities to strengthen our relationship.

Recommendation 30: We ask the Government whether it is content with the current framework for UK-EU cooperation on financial services. (Paragraph 212)

72. In financial services, strengthening our relationships with all international partners, including the EU is a key focus of the Government's Growth and Competitiveness Strategy. The UK and EU both face the same challenges - delivering growth, renewal of our infrastructure and the green transition. Financial services are a key part of the solution.

73. We want to work with the EU to ensure that firms and individuals across Europe are able to access much needed investment as efficiently as possible. This is the message the Chancellor of the Exchequer set out in her Mansion House speech in July 2025, and that the Economic Secretary to the Treasury delivered at Eurofi in September 2025.

74. The 4th Joint UK-EU Financial Regulatory Forum took place on 1 October 2025, and continues to be a productive engagement with the European Commission. Discussions focused on shared policy challenges, underpinned by common objectives of safeguarding financial stability, market integrity, and the protection of investors and consumers. Our engagement with the European Commission will continue, with the next Forum expected to be in London in the first half of this year.

Implications for Government and Parliament

Recommendation 31: We ask the Government to provide Parliament and other stakeholders with clarity as early as possible about the timing and process for, and scope of, the 2026 TCA implementation review, and the relationship between these and the next UK-EU summit, to help stakeholders to identify the most appropriate timing and channels to feed in their views. (Paragraph 218)

75. The Government is considering, with the EU, the next steps regarding the joint review of the implementation of the TCA as per Article 776 and will provide further information to the Committee in due course.

The evidence suggests that the UK-EU relationship is likely to feature an open-ended process of ongoing sectoral negotiations, with summits providing staging-posts and occasions for major decisions and agreements. (Paragraph 226)

We retain an interest in the implementation of citizens' rights under the Withdrawal Agreement, with respect to both UK citizens in the EU and EU citizens in the UK. (Paragraph 227)

The implementation of existing UK-EU agreements, by both parties, remains important. In this context, and given the importance we attach to parliamentary scrutiny, we welcome the fact that the Government has upheld its predecessor's commitment to publish a biennial TCA implementation report. (Paragraph 228)

Recommendation 32: There are a number of steps which the Government could take unilaterally to facilitate UK-EU exchange and cooperation, across a wide range of fields. We ask the Government to set out whether it is pursuing any of the specific steps that we have identified in this section of our report, such as resuming delivery of the Single Trade Window or issuing A1 forms more quickly, and if so, to outline the action that it is taking. (Paragraph 230)

Recommendation 33: We also invite the Government to report as to whether taking unilateral action on such measures would assist its dealings with the EU and the Member States. (Paragraph 231)

76. The UK and EU have agreed to annual summits, which provide opportunities to strengthen our relationship and secure new agreements over the years to come.

77. The Government notes the Committee's continued interest in the implementation of citizens' rights, and continues to work closely with the EU to ensure the rights of UK nationals in the EU and EU nationals in the UK are upheld. The Government has taken a number of steps over the course of the last year to improve and enhance the rights of EU nationals. Section 45 of the Border Security, Asylum and Immigration Act 2025 equalises treatment of the 'true' and 'extra' cohorts, ensuring that all EU nationals and their relevant family members are treated as beneficiaries of the Withdrawal Agreement. Almost 75% of holders of a status under the EU Settlement Scheme now hold Settled Status, guaranteeing their rights for the future.

78. The Government also notes the EAC's recommendations on taking unilateral steps to facilitate UK-EU cooperation. We remain committed to removing barriers to trade, and we are taking a range of unilateral measures to facilitate trade between the UK and EU.

79. In regard to the Single Trade Window (STW), the Government is committed to minimising administrative burdens and frictions experienced by businesses trading internationally. It remains the Government's intention to deliver a Single Trade Window.

Recommendation 34: We expect the Government to facilitate parliamentary scrutiny of the new UK-EU agreements that are planned to follow the commitments made at the May 2025 summit. (Paragraph 237)

Recommendation 35: Dynamic alignment will have significant implications for Parliament. We look forward to engaging with the Government on this matter in coming months. We ask the Government to set out how it envisages that a scrutiny system for dynamic alignment would work and how it plans to ensure that Parliament can play a full scrutiny role in this new area of activity. (Paragraph 241)

Recommendation 36: We note that the increased levels of UK-EU cooperation in various areas that are in prospect will also increase Parliament's scrutiny role. We expect the Government to engage with us on any revisions that will be appropriate to our current scrutiny arrangements. (Paragraph 242)

80. We are currently engaging in negotiations with the EU on how dynamic alignment will operate, as well as on specific policy areas like SPS and emissions trading. We will then implement those agreements, which will require primary legislation, with Parliament playing a role as normal.

81. As these negotiations progress, the Government will be in a position to set out more specific details. But we have been clear that the UK will have a role in shaping new rules. No new rules will apply in the UK without the UK first agreeing to this, and as the Minister for the Cabinet Office has set out previously, Parliament will rightly have a say in this process.

Recommendation 37: We ask the Government to set out how it is planning to monitor EU law and implement UK alignment under the prospective agreements on SPS and ETS linkage, in terms of both its own internal machinery and the routine provision of information to Parliament (and other stakeholders), so that we may fulfil our scrutiny mandate. (Paragraph 248)

Recommendation 39: We ask the Government to set out how it envisages the UK making a meaningful contribution to EU decision-shaping and what it is doing to prepare for this new activity (including through engagement with other non-EU states with decision shaping rights). We further ask whether it expects Parliament to be involved in decision-shaping, and, if so, how. (Paragraph 250)

82. The Common Understanding is clear that where the UK Government decides to align with EU rules as part of a new agreement this will give due regard to the UK's constitutional and parliamentary procedures. The UK will be involved, as a sovereign nation outside of the European Union, at an early stage and contribute to the decision-shaping process of European Union legal acts.

83. The exact detail of how this will function in practice is subject to ongoing negotiations with the EU, and we look forward to working with Parliament on the exact arrangements for scrutiny of that legislation, and the agreement more broadly, as negotiations progress.

Recommendation 38: We ask the Government whether it has plans to increase financial and personnel resources in the Cabinet Office and/or UKMIs proportionally to the increased level of engagement with the EU, or whether it considers current resourcing sufficient to achieve its objectives. (Paragraph 249)

84. As with all cross-government functions, resourcing levels remain under regular review.