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Committee on the Future
Relationship with the European
Union

The UK-EU future relationship: the Trade and Cooperation Agreement

Fourth Report of Session 2019–21

*Report, together with formal minutes relating
to the report*

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Committee on the Future Relationship with the European Union

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Conclusions and recommendations

The deal

1. We welcome the fact that both sides managed to reach an agreement in principle on Thursday 24 December 2020. We pay tribute to the hard work and dedication of both parties' negotiating teams who have managed to conclude a deal in a much shorter timeframe than many expected and in the face of all the difficulties created by the global pandemic. (Paragraph 4)
2. Commencing 2021 with this deal in place is significantly better than starting it without one. Securing the Trade and Cooperation Agreement means that as the UK leaves the Single Market and Customs Union, UK businesses and consumers will not have to face the economically damaging consequences of tariffs on 1 January 2021 that would have been the result of no-deal. This Agreement is important in its own right, but its significance as the basis of the UK's future relationship with the EU should not be underestimated. The UK's relationship with the EU will always be significant because of the interconnectedness of our markets, our geographic proximity and our longstanding cooperation in many areas. (Paragraph 5)
3. The UK and the EU will embark on a long-term relationship that recognises the parties' equality of sovereignty as much as it recognises their common interests. Having an agreed deal in place will make it much easier to build the kind of relationship the UK and the EU will need, in the coming years, as both parties explore opportunities for further cooperation on trade and security matters, while at all times continuing to respect the independence of each other's legal orders. (Paragraph 6)
4. This deal is important, but businesses, traders and communities need to understand that it heralds significant change in the UK's relationship with the EU; it does not preserve the arrangements in place before or during the transition period. It is imperative that the Government communicates the coming changes clearly so that businesses can take the steps they need to take in order to comply with the new arrangements. We urge all relevant authorities to be as flexible as possible in their enforcement of the new arrangements in the coming weeks to support people through the new procedures rather than punishing them for unintended non-compliance. (Paragraph 25)

Next steps

5. The UK Government and the European Commission must move ahead swiftly with implementation, establishing the Agreements' institutional arrangements and reducing or eliminating any remaining areas of uncertainty, for example: data adequacy and equivalence for financial services. The Government should ensure the terms of the deal and its implications are communicated quickly and clearly, helping them to prepare in the very short amount of time available, given the absence of any phasing in arrangements, so that businesses can reap the benefits of the deal. (Paragraph 29)

6. The Agreement is necessarily complex. It will take time for people to analyse it fully and understand its implications. It will be important that the Agreement and its implementation and application are subject to ongoing scrutiny. We regret that the timing of the deal means there is not enough time for our Committee to scrutinise the deal more fully; we intend to report again in January with more analysis but this will be without the benefit of having had time to take extensive evidence on the deal. Members of the House are being asked to read the deal (published on 26 December), to read the Bill brought forward by the Government to give the deal effect in UK law (due to be made available on 29 December) and to form a judgement on its contents in time to debate and vote on the Bill on 30 December. There is no alternative given where we are but that both the Government and the EU Commission have put parliaments in this position is a matter of deep concern. (Paragraph 31)

1 The deal

Reaching agreement

1. The UK left the European Union (EU) on 31 January 2020. The Withdrawal Agreement that the Government agreed with the EU, settled the questions of the UK's outstanding financial contributions, citizens' rights, and established the Ireland/Northern Ireland Protocol to maintain an open border on the island of Ireland.¹ It also put in place a transition period ending on 31 December 2020.

2. Having agreed the terms on which the UK's membership of the EU would cease, attention turned to negotiating the UK-EU future relationship. This negotiation has been completed faster than many thought possible. By the end of February 2020 the Council of the European Union had adopted a negotiating mandate² and the UK had set out its detailed negotiating position.³ Negotiations started in early March. Early negotiating rounds were affected by the measures put in place to deal with the Covid-19 global pandemic and had to be conducted in part by videoconference. Four rounds of negotiations were held before a high-level meeting on 15 June between Prime Minister Boris Johnson, the President of the European Council Charles Michel, the President of the European Commission, Ursula von der Leyen, and the President of the European Parliament, David Sassoli at which they took stock of progress and agreed actions to move negotiations on the future relationship forward. Negotiations resumed, were intensified at least twice and paused once. The UK's and EU's deadline for completing the deal by the end of October passed as did the point in November after which it was generally agreed that ratification before the end of the transition period became difficult.

3. Negotiations continued into the morning of Christmas Eve before agreement was finally reached. At this stage both the UK Government, and European Commission, published summary documents on the Agreement that had been concluded.⁴ On 26 December, over 1200 pages of the Trade and Cooperation Agreement⁵ were made available by the UK Government⁶ and the European Commission.⁷ The text still needs to be legally scrubbed (i.e. checked for accuracy) and, for the EU member states, translated into the official languages of the European Union; those processes could produce minor corrections to the wording and re-numbering.

4. We welcome the fact that both sides managed to reach an agreement in principle on Thursday 24 December 2020. We pay tribute to the hard work and dedication

1 HMG, [New Withdrawal Agreement and Political Declaration](#), 19 October 2019

2 Council of the European Union, [Directives for the negotiation of a new partnership with the United Kingdom of Great Britain and Northern Ireland](#), 25 February 2020

3 HMG, [The Future Relationship with the EU: The UK's Approach to Negotiations](#), 27 February 2020

4 HMG, [Explainer](#), 24 December 2020; European Commission, [Explainer & Brochure](#), 24 December 2020

5 On the EU side, the substantive legal base for the agreement is Article 217 of the Treaty on the Functioning of the European Union: "The Union may conclude with one or more third countries or international organisations agreements establishing an association involving reciprocal rights and obligations, common action and special procedure".

6 HMG, [Agreements reached between the United Kingdom of Great Britain and Northern Ireland and the European Union](#), 24 December 2020

7 European Commission, [The draft EU-UK Trade and Cooperation Agreement](#), 24 December 2020

of both parties' negotiating teams who have managed to conclude a deal in a much shorter timeframe than many expected and in the face of all the difficulties created by the global pandemic.

5. Commencing 2021 with this deal in place is significantly better than starting it without one. Securing the Trade and Cooperation Agreement means that as the UK leaves the Single Market and Customs Union, UK businesses and consumers will not have to face the economically damaging consequences of tariffs on 1 January 2021 that would have been the result of no-deal. This Agreement is important in its own right, but its significance as the basis of the UK's future relationship with the EU should not be underestimated. The UK's relationship with the EU will always be significant because of the interconnectedness of our markets, our geographic proximity and our longstanding cooperation in many areas.

6. The UK and the EU will embark on a long-term relationship that recognises the parties' equality of sovereignty as much as it recognises their common interests. Having an agreed deal in place will make it much easier to build the kind of relationship the UK and the EU will need, in the coming years, as both parties explore opportunities for further cooperation on trade and security matters, while at all times continuing to respect the independence of each other's legal orders.

What is in the deal?

7. The UK and the European Union have negotiated three draft agreements:

- The Draft EU-UK Trade and Cooperation Agreement⁸
- The Draft EU-UK Security of Information Agreement⁹
- The Draft EU-UK Civil Nuclear Agreement¹⁰

They are accompanied by 15 declarations (see paragraph 19).¹¹ The Trade and Cooperation Agreement includes protocols on:

- Administrative cooperation and combating fraud relating to VAT and mutual assistance for the recovery of claims relating to taxes and duties;
- Administrative assistance in customs matters; and
- Social security coordination.

8 HMG, [Trade and cooperation agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part](#), 24 December 2020

9 HMG, [Agreement on Security Procedures for Exchanging and Protecting Classified Information](#), 24 December 2020

10 HMG, [Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the European Atomic Energy Community for cooperation in the safe and peaceful uses of nuclear energy](#), 24 December 2020

11 HMG, [Declarations](#), 24 December 2020

Several annexes to the Trade and Cooperation Agreement provide further detail on its operation. The Protocols and Annexes are an integral part of the Agreement. The Withdrawal Agreement, including the Ireland / Northern Ireland Protocol, is unaffected and remains in force.

8. In our First Report, published in advance of the June High-Level Meeting, we found that fisheries, the level playing field and governance were key areas of disagreement.¹² This continued to be the case with these topics the predominant focus of the last few days of the negotiations. These issues embodied the difficult trade-offs the negotiations had to resolve around sovereignty, regulatory alignment and trust that at times seemed to threaten to derail the talks.

9. On fishing, the Trade and Cooperation Agreement affirms the UK's status as an independent coastal state, outside the EU's Common Fisheries Policy. Over the next five and a half years, the UK's share of fishing quotas will increase by 25% of the value of the EU catch in UK waters.¹³ After that, access will be decided by annual negotiation. UK fishing boats will be able to sell their catch into the EU's Internal Market without tariffs or quotas. Provision is made for remedies if a party does not grant access to its waters and these will apply even after the end of the five-and-a-half-year adjustment period.¹⁴ We will return to the implication of the fisheries agreement in a future report.

10. The Agreement states that trade and investment between the UK and EU "require conditions that ensure a level playing field for open and fair competition, while also recognising that the purpose is "not to harmonise the standards of the Parties". The Agreement sets out level playing field provisions for the following areas: competition; subsidy; state owned enterprises; taxation; labour and social standards; environment and climate; and trade and sustainable development.

11. In relation to subsidies, each Party must have in place a domestic subsidy regime that ensures that the grant of subsidies respects the principles set out in the Agreement. In terms of domestic enforcement, UK courts will decide whether a subsidy decision complies with the domestic law that implements the principles. The EU can be an intervening party in a UK case on subsidies (and vice versa). It is not clear whether and how the UK will meet its obligations, including establishing an independent oversight body from 1 January, and we urge the Government to clarify this.

12. If a Party to the Agreement believes that a subsidy has, or there is a serious risk it will cause, a significant negative effect on trade or investment between the UK and EU it can first seek information from, and consult with, the other Party. A complaint that a subsidy has a significant negative effect on trade or investment must be evidence-based. If consultation does not resolve the matter, the complaining Party can take remedial measures. If the other Party considers the remedial measures are excessive, it can refer the matter to an arbitration panel.

12 Committee on the Future Relationship with the European Union, First Report of Session 2019–21, [The need for progress in the negotiations](#), HC 458, 19 June 2020

13 See Annexes Fish 1 & 2 for the detailed breakdown of shares by stock and year.

14 Possible remedies include suspending or limiting access to waters and ending the preferential tariffs on fishery products or other goods on each other's market, although they should be "proportionate to the alleged failure by the respondent Party and the economic and societal impact thereof". Such remedies are subject to arbitration.

13. The UK does not have to follow the EU's rules in level playing field areas and is not subject to the jurisdiction of the Court of Justice of the European Union under this Agreement. For provisions on labour and social protection, and the environment and climate, it is recognised that either Party may establish their own levels of protection. At the same time, a form of non-regression approach is used which requires that the Parties do not lower the level of protection afforded below the level in place at the end of the transition period if to do so would impact trade or investment between the UK and EU.

14. If material impacts on trade or investment arise as a result of significant divergences between the Parties in the areas of labour and social, environmental or climate protection, or with respect to subsidy control, there is a rebalancing mechanism that allows the concerned Party to take unilateral measures such as imposing tariffs to restore fair competition. An arbitration panel can be established to decide if the rebalancing measures are consistent with the requirements of the Agreement.

15. A review of the Agreement can be triggered if a Party considers that the “rebalancing mechanism” has been used frequently or if a rebalancing measure which has a material impact on trade or investment has been in place for more than 12 months. The purpose of the review is to “address whether the Agreement delivers an appropriate balance of rights and obligations between the Parties”. If the Parties cannot agree on amendments to the Agreement, either Party may terminate the trade part of the Agreement which would also terminate the road transport part and, in certain circumstances, the aviation part.

16. The Agreement has a single institutional framework overseen by a Partnership Council. The work of the Partnership Council will be supported by a number of committees and working groups. There is also provision for a Parliamentary Partnership Assembly,¹⁵ and there will be a civil society forum.

17. The arrangements for dispute settlement and enforcement of the Trade and Cooperation Agreement are complex. The dispute settlement mechanism in Part Six of the Agreement applies to most but not all areas of the Agreement. For example, it does not apply to law enforcement and judicial cooperation in criminal matters, for which there is a different mechanism. Disagreements that cannot be resolved within the Partnership Council will be subject to binding independent arbitration with no role for the CJEU. If arbitration rulings are not adhered to, the complaining party can suspend its obligations in areas of the Agreement not related to the breach (e.g. by imposing tariffs). Cross-sector suspension is, however, subject to exceptions and limitations. Economic “penalties” cannot be exacted for breaches related to the security elements of the Agreement and vice versa. There are different methods of enforcement in specific areas, for example, in respect of the level playing field and fisheries, including the possibility of cross sectoral suspensions.

18. The Agreement covers many other areas that have been less contentious. We provide an overview of these below. We intend to consider the Agreement in more detail in January once we have had a chance to take evidence on it.

15 Under Article INST.5: Parliamentary cooperation, the UK and European Parliaments “may” establish a Parliamentary Partnership Assembly. At the time of this Report it was not certain if, how and when this will be created.

Trade, transport and aviation

19. The TCA covers a wide range of issues around trade, transport and aviation. The Agreement:

Trade

- **Provides for zero tariffs and zero quotas on all goods.** In order to qualify goods will have to meet Rules of Origin requirements (which define the proportion of the good that is locally produced), with some limited exemptions.¹⁶The Agreement also makes provisions on bilateral cumulation, allowing manufacturers to count both UK and EU parts when calculating the proportion of a good sourced locally when determining its origin, but makes no provision for diagonal cumulation, whereby component parts from countries with which the EU already has a trade deal would also have been defined as originating in the UK/EU.
- **Addresses some non-tariff barriers on goods, and is broadly in line with the WTO Technical Barriers to Trade Agreement, but does not remove all those that are a consequence of leaving the EU Single Market and Customs Union.** There will be new customs requirements and costs for businesses as well as the provisions on rules of origin. Mutual recognition of conformity assessment will broadly fall away, although there will be specific, limited, facilitations for medicinal products, motor vehicles, organics, wine, and chemicals.¹⁷ Although trade in live animals and products of animal origin and plants will be allowed to continue, it will be subject to sanitary and phytosanitary (SPS) border checks, with paperwork and physical inspections. The Agreement has provisions on customs and trade facilitation, including allowing for the mutual recognition of trusted trader schemes (authorised economic operator schemes) to reduce friction at the border; cooperation and exchange of information relating to VAT (including on combating fraud); as well as an institutional framework of committees providing for future discussions on facilitations across the areas identified.
- **Includes some provision on cross border trade in services and investment, including provisions for temporary movement of people.** The provisions are subject to a list of national exceptions listed in annexes. There are special provisions for delivery, maritime transport, telecommunication and digital services. Although the level of access is subject to unilateral equivalence assessments, both Parties have agreed in a non-binding declaration to establish a framework for regulatory cooperation on financial services. In so far as it has been carved-out of the Agreement, the sector is also exempt from cross-retaliation across the economic chapters. The Agreement does not include mutual recognition of professional qualifications but creates a framework for them to be potentially agreed in the future.

16 ANNEX ORIG-2A: ORIGIN QUOTAS AND ALTERNATIVES TO THE PRODUCT-SPECIFIC RULES OF ORIGIN IN ANNEX ORIG-2 [PRODUCT-SPECIFIC RULES OF ORIGIN] allows for certain quantities of canned tuna and aluminium products. ANNEX ORIG-2B: TRANSITIONAL PRODUCT-SPECIFIC RULES FOR ELECTRIC ACCUMULATORS AND ELECTRIFIED VEHICLES allows for a transitional period for electric batteries and cars.

17 Each of these five have their own annex to the Agreement.

- **Commits the parties to develop and implement new energy trading arrangements by April 2022.** The UK can continue to access the EU internal energy market. The separate Nuclear Cooperation Agreement provides for the continued cooperation on the transfer nuclear materials and research.
- **Protects the intellectual property rights of each other's nationals no less favourably than their own.** There are also mechanisms for cooperation and exchange of information on intellectual property issues of mutual interest. Existing geographical indications on foodstuffs are already protected under the Withdrawal Agreement and the Trade and Cooperation Agreement provides for a future review of them.
- **Builds on the WTO's Agreement on Government Procurement by extending coverage to sectors such as hospitality, telecoms, property and education.**

Aviation

- **Includes provisions for air transport and aviation safety.** On transport, passenger and cargo flights will be able to continue between the UK and the EU. Ownership requirements appear to reflect the realities of existing structures, which means UK airlines will qualify. Although UK airlines will no longer be able to fly between two points in the EU, this could be mitigated in practice through the creation of subsidiaries. As regards safety, both Parties will recognise each other's certificates and licences and a specialised committee will look at further recognition in future.

Road transport

- **Provides for the continuation of road haulage and passenger transport between and through the UK and EU without additional permits and licences.** However, UK hauliers will not be allowed to take as many laden journeys inside the EU as before, and they will have to keep following certain rules on safety, standards and specifications.

International maritime transport services

- **Maintains unrestricted access for ships to ports, port infrastructure and customs facilities.**

Social security and visas for short-term visits

20. The Agreement:

- **Provides that cross-border workers will make social security contributions in one state at a time, and for contributions made in the UK, or an EU Member State, to be taken into account for the purposes of a state pension and some benefits.** It also provides for continuing access to healthcare on short term visits.

- **Allows for short term business visits, limited to 90 days in any 180-day period.** The nature of the business activity that a UK national will be able to carry out in the EU is limited, and some professions may not qualify and may be subject to the domestic rules of each individual Member State.

Law enforcement and judicial cooperation in criminal matters

21. Law enforcement and judicial cooperation in criminal matters is included in the Trade and Cooperation Agreement. The Agreement:

- **Allows for the UK to still be able to exchange DNA and fingerprint data using the Prüm system, and to transfer Passenger Names Records Data.** It also includes provision for the exchange of criminal records data between the UK and individual EU Member States, and the sharing of information relating to wanted and missing persons. It enables cooperation on mutual legal assistance in criminal matters.
- The UK will no longer have access to the SIS II database, which allows for the sharing of data relating to wanted or missing persons or objects.
- **Establishes UK law enforcement relationships with Europol and Eurojust similar to those of a third country.** These arrangements may be built upon in future. The Agreement includes a commitment for the UK and EU to prevent and fight against money laundering and terrorist financing. The Agreement includes an arrangement for extradition similar to the EU Surrender Agreement with Norway and Iceland.

22. This part of the Agreement has its own arrangements for dispute settlement and a consultation mechanism through the Specialised Committee on Law Enforcement and Judicial Cooperation or in the framework of the Partnership Council. Either Party may terminate the law enforcement and judicial cooperation part of the Agreement at any time, including in the event of the UK or an EU Member State having denounced the European Convention on Human Rights. The Agreement can be suspended if there is “serious and systemic deficiencies” by one party regarding the protection of personal data or as regards the protection of fundamental rights or the principle of the rule of law.

Thematic cooperation

23. The Agreement includes provisions for some thematic cooperation.

- The Agreement provides mechanisms for the two Parties to cooperate on **health security**. The EU may grant the UK ad hoc access to its Early Warning and Response System and to take part in a committee on the exchange of information and coordination on serious cross-border threats. The Agreement also provides for a future memorandum of understanding between the European Centre for Disease Prevention and Control and the relevant UK body.
- The Agreement provides for dialogue and cooperation on **cyber security**. This includes cooperation with the EU’s Computer Emergency Response Team (CERT-EU), the EU’s Cyber Security Cooperation Group, as well as the EU’s Agency for Cybersecurity (ENISA).

Participation in Union programmes

24. The Agreement gives the UK access to Horizon Europe, the Euratom Research and Training programme, the fusion test facility ITER, Copernicus, and access to the EU's Satellite Surveillance & Tracking (SST) services in return for a financial contribution.¹⁸ The UK decided not to participate in the Erasmus Scheme because of value for money concerns, but will establish a new global student exchange scheme.

Communicating change

25. The Agreement has secured tariff and quota free access to the EU's internal market for goods, which make up around half of UK exports to the EU. Gaining such privileged access has required the UK to accept commitments on a level-playing field, but without having to apply EU law, as well as non-tariff barriers, which might be addressed in future. The rights and obligations of access are two-way and will also apply to businesses and traders in the EU who want to trade with the UK's internal market. **This deal is important, but businesses, traders and communities need to understand that it heralds significant change in the UK's relationship with the EU; it does not preserve the arrangements in place before or during the transition period. It is imperative that the Government communicates the coming changes clearly so that businesses can take the steps they need to take in order to comply with the new arrangements. We urge all relevant authorities to be as flexible as possible in their enforcement of the new arrangements in the coming weeks to support people through the new procedures rather than punishing them for unintended non-compliance.**

Outstanding issues

26. The EU and UK have agreed to continue discussions across several areas in 2021. Many of these are set out in a series of Declarations attached to the TCA.¹⁹ These include:

- A commitment to agree, by March 2021, a Memorandum of Understanding establishing a framework for regulatory cooperation in financial services;
- A declaration that the UK intends to pursue bilateral discussions with most-affected Member States on developing practical mechanisms for cooperation on asylum, returns, family reunion for unaccompanied minors and illegal migration;
- Plans to review certain mechanisms for exchange of criminal record information, with the possibility of extending the relevant parts of the Agreement;
- A declaration that the two parties will aim to complete negotiations on the implementation of the exchange of classified information between the UK and EU; and

¹⁸ A contract awarding funding to a body under a Union programme may include a clause referring any disputes under the contract to the Court of Justice of the European Union (e.g. a complaint that the recipient of a grant has not complied with the conditions attached to the funding). The Agreement provides that the resulting judgment of the CJEU can be enforced in the UK in accordance with UK law.

¹⁹ HMG, [Declarations](#), 24 December 2020

- Financial settlements covering UK participation in some EU programmes, such as Horizon Europe, which were not able to be negotiated in 2020 because the UK-EU talks coincided with the EU's Multiannual Financial Framework negotiations.

27. As a European Commission decision on the important question of data adequacy is not expected to be made in time for the end of transition period, the Agreement allows for an interim period of four months, extendable to six months, for the European Commission to complete its processes and make a decision on data adequacy. This is conditional on the UK not changing its data protection law during the interim period.

2 Next steps

Ratifying the Agreement

28. The deal needs to be ratified by both parties before it formally enters into force. Under Article FINPROV.11, the Agreement “enters into force on the first day of the month following that in which both parties have notified each other that they have completed their respective internal requirements and procedures for establishing their consent to be bound”.²⁰ However, in the Agreement the Parties agree to provisionally apply it from 1 January 2021; provisional application ends when the Agreement enters into force or on 28 February 2021 unless the Partnership Council agrees a different date.. On the EU side, the Council will authorise the signature and provisional application of the Agreement. Once the European Parliament has given its consent, the Council will authorise the conclusion of the Agreement. Contrary to some earlier expectations, the Agreement is a so-called “EU-only” agreement. The Member States will not be parties to it and so it will not require ratification by the individual Member States in their own right. In the UK, the Government will bring forward a Bill to implement those parts of the Agreement that need to be made part of the UK’s domestic law. We expect that the Bill will disapply the requirements in the Constitutional and Governance Act 2010 that must be met before treaties can be ratified.

Implementing the Agreement

29. The focus will now shift from negotiating a deal to its implementation. As we set out in our Third Report, published earlier this month, business in the UK and the EU have faced a difficult year dealing with uncertainty about the future relationship on the one hand and responding to the global pandemic on the other.²¹ They are very stretched. The Trade and Cooperation Agreement may offer new opportunities but seizing these may require businesses to make changes to how they operate. **The UK Government and the European Commission must move ahead swiftly with implementation, establishing the Agreements’ institutional arrangements and reducing or eliminating any remaining areas of uncertainty, for example: data adequacy and equivalence for financial services. The Government should ensure the terms of the deal and its implications are communicated quickly and clearly, helping them to prepare in the very short amount of time available, given the absence of any phasing in arrangements, so that businesses can reap the benefits of the deal.**

Scrutiny of the Agreements

30. One of the consequences of only reaching agreement on Christmas Eve is that Parliament and the European Parliament have not been able to scrutinise the deal properly. The President of the European Parliament David Sassoli, said:

20 [HMG, Trade and cooperation agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part, 24 December 2020](#)

21 [Committee on the Future Relationship with the European Union, Third Report of Session 2019–21, Preparing for the end of the Transition Period, HC 1093, 19 December 2020](#)

The [European] Parliament welcomes the intense dialogue and unprecedented exchanges and unity between the EU institutions throughout the process. However, [the European] Parliament regrets that the duration of the negotiations and the last-minute nature of the agreement do not allow for proper parliamentary scrutiny before the end of the year. The [European] Parliament is now ready to react responsibly to minimise disruption to citizens and businesses and prevent the chaos and negative consequences of a no-deal scenario. The [European] Parliament will continue its work in the responsible committees and the full plenary before deciding whether to give consent in the new year.

[The European] Parliament has been clear from the outset on our red lines and we have worked closely throughout the negotiations with the EU's chief negotiator, Mr Michel Barnier, who had our full support. [The European] Parliament has consistently advocated for a fair and comprehensive agreement and we are confident that our priorities are reflected in this final deal. If the European Parliament decides to approve the agreement, it will monitor closely how it is implemented.²²

31. The Agreement is necessarily complex. It will take time for people to analyse it fully and understand its implications. It will be important that the Agreement and its implementation and application are subject to ongoing scrutiny. We regret that the timing of the deal means there is not enough time for our Committee to scrutinise the deal more fully; we intend to report again in January with more analysis but this will be without the benefit of having had time to take extensive evidence on the deal. Members of the House are being asked to read the deal (published on 26 December), to read the Bill brought forward by the Government to give the deal effect in UK law (due to be made available on 29 December) and to form a judgement on its contents in time to debate and vote on the Bill on 30 December. There is no alternative given where we are but that both the Government and the EU Commission have put parliaments in this position is a matter of deep concern.

32. We will return to the question of future scrutiny of European affairs in a report early next year. Our Committee is established under a temporary Standing Order that expires on 16 January 2021.²³ We intend to make recommendations on the arrangements the House may wish to put in place to ensure the implementation of the Withdrawal Agreement, the Trade and Cooperation Agreement and the other recently concluded agreements is scrutinised, in particular looking at the work of the respective Joint Committees and the Partnership Council. We believe that the work of the new Parliamentary Partnership Assembly will be very important in this regard and we encourage both Parliaments to engage in a meaningful dialogue soon so that the institutional arrangements for establishing the new Assembly can be set in motion as quickly as possible.

22 European Parliament, [Sassoli: Deal on EU-UK future relations brings needed clarity. Parliament will now scrutinise the agreement and decide on consent in the new year](#), 24 December 2020

23 [Votes and Proceedings, 16 January 2020](#), page 11 and House of Commons, [Addendum to Standing Orders \(Public Business\) 2 October 2020](#)

Formal minutes

Tuesday 29 December 2020

Virtual meeting

Members present:

Hilary Benn, in the Chair

Lee Anderson	Seema Malhotra
Mr Peter Bone	Nigel Mills
Joanna Cherry QC	Nicola Richards
Sir Christopher Chope	Gary Sambrook
Mark Eastwood	Mr Barry Sheerman
Sally-Ann Hart	Jane Stevenson
Antony Higginbotham	Matt Vickers
Dr Rupa Huq	Dr Jamie Wallis
Stephen Kinnock	Dr Philippa Whitford

Draft Report (*The UK-EU future relationship: the Trade and Cooperation Agreement*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 32 read and agreed to.

Resolved, That the Report be the Fourth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available (Standing Order No. 134).

[Adjourned till Wednesday 6 January at 9.00 am

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Wednesday 11 March 2020

Rt Hon Michael Gove MP, Chancellor of the Duchy of Lancaster, Cabinet Office [Q1–79](#)

Tuesday 17 March 2020

Stephen Booth, Head of the Britain in the World Project, Policy Exchange; **Christophe Bondy**, Partner, International Trade and Investment Law group of Steptoe & Johnson LLP, London; **Professor Anand Menon**, Professor of European Politics and Foreign Affairs, Kings College London [Q80–137](#)

Monday 27 April 2020

Rt Hon Michael Gove MP, Chancellor of the Duchy of Lancaster, Cabinet Office [Q138–232](#)

Wednesday 27 May 2020

The Rt Hon Michael Gove MP, Chancellor of the Duchy of Lancaster, Cabinet Office; **David Frost**, Prime Minister's Europe Adviser and Chief Negotiator of Task Force Europe, Cabinet Office [Q233–335](#)

Monday 8 June 2020

Michel Barnier, Head of Task Force for Relations with the United Kingdom, European Commission [Q389–419](#)

Wednesday 10 June 2020

Sam Lowe, Senior Research Fellow, Centre for European Reform; **Professor Catherine Barnard**, Professor of EU Law and Employment Law, University of Cambridge; **Dr Anna Jerzewska**, Independent Customs and Trade Consultant [Q336–999](#)

Tuesday 23 June 2020

Dr Lars Karlsson, President, KGH Border Services; **Tim Reardon**, Port of Dover, Head of EU Exit; **Alex Veitch**, Head of International Policy, Freight Transport Association [Q420–470](#)

Tuesday 30 June 2020

Jane Golding, Co-Chair, British in Europe; **Kalba Meadows**, Steering Committee Member, British in Europe; **Michael Harris**, Steering Committee Member, British in Europe [Q471–514](#)

Tuesday 7 July 2020

Luke Piper, Head of Policy, the3million; **Barbara Drozdowicz**, Chief Executive Officer, East European Resource Centre; **Dr Kuba Jablonowski**, Research Associate, the3million [Q515–558](#)

Tuesday 14 July 2020

Richard Martin, Deputy Assistant Commissioner and Brexit Lead, National Police Chiefs' Council; **Professor Steve Peers**, Professor of Law, University of Essex; **Professor Valsamis Mitsilegas**, Professor of European Criminal Law, Queen Mary University of London

[Q559–609](#)

Tuesday 21 July 2020

Professor Richard G Whitman, Director of the Global Europe Centre and Professor of Politics and International Relations, University of Kent; **Mikaela Gavas**, Co-Director of Development Cooperation in Europe and Senior Policy Fellow, Centre for Global Development; **Professor Malcolm Chalmers**, Deputy Director-General, The Royal United Services Institute

[Q610–646](#)

Wednesday 9 September 2020

Richard Burnett, Chief Executive, Road Haulage Association; **Robert Hardy**, Operations Director, Customs Clearance Consortium; **Dr Anna Jerzewska**, Independent Customs and Trade Consultant

[Q647–713](#)

Tuesday 15 September 2020

Michael Russell MSP, Cabinet Secretary for the Constitution, Europe and External Affairs, Scottish Government; **Jeremy Miles MS**, Counsel General and Minister for European Transition, Welsh Government

[Q714–785](#)

Wednesday 23 September 2020

Professor Catherine Barnard, Professor of EU Law and Employment Law, University of Cambridge; **Shanker Singham**, Chief Executive Officer, Competere; **Georgina Wright**, Senior Researcher, Institute for Government

[Q786–825](#)

Wednesday 30 September 2020

Paul Everitt, Chief Executive, ADS Group Ltd; **Neil Hollis**, Regulatory Affairs Manager, BASF; **Dr Richard Torbett**, Chief Executive, Association of the British Pharmaceutical Industry

[Q826–876](#)

Wednesday 7 October 2020

Rt Hon Michael Gove MP, Chancellor of the Duchy of Lancaster, Cabinet Office; **Lord Frost CMG**, Prime Minister's Europe Adviser and Chief Negotiator of Task Force Europe

[Q336–397](#)

Wednesday 21 October 2020

Conor Lawlor, Director, Brexit; Capital Markets & Wholesale, UK Finance; **Neil Ross**, Policy Manager, Digital Economy, TechUK; **Andrew Gray**, Global Head of Brexit for Financial Services, PwC UK

[Q877–922](#)

Wednesday 11 November 2020

Steve Bartlett, Chairman, Association of Freight Software Suppliers (AFSS);
Elizabeth de Jong, Director of Policy, Logistics UK; **Councillor Kevin Bentley**,
Essex County Council and Chair of the LGA's Brexit Task Force

[Q923-1003](#)

Wednesday 18 November 2020

Aodhán Connolly, Director, Northern Ireland Retail Consortium; **Stephen Kelly**,
Chief Executive, Manufacturing Northern Ireland; **Victor Chestnutt**, President,
Ulster Farmers' Union

[Q1004-1061](#)

Thursday 17 December 2020

Rt Hon Michael Gove MP, Chancellor of the Duchy of Lancaster, Cabinet Office;
Emma Churchill, Head of Border Delivery Group, Cabinet Office; **Brendan**
Threlfall, Director, Transition Task Force Northern Ireland

[Q1062-1143](#)

Published written evidence

The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

FRE numbers are generated by the evidence processing system and so may not be complete.

- 1 180daysvisa-free.org ([FRE0038](#))
- 2 180daysvisafree.org ([FRE0022](#))
- 3 180daysvisafree.org ([FRE0056](#))
- 4 ABTA – The Travel Association ([FRE0105](#))
- 5 ABTA – The Travel Association ([FRE0021](#))
- 6 Advertising Association ([FRE0071](#))
- 7 Airport Operators Association ([FRE0030](#))
- 8 Ambassador of Austria to the United Kingdom ([FRE0115](#))
- 9 Ambassador of Belgium to the United Kingdom ([FRE0137](#))
- 10 Ambassador of Bulgaria to the United Kingdom ([FRE0116](#))
- 11 Ambassador of Croatia to the United Kingdom ([FRE0117](#))
- 12 Ambassador of Cyprus to the United Kingdom ([FRE0118](#))
- 13 Ambassador of Denmark to the United Kingdom ([FRE0120](#))
- 14 Ambassador of Estonia to the United Kingdom ([FRE0121](#))
- 15 Ambassador of Finland to the United Kingdom ([FRE0122](#))
- 16 Ambassador of France to the United Kingdom ([FRE0135](#))
- 17 Ambassador of Germany to the United Kingdom ([FRE0123](#))
- 18 Ambassador of Greece to the United Kingdom ([FRE0124](#))
- 19 Ambassador of Hungary to the United Kingdom ([FRE0125](#))
- 20 Ambassador of Ireland to the United Kingdom ([FRE0140](#))
- 21 Ambassador of Latvia to the United Kingdom ([FRE0126](#))
- 22 Ambassador of Lithuania to the United Kingdom ([FRE0127](#))
- 23 Ambassador of Malta to the United Kingdom ([FRE0136](#))
- 24 Ambassador of Poland to the United Kingdom ([FRE0128](#))
- 25 Ambassador of Portugal to the United Kingdom ([FRE0129](#))
- 26 Ambassador of Romania to the United Kingdom ([FRE0130](#))
- 27 Ambassador of Slovakia to the United Kingdom ([FRE0131](#))
- 28 Ambassador of Slovenia to the United Kingdom ([FRE0132](#))
- 29 Ambassador of Spain to the United Kingdom ([FRE0133](#))
- 30 Ambassador of Sweden to the United Kingdom ([FRE0134](#))
- 31 Ambassador of the Czech Republic to the United Kingdom ([FRE0119](#))
- 32 Association for Innovation, Research and Technology (AIRTO) ([FRE0111](#))
- 33 Association of British Insurers ([FRE0047](#))

- 34 The Association of the British Pharmaceutical Industry (ABPI) ([FRE0102](#))
- 35 Aston Chemicals Ltd ([FRE0143](#))
- 36 Aston Chemicals Ltd ([FRE0144](#))
- 37 The Bar Council (Relationship Working Group Bar Council Future Relationship Working Group) ([FRE0049](#))
- 38 Barnes, Professor Richard (Associate Dean for Research, University of Hull) ([FRE0069](#))
- 39 BASF Group ([FRE0100](#))
- 40 Bore, Marian ([FRE0061](#))
- 41 Breinlich, Professor Holger (Professor of Economics, University of Surrey) ([FRE0067](#))
- 42 Brian, Dr Jill ([FRE0080](#))
- 43 Bristol Myers Squibb (BMS) ([FRE0141](#))
- 44 British Council ([FRE0110](#))
- 45 British Food Importers and Distributors Association ([FRE0091](#))
- 46 British in Europe ([FRE0014](#))
- 47 British Medical Association (BMA) ([FRE0084](#))
- 48 British Red Cross ([FRE0046](#))
- 49 The British Retail Consortium ([FRE0028](#))
- 50 British Veterinary Association ([FRE0078](#))
- 51 Brooke, R ([FRE0059](#))
- 52 Campaign for Science and Engineering ([FRE0094](#))
- 53 Canada Europe Roundtable for Business ([FRE0053](#))
- 54 Chartered Institute of Patent Attorneys ([FRE0068](#))
- 55 Chartered Institute of Taxation ([FRE0043](#))
- 56 Chartered Institute of Trade Mark Attorneys (CITMA) ([FRE0057](#))
- 57 The Chemical Industries Association (CIA) ([FRE0139](#))
- 58 Communities Inshore Fisheries Alliance ([FRE0045](#))
- 59 Confederation of British Industry (CBI) ([FRE0029](#))
- 60 Crown Prosecution Service ([FRE0066](#))
- 61 Customs Clearance Consortium ([FRE0011](#))
- 62 Dawar, Dr Kamala (Senior Lecturer in Commercial Law, University of Sussex) ([FRE0009](#))
- 63 DBA – The Barge Association ([FRE0072](#))
- 64 Erasmus Student Network UK ([FRE0104](#))
- 65 European Policy Centre ([FRE0007](#))
- 66 Farrand Carrapico, Dr Helena (Associate Professor in Criminology and International Relations, Northumbria University) ([FRE0040](#))
- 67 Fashion Roundtable ([FRE0052](#))
- 68 Faull, Sir Jonathan ([FRE0004](#))
- 69 Federation of Small Business Northern Ireland ([FRE0016](#))

- 70 Ferran, Professor Eilís (University of Cambridge) ([FRE0107](#))
- 71 Food and Drink Federation (FDF) ([FRE0106](#))
- 72 The Freight Transport Association ([FRE0015](#))
- 73 Garner, Oliver ([FRE0017](#))
- 74 Glencross, Dr Andrew, Aston University ([FRE0039](#))
- 75 Global Britain Programme, Henry Jackson Society ([FRE0064](#))
- 76 Greener UK, and ClientEarth ([FRE0113](#))
- 77 Hayward, Dr Katy (Professor of Political Sociology, Queen’s University Belfast) ([FRE0023](#))
- 78 Henig, Mr David (Director of the UK Trade Policy Project) ([FRE0062](#))
- 79 Honda Motor Europe ([FRE0050](#))
- 80 Information Commissioner’s Office ([FRE0079](#))
- 81 Institute of Chartered Accountants in England and Wales ([FRE0086](#))
- 82 Department for International Development ([FRE0087](#))
- 83 Investment Association ([FRE0095](#))
- 84 Jerzewska, Dr Anna ([FRE0024](#))
- 85 Jones, Matthew ([FRE0096](#))
- 86 Karlsson, Dr Lars (Customs Services KGH) ([FRE0020](#))
- 87 Kent County Council ([FRE0148](#))
- 88 Kings College London ([FRE0008](#))
- 89 The Law Society of England and Wales ([FRE0081](#))
- 90 The Law Society of England and Wales ([FRE0054](#))
- 91 The Law Society of England and Wales ([FRE0013](#))
- 92 Local Government Association ([FRE0098](#))
- 93 Lydgate, Dr Emily (Senior Lecturer, Sussex Law School University of Sussex) ([FRE0027](#))
- 94 Make UK ([FRE0006](#))
- 95 Maritime UK ([FRE0026](#))
- 96 McCann, Professor Philip (Professor of Urban and Regional Economics, University of Sheffield) ([FRE0089](#))
- 97 McEwen, Professor Nicola (Centre on Constitutional Change) ([FRE0035](#))
- 98 Mitsilegas, Professor Valsamis (Deputy Dean for Global Engagement (Europe), Queen Mary University of London) ([FRE0041](#))
- 99 Murray, Colin ([FRE0018](#))
- 100 Musicians’ Union ([FRE0093](#))
- 101 National Farmers’ Union ([FRE0082](#))
- 102 The National Federation of Fishermen’s Organisations ([FRE0031](#))
- 103 National Grid Electricity System Operator ([FRE0073](#))
- 104 National Grid Group ([FRE0083](#))
- 105 National Police Chiefs Council ([FRE0058](#))

- 106 Northern Ireland Retail Consortium ([FRE0145](#))
- 107 Northern Ireland Retail Consortium ([FRE0142](#))
- 108 Northern Ireland Retail Consortium ([FRE0070](#))
- 109 Nuclear Industry Association ([FRE0077](#))
- 110 Office of the City Remembrancer ([FRE0146](#))
- 111 Ofgem ([FRE0076](#))
- 112 Peers, Professor Steve (Professor of Law, University of Essex) ([FRE0042](#))
- 113 Peretz, Mr George ([FRE0037](#))
- 114 Phinnemore, Professor David (Professor of European Politics Dean of Education Faculty of Arts, Humanities and Social Sciences, Queen's University Belfast) ([FRE0023](#))
- 115 The Police Service of Northern Ireland ([FRE0055](#))
- 116 Price Waterhouse Coopers LLP ([FRE0112](#))
- 117 Provision Trade Federation ([FRE0032](#))
- 118 Raess, Dr Damian (Assistant Professor in Political, World Trade Institute University of Bern) ([FRE0036](#))
- 119 Rice, Dr Clare ([FRE0018](#))
- 120 Road Haulage Association Ltd ([FRE0044](#))
- 121 Royal Institute of British Architects ([FRE0088](#))
- 122 Saha, Syamantak ([FRE0147](#))
- 123 Scottish Centre on European Relations ([FRE0025](#))
- 124 Scottish Fisherman's Federation ([FRE0034](#))
- 125 Scottish Government (Michael Russell MSP, Cabinet Secretary for Constitution, Europe and External Affairs) ([FRE0114](#))
- 126 Schilling de Carvalho, Pedro (University of Cambridge) ([FRE0107](#))
- 127 Seraphus Solicitors ([FRE0010](#))
- 128 Singham, Mr Shanker ([FRE0003](#))
- 129 Smith, Professor Fiona (Professor in International Economic Law, University of Leeds) ([FRE0103](#))
- 130 Starling, Michael ([FRE0060](#))
- 131 TechUK ([FRE0138](#))
- 132 the3million ([FRE0048](#))
- 133 TheCityUK ([FRE0108](#))
- 134 UK Chamber of Shipping ([FRE0012](#))
- 135 UK Finance ([FRE0109](#))
- 136 UK Intellectual Property Office ([FRE0065](#))
- 137 UK Seafood Industry Alliance ([FRE0033](#))
- 138 UK Trade Policy Observatory ([FRE0063](#))
- 139 Ulster Farmers' Union ([FRE0090](#))
- 140 Universities UK ([FRE0099](#))

141 Usherwood, Professor Simon ([FRE0005](#))

142 Wellcome ([FRE0092](#))

143 Welsh Government ([FRE0085](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the [publications page](#) of the Committee's website.

Session 2019–21

Number	Title	Reference
1st	The need for progress in the negotiations	HC 458
2nd	Implementing the Withdrawal Agreement: citizens' rights	HC 849
3rd	Preparing for the end of the Transition Period	HC 1093
4th	The UK-EU future relationship: the Trade and Cooperation Agreement	HC 1094