



UK-EU Trade and Cooperation Agreement

3 March 2021

How it all came together

- Negotiations intensified in October, both sides worked flat out to come to an agreement.
- Overcame significant political barriers on state aid & level playing field, fisheries, and governance.
- UK Prime Minister, Boris Johnson, and President of the European Commission, Ursula von der Leyen, engaged frequently in the final days and hours.
- Deal finalised on Christmas Eve, full legal text published days later.



What the agreement says (1/3)



Trade in Goods:

- Zero tariffs, zero quotas for qualifying goods.
- Goods must meet rules on local content. Aerospace products unaffected due to WTO plurilateral agreement.



Customs and Trade Facilitation:

- Mutual recognition of trusted trader schemes (AEO).
- Does not remove the need for customs declarations or other administrative processes.
- Does allow for the use of simplifications to forms.



Aviation safety:

- Framework for cooperation & process for agreeing annexes.
- Airworthiness annex sets out recognition of products and designs.

What the agreement says (2/3)

Aviation services:

- No limits on UK and EU carriers providing passenger and cargo services between UK & EU.
- UK airlines no longer able to carry out services between two points in EU. This doesn't apply to EU subsidiaries.

Chemicals:

- Chemicals annex included, does not give UK access to EU REACH database.
- Companies will need to negotiate access to that data with commercial partners in order to register on UK REACH.

Data adequacy:

- Separate to the agreement, EU assessment ongoing.
- Bridging mechanism of up to six months provides continuity of the free flow of personal data between the UK & EU.

What the agreement says (3/3)

Security:

- New framework for law enforcement and judicial cooperation in criminal and civil law matters.
- Foreign policy, external security and defence cooperation not covered.
- Security of Information Agreement was signed, enabling the voluntary sharing of classified information



EU Programmes and R&D:

- UK will associate with Horizon Europe, Copernicus and the EU's Satellite Surveillance and Tracking Services.
- UK will have to pay into the schemes.
- No agreement in relation to European Defence Agency and European Defence Fund.



Mobility:

- Covers provisions for temporary entry for specific work purposes.
- Short-term business trips limited to 90 days in any 180-day period.
- Mechanism to agree mutual recognition of professional qualifications in the future.



A word on Defence & Security

- No agreement on a comprehensive defence and security partnership brings industrial challenges:
 - European Defence Fund
 - PESCO
 - R&D
- Future arrangements for UK-EU defence and security industrial cooperation
- Continued access to each other's public procurement markets

Public procurement in post-Brexit UK

- Legislation was in place before an agreement was reached in order to provide certainty for ongoing procurements
- Any changes to UK procurement regulations will not affect ongoing procurement commenced before the end of the transition period
- Entities are to publish notices on the new UK e-notification service called Find a Tender (FTS) instead of in the OJEU
- As procurement thresholds are set under the WTO agreement on Government Procurement, they remain the same
- Under the TCA, both the UK and EU committed to offering increased access to each other's procurement markets



Workforce mobility

UK to EU



- Entry requirements vary by EU Member State
- If you are travelling for less than 90 days in a 180-day period, you will not always need a visa
- Visa or work permits are now required if you undertake activity not covered by the country visa-waiver
- Carrying out a service to a client in another country in which your employer has no presence will require a visa
- Customs declaration will be required if you are taking commercial goods out of the UK in your accompanied baggage or vehicle

Workforce mobility EU to UK

- The same allowances for EU to UK mobility are in place
- Short term business visits will be limited to 90 days in any 180-day period
- The agreement, for now, does not include mutual recognition of professional qualifications
- The UK has protected the rights of EU citizens already in the UK before the end of the transition period who should [apply for Settled Status](#) by 30 June 2021



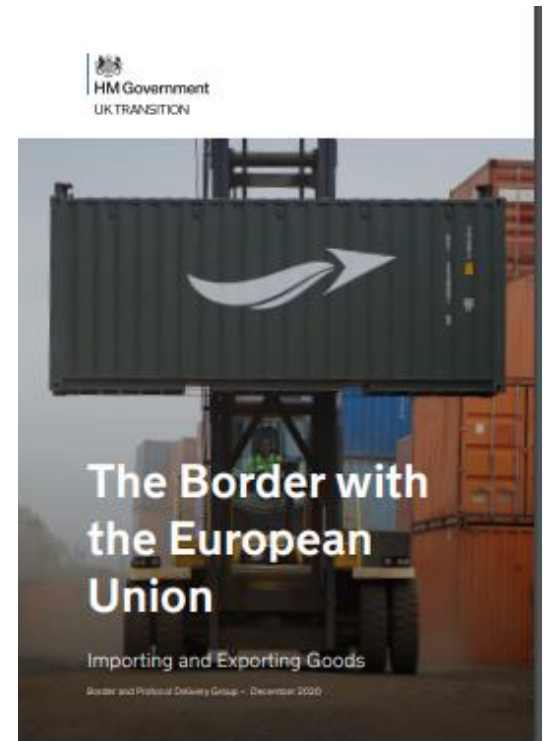
Impacts on Businesses – Brexit and the border

The arrangements for UK border are set out in the Border Operating Model

There are a number of actions UK businesses should be taking to ensure that they can continue to trade goods with the EU, this includes:

- Getting an EORI number (starting with GB)
- Consider a customs intermediary to help make declarations
- Check on the license requirements for your goods
- Understand your VAT responsibilities
- Consider making use of deferred declarations
- Use the Trade Support Service (TSS)

It is important to note the agreement does not impact these requirements



Implementation and current issues at the border

- December 2020 saw significant increase in many categories of goods.
- First few weeks of 2021 have seen lower than expected volumes of traffic
- Empty trucks making up a larger the 'typical' amount of movements
- No major disruptions at UK ports and new systems working as intended
- Government current focus on ensuring hauliers heading to ports secure a negative COVID test



Future UK Trade Agreements Update



- US are waiting appointment of Trade Representative, prior to this negotiations were on fifth round
- Australia fourth round of negotiations taking place through to March 2021
- New Zealand FTA negotiations making progress with third round concluding in February 2021
- US, Australia and New Zealand are a priority FTAs to be negotiated.
- CPTPP will be managed after that alongside reopening of Mexico and Canada agreements
- UK has formally request to commence accession negotiations to CPTPP

Brexit Hub

Page updated 21 February 2021

The UK left the EU on 31 January 2020 and exited the transition period on 31 December. The UK and EU agreed a deal on their new relationship which came into force on 1 January 2021.

The agreement and accompanying annexes cover most areas of the UK and EU's relations, including trade, security, access to EU programmes and managing the agreement in the future. Members can view the ADS briefing on the deal here.

The new relationship will have impact across ADS sectors, and it is important that businesses continue to take all the necessary steps to adapt to the new trading and regulatory environment.

As a result of the UK leaving the EU, existing EU trade agreements no longer apply to UK businesses. The UK has negotiated continuity agreements to replicate many of the EU arrangements, alongside additional trade agreements with other countries such as Japan and Canada as well as other ongoing talks with USA, Australia, New Zealand and more.

The ADS Brexit hub contains information about these agreements, and we will provide updates on how new agreements impact our sectors as details emerge.

Read More



New UK-EU relationship actions to take



Northern Ireland



Implementation and support



Non-EU trade arrangements

Get in touch with your experiences



Brexit Hub

- [Brexit Hub](#)
- [The new UK-EU relationship and actions to take](#)
- [Northern Ireland](#)
- [Brexit: Moving Goods Under the Northern Ireland Protocol](#)
- [Non-EU Trade](#)
- [Implementation, your experiences and helplines](#)

Recent Brexit Posts

- [BEIS Committee explore the impacts of Brexit on the Aerospace sector 26/02/2021](#)
- [EU Commission publishes draft adequacy decisions for the UK 19/02/2021](#)
- [The UK's future approach to subsidies 19/02/2021](#)
- [Six Weeks On - Brexit Update](#)

Further information:
www.adsgroup.org.uk/brexit

- [Trade in Goods](#)
- [Customs and Trade Facilitation](#)
- [Aviation Safety](#)
- [Chemicals](#)
- [Data](#)
- [National Security and Defence](#)
- [EU Programmes and R&D](#)
- [Workforce and Mobility](#)

Understand what elements of the TCA may impact upon you business and any new requirements

Questions?

