

#### by Luca Cinciripini

According to the latest polls,1 the Labour Party is expected to win the British elections scheduled for 4 July. Keir Starmer may therefore lead the first non-Conservative government in the UK since 2010 and, most importantly, since the decision to leave the European Union following the 2016 referendum. The activation, for the first time in the history of the EU, of the clause in Article 50 of the Treaty on European Union (TEU) regulating the withdrawal of one of its member states, was an unprecedented event, followed by long political negotiations to regulate the divorce between Brussels and London. During that phase, the UK attitude was driven by the 'Global Britain' approach that dominated the Leave Campaign, revolving around the notion of the UK as an international power no longer held back by EU rules and procedures. The EU-UK relationship deteriorated profoundly amidst tensions and mutual accusations, driving them apart despite

sharing numerous strategic goals and common interests.

The EU-UK Trade and Cooperation Agreement (TCA) signed with the government led by Boris Johnson in December 2020 deliberately excluded matters of primary importance, such as foreign policy, security and defence cooperation, which became a priority following the Russian invasion of Ukraine. Moscow's actions prompted London and Brussels to establish an initial form of informal dialogue on these issues, but without ever institutionalising their coordination. Starmer and some leading Labour figures, however, have already publicly expressed their intention to negotiate a strong agreement with the EU on foreign and security matters.2 The outcome of the July elections could signal a new start in the relationship between Brussels and London, ending the prolonged post-Brexit conflict.

<sup>&</sup>lt;sup>1</sup> Economist, "How Will Britain Vote on July 4th?", in *The Economist*, 22 May 2024, https://www.economist.com/graphic-detail/2024/05/22/how-will-britain-vote-on-july-4th.

<sup>&</sup>lt;sup>2</sup> George Parker, "Keir Starmer Pledges to Seek Major Rewrite of Brexit Deal", in *Financial Times*, 17 September 2023, https://www.ft.com/content/6bdc4e88-c2ed-44ad-aa7d-c70bc358e027.

#### The Trade and Cooperation Agreement

The EU-UK TCA sets out preferential arrangements in areas such as trade in goods and services (with limited mutual market access), digital trade, intellectual public procurement, property, aviation and road transport, energy, fisheries, social security coordination, enforcement and judicial criminal cooperation in matters, while simultaneously sanctioning the end of the free movement of persons between the EU and the UK and the exit from the European Single Market.<sup>3</sup> Most significantly, it excludes formal cooperation between the two parties in security and defence matters, although it encourages the establishment of regular dialogues on countering the proliferation of weapons of mass destruction (Article 765), small arms and light weapons and other conventional weapons (Article 766), the most serious crimes of concern to the international community (Article 767), cyber issues (Article 703) and counter-terrorism (Article 768).4

The choice by Boris Johnson's government to leave such sensitive matters out of the scope of the TCA was a political one. Indeed, the previous government, led by Theresa May, had begun negotiating a post-Brexit agreement with the EU on defence and foreign policy cooperation. Johnson's

#### The war against Ukraine as a (partial) game-changer

The invasion of Ukraine profoundly changed the scenario and put foreign and security policy back at the centre of the relationship between London and Brussels. The EU and the UK have actively contributed to supporting Kyiv militarily, economically and politically. Ad hoc UK-EU coordination in sanctions, intelligence and the training of the Ukrainian armed forces intensified, even though with mixed results.

Cooperation on sanctions against Russia proved the most successful, thanks to continuous exchange of information, cooperation in drawing up sanctions lists and support in implementation. In light of such success, a recent report by the European Affairs Committee of the House of Lords, advised the UK government to make these mechanisms permanent and to create new formats of structured dialogue for cooperation on foreign policy issues.<sup>5</sup>

decision to exclude these areas from the TCA was linked to the original idea of Brexit: that is, to supposedly allow the UK to regain total control in matters most sensitive to public opinion, such as security and migration. Johnson's vision was to pursue bilateral relations with individual member states rather than with the EU to relaunch the image of a 'Global Britain' as an international player. The outbreak of the conflict Ukraine in 2022, however, demonstrated how short-sighted this calculation was.

<sup>&</sup>lt;sup>3</sup> European Commission website: *The EU-UK Trade and Cooperation Agreement*, https://commission.europa.eu/node/4617\_en.

<sup>&</sup>lt;sup>4</sup> Jannike Wachowiak, Richard G. Whitman and Joelle Grogan, "UK-EU Foreign, Security & Defence Cooperation", in *UK in a Changing Europe Reports*, 27 March 2024, p. 9, https://ukandeu.ac.uk/?p=56983.

<sup>&</sup>lt;sup>5</sup> House of Lords European Affairs Committee, "The Ukraine Effect: The Impact of Russia's

In terms of military assistance, the EU and UK have provided extensive support to Ukraine both financially and in training. EU member states had allocated a total of 28 billion euros by mid-March 2024, 5.6 billion euros from the EU's European Peace Facility (EPF). According to the House of Commons, the UK had committed a total of 7.6 billion pounds by the beginning of May for the 2024-2025 financial year.<sup>6</sup> The direct cooperation between the EU and the UK in defence has, however, been complicated by the British preference bilateral relations.<sup>7</sup> Moreover, London remains sceptical about the EU's criteria for regulating the participation of third countries in defence industrial projects, for example, membership of the single market in order to be eligible for funds from the European Defence Agency (EDA). To date, the UK has demonstrated a tepid interest in the Military Mobility project,8 which forms part of the EU's Permanent Structured Cooperation in defence (PESCO).

Invasion of Ukraine on the UK-EU Relationship", in *HL Papers*, No. 48 (31 January 2024), paragraph 302, https://committees.parliament.uk/publications/43134/documents/214562/default.

At the institutional level, coordination between London and Brussels also seems to have yielded modest results. Despite Liz Truss' participation in the EU Foreign Affairs Council in March 2022, there have been no subsequent direct high-level political interactions between the two sides. Cooperation developed on a purely informal basis or in the context of broader. US-dominated alliances, such as the G7 and NATO. In the case of the training of Ukrainian troops, for instance, the main forum has been the US-led Ukraine Defence Contact Group – the Ramstein group. Looking ahead, however, these fora do not seem fully adequate to replace a cooperation agreement between the EU and the UK, given the partial divergence of objectives between the two sides within them.9 In the case of NATO, for instance, the EU used the Ukrainian crisis as a catalyst to boost its role in defence industrial initiatives and in the joint development of capabilities with the Atlantic Alliance; this approach, however, created tensions with London, which has always been interested in the development of European capabilities only within NATO. Another forum for dialogue has been the European Political Community (EPC), which was established in response to the Russian invasion of Ukraine and took its first steps as a multilateral diplomatic forum aimed at promoting political dialogue and cooperation on the European continent.10 However, the

<sup>&</sup>lt;sup>6</sup> Ian Bond and Luigi Scazzieri, "Working Hand in Hand? EU-UK Co-operation in Supporting Ukraine", in *CER Policy Briefs*, May 2024, p. 3, https://www.cer.eu/node/10918.

<sup>&</sup>lt;sup>7</sup> Cleo Davies and Jannik Wachowiak, "UK-EU Relations Tracker Q1 2024", in *UK in a Changing Europe Reports*, 9 May 2024, p. 9, https://ukandeu.ac.uk/?p=57362.

<sup>&</sup>lt;sup>8</sup> The project aims at standardising crossborder military transport procedures and the movement of military personnel and assets within the borders of the EU, avoiding long bureaucratic procedures. See PESCO website: *Military Mobility (MM)*, https://www.pesco.europa.eu/project/military-mobility.

<sup>&</sup>lt;sup>9</sup> Richard G. Whitman, "The Role of the UK in a New European Security Architecture", in *Heinrich Böll Stiftung Analysis*, 26 January 2024, https://www.boell.de/en/node/76635.

<sup>&</sup>lt;sup>10</sup> Luca Cinciripini, "Virtues and Limitations of the European Political Community after the Granada Summit", in *IAI Commentaries*, No.

EPC has not promoted any concrete steps toward more structured formal relations. Moreover, the next meeting will be hosted by the UK on 18 July, immediately after the Westminster election and while the arrangements for the new European Commission and European Parliament majority are underway, with the real risk of limited participation and an ill-defined agenda. As a forum without formal structures, the EPC is largely dependent on the active participation of the various which leaders, makes future uncertain.

#### What future for the Westminster-Brussels relationship

The war against Ukraine undoubtedly represented a turning point for EU-UK relations in terms of foreign, security and defence policy, without, however, achieving a significant step change in the formalisation of their cooperation. In light of the challenges posed to European security by the recent wave of international crises, from Ukraine to Gaza, a structured agreement is most helpful to regulate cooperation between the EU and UK. While the Conservatives always preferred an informal approach, the Labour Party has already expressed its intention to negotiate a strong agreement with Brussels, seeking closer coordination on "military, economic, climate, health, cyber, and energy security issues". 11 This structured dialogue would be

developed through regular access to EU Foreign Affairs Council meetings, while at the bilateral level, the stated aim is to develop closer bilateral relations with France, Germany, Ireland and Poland.<sup>12</sup>

Such an agreement would primarily facilitate the resolution of limitations that have already been identified in the informal cooperation mechanisms, facilitating the expansion of the scope of the areas covered, thereby reducing inefficiencies and problems.13 cooperation Secondly, it would mitigate the influence of political contingencies. In the context of the Ukrainian crisis, the urgency of the situation enabled effective ad hoc coordination. However, in the long term, the establishment of formalised agreements would be conducive to greater continuity and stability, providing clear direction and impetus to drive issues of shared interest. This is all the more necessary in light of the upcoming US elections. A possible Trump administration could significantly change US engagement in major international crises, altering the balance in those forums that have been strategic for the EU and the UK. London and Brussels may be required to assume greater responsibility for European security, for which informal dialogue may prove inadequate.

Despite the benefits, however, there remain some knots that need to be

<sup>23|56 (</sup>October 2023), https://www.iai.it/en/node/17729.

<sup>&</sup>lt;sup>11</sup> David Lammy, "The Case for Progressive Realism", in *Foreign Affairs*, Vol. 103, No. 3 (May/ June 2024), p. 125-135 at p. 131, https://www.foreignaffairs.com/node/1131579.

<sup>12</sup> Ibid.

<sup>&</sup>lt;sup>13</sup> Benjamin Martill and Monika Sus, "UK-EU Security Cooperation after Ukraine", in *Judy Dempsey's Strategic Europe*, 25 January 2024, https://carnegieendowment.org/europe/strategic-europe/2024/01/uk-eu-security-cooperation-after-ukraine.

cleared up, especially on the defence side. Indeed, it must be remembered that, from the EU perspective, the UK is first and foremost a third country. If, on the one hand, the EU considers London as an important security partner with considerable capabilities, on the other hand, it cannot afford grant a privileged relationship compared to what is offered to other (more) friendly third countries, as it would risk devaluing the Union's own membership. Brussels probably wants to avoid a repetition of what happened in the past when the British adopted non-dialogue positions on the integration process of defence policies. Notably, even the Labour Party is adopting a cautious approach on these matters. While it proposed "a more formal partnership agreement" on sanctions and "new mechanisms for cooperation on hybrid threats", energy security, organised crime, intelligence exchanges, and new technologies between EU and UK", vague statements have been included on defence such as a "properly bespoke relationship".14 From London's perspective, the most significant challenge appears to be the EU regulations governing the involvement of third-party actors in defence integration projects. This is exemplified by the PESCO initiative, where the UK would be unable to influence strategic planning but would be obliged to align itself with the decisions of EU member states.

These challenges notwithstanding, a structured agreement appears to be most beneficial for both parties, as demonstrated by the response to the war against Ukraine. The European Parliament has also recently welcomed greater institutionalisation the relationship, suggesting the participation of British representatives in the Foreign Affairs Committee on an ad hoc basis. After the election, the first political choice that will have to be made concerns the degree of formalisation of the relationship. The TCA is largely a technical agreement without substantial political input, which makes it difficult to solve issues that may arise. A more structured approach would require a minimum degree of political coordination. In this sense, the EU has experience 'political dialogues' with third countries for cooperation on foreign and security policy that integrate trade deals with "varying degrees of formalisation" of political interaction. 15 A more agile alternative could be a joint statement which commits the two parties to regular political input and meetings. However this coordination will be framed, the outcome of the July election in the UK is likely to offer a window of opportunity for greater dialogue between the UK and the EU on foreign and security policy that should not be wasted.

21 June 2024

<sup>&</sup>lt;sup>14</sup> Jannike Wachowiak, Richard G. Whitman and Joelle Grogan, "UK-EU Foreign, Security & Defence Cooperation", cit., p. 14.

<sup>&</sup>lt;sup>15</sup> With the EU-Canada Strategic Partnership Agreement (SPA) "being a particularly developed example". Ibid., p. 17.

#### Istituto Affari Internazionali (IAI)

The Istituto Affari Internazionali (IAI) is a private, independent non-profit think tank, founded in 1965 on the initiative of Altiero Spinelli. IAI seeks to promote awareness of international politics and to contribute to the advancement of European integration and multilateral cooperation. Its focus embraces topics of strategic relevance such as European integration, security and defence, international economics and global governance, energy, climate and Italian foreign policy; as well as the dynamics of cooperation and conflict in key geographical regions such as the Mediterranean and Middle East, Asia, Eurasia, Africa and the Americas. IAI publishes an English-language quarterly (*The International Spectator*), an online webzine (*AffarInternazionali*), two book series (*Trends and Perspectives in International Politics* and *IAI Research Studies*) and some papers' series related to IAI research projects (*Documenti IAI, IAI Papers*, etc.).

Via dei Montecatini, 17 I-00186 Rome, Italy Tel. +39 066976831 <u>iai@iai.it</u> www.iai.it

#### Latest IAI COMMENTARIES

Editor: Leo Goretti (l.goretti@iai.it)

24   33	Luca Cinciripini, If London Is Calling, Is Brussels Answering? The Future of EU-UK Foreign and Security Cooperation
24   32	Federico Castiglioni and Luca Cinciripini, What Future for the CFSP after the Radical Right Upswing?
24   31	Marco Cassetta, How to Respond to the Emerging Threats to Critical Underwater Infrastructure at the Time of Russia's War Against Ukraine
24   30	Rafael Ramírez, An Election between Sanctions and Transition: Venezuela at a Crossroads
24   29	Sophia Papastavrou, Intersecting Priorities: Advancing the Women, Peace and Security Agenda through Climate Security Initiatives
24   28	Alessio Sangiorgio, Financing the Transition in Germany and Italy amidst Market Instability
24   27	Cecilia D'Alessandro, The Italian G7 Presidency: Spearheading Progress on Food Systems in Africa
24   26	Margherita Bianchi, How the G7 Can Effectively Back Africa's Twin Goal of Energy Access and Transition
24   25	Marion Beaulieu and Sára Kende, Training, Reskilling, Upskilling: How to Create Jobs through the Green Transition
24   24	Thin Lei Win, A Water Crisis Is on the Horizon. The World Must Take Action