

Ambitious, but Realistic: How the EU and UK Are Getting Closer Again

by Luca Barana and Luca Cinciripini

When the leaders of the European Union and the United Kingdom met in London on 19 May, they had Donald Trump and the changes he has forced upon the international order over the last four months in their sight. The new direction of the US under the Republican President, with his trade wars and threats of leaving Europe to care for its own defence, has sparked consternation on the continent. It has also created a suitable opportunity for London and Brussels to reset their relationship and to start redefining the tormented bilateral dialogue shattered by Brexit, by presenting them with a common challenge. However, a few specific issues that soured previous ties, like access to fisheries and immigration, are still unresolved, risking also derailing this rapprochement. Nonetheless, overall, we are still witnessing a U-turn in post-Brexit relations: the two sides are constructively talking again, despite their differences – a significant improvement after years of disenfranchisement.

Security, trade and trust: Inside the deal

Following intense negotiations, the 19 May summit ended with the signing of three documents. The geopolitical preamble outlines shared challenges facing the EU and UK, notably the threat posed by Russia.¹ However, the most politically significant documents are the Security and Defence Partnership (SDP) and the Common Understanding, which set the stage for deeper cooperation.

The SDP marks a turning point in EU-UK security ties, moving beyond bilateralism towards structured cooperation.² It establishes biannual ministerial dialogues and UK participation in high-level EU summits,

¹ EU and UK, *UK-EU Summit 2025 - Joint Statement*, London, 19 May 2025, <https://europa.eu/!4yDqkn>.

² EU and UK, *Security and Defence Partnership between the European Union and the United Kingdom of Great Britain and Northern Ireland*, 19 May 2025, <https://europa.eu/!6fr3xV>.

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including the European Council. An annual defence dialogue and UK involvement in EU crisis management exercises are planned. The UK may also join the EU's SAFE initiative – an EU instrument aimed at addressing Europe's urgent military needs through a 150 billion euro loan facility dedicated to the procurement of critical defence capabilities – subject to a financial contribution and a follow-up agreement detailing its participation. London could further engage with the European Defence Agency and take part in joint projects under PESCO.

The Common Understanding outlines areas for economic cooperation, including fisheries, mobility, agrifood and energy.³ It extends EU vessels' access to UK waters until 2038. In return, the UK can export agrifood products to the EU without additional sanitary and phytosanitary (SPS) checks (inspections on imported goods to protect animal, plant and public health) – a move expected to recover 9 billion pounds in trade annually by 2040. However, this requires dynamic alignment with EU rules and the possibility of European Court of Justice oversight. On energy, the EU will consider UK participation in its internal energy market. Both sides will also explore linking their Emissions Trading Systems (ETS) with one another, potentially exempting the UK from the EU carbon tax starting in 2026.

³ European Commission, *A Renewed Agenda for European Union–United Kingdom Cooperation. Common Understanding*, 19 May 2025, https://ec.europa.eu/commission/presscorner/detail/en/statement_25_1267.

Progress on mobility is instead limited. The agreement only commits to dialogue, not binding measures, and in practice only concerns facilitating customs checks at airports for tourists. Beyond that, no concrete measures have been adopted so far regarding youth mobility and touring artists. The text only includes a general commitment to working towards a youth experience scheme for 18- to 30-year-olds, as well as exploring the possibility for the UK to rejoin the Erasmus+ student exchange programme. As for touring artists, the EU will continue to offer support to those working within the bloc, but the UK's request for a dedicated agreement was not accepted.

A timely agreement

The London meeting took place at a time of deep change for Europe, within which Brussels and London have again acknowledged to be natural partners and built a more constructive dialogue. The Trump Administration has called into question the foundations of transatlantic cooperation and of Western support to Ukraine, a cornerstone for European security as a whole. In the face of American pressure on Kyiv, the firm political support shown by the EU and the UK for Ukrainian sovereignty and territorial integrity, alongside the cooperation between a number of European partners led by the UK and France to launch a coalition of the willing for a peacekeeping mission, have facilitated a broader realignment. The political capital generated through this cooperation has then been funnelled to overcome more general divergences in specific sectors, at least partially.

More broadly, the reset has been motivated by the potential US disengagement from European defence, which makes deeper cooperation on security between the EU and the UK even more indispensable. The UK is still one of the top military actors in Europe and a nuclear power, a key member of the UN Security Council and NATO, and its defence industry is already integrated with military companies in other European countries, such as Germany and Italy. The European Commission itself has recognised the significance and feasibility of a similar cooperation, by recently clearing the joint venture between Italy, the UK and Japan over the Global Combat Air Programme (GCAP) to produce next-generation combat aircrafts.⁴

Berlin and Rome have been among those EU member states pushing to allow non-EU companies to participate in common initiatives supporting the European defence industry. As it often happens when either relations with the UK or the protection of national champions are involved, France has assumed the opposite position. Paris has advocated for 'buy European clauses' that would put into question the participation of UK companies. As details for the implementation of incoming projects such as the SAFE Fund are still debated,⁵ any internal

compromise will still include the need for third countries to sign a security and defence pact with the EU in order to participate with their companies. That makes the EU-UK deal of vital importance both for European defence and for British economic interests.

A first step in the right direction

Cooperation between the EU and the UK is thus more vital than ever in light of today's geopolitical context. British and European leaders are currently working closely to retain a voice in the negotiations on Ukraine, and the recent reset provides renewed credibility to their partnership. Yet, significant challenges persist. For the EU, a core tension lies in pursuing effective cooperation with the UK while upholding the primacy of EU law – one of the fundamental issues that led to the UK's Brexit. The recent agreement on dynamic alignment with EU rules is an early indication of the politically sensitive compromises that will be required. This agreement should be viewed not as a comprehensive solution to the post-Brexit divide, nor as a failure to rebuild ties, but rather as a pragmatic roadmap. It sets the stage for lengthy and complex negotiations needed to flesh out the practical contours of renewed EU-UK relations.

The domestic political landscape in the UK will remain a key variable. The rise of Nigel Farage's Reform UK party and fierce criticism of the deal by the Conservative Party signal the enduring appeal of isolationist rhetoric. Prime Minister Keir Starmer has thus avoided significant moves on migration policy to prevent further political backlash.

⁴ Barbara Moens and Sylvia Pfeifer, "EU Clears Venture for Fighter Jet Co-operation between UK, Italy and Japan", in *Financial Times*, 2 June 2025, <https://www.ft.com/content/4569adf3-fa4d-4f9d-b736-c47c44d193d6>.

⁵ European Commission, *Questions and Answers on ReArm Europe Plan/Readiness 2030*, 19 March 2025, https://ec.europa.eu/commission/presscorner/detail/en/qanda_25_790.

Furthermore, the Labour government must preserve the “special relationship” with Washington at a time when the US administration is increasingly sceptical of the EU.

The 19 May agreement is thus best seen as a political framework rather than a final settlement. While carrying considerable political weight and indicating a shared intent to strengthen the partnership, its success will depend on the outcome of future negotiations on sensitive dossiers.

On security and defence, the agreement lays the groundwork for UK participation in common initiatives like the SAFE Fund, though pending clarification of financial contributions and criteria for industrial participation. These are not minor issues, and negotiations are expected to be protracted. Still, both sides acknowledge the importance of formalising the ad-hoc cooperation of recent years, as reflected in the SDP. If political resistance – especially within the EU regarding third-country participation – can be overcome, more ambitious agreements may follow, including an administrative arrangement with the European Defence Agency and deeper UK involvement in PESCO projects. The reset thus provides a platform for long-term strategic coordination, helping to mitigate the effects of political fluctuations and changes in government. A critical test will be whether both sides demonstrate political will to move forward on defence industrial integration.

Economically, while progress has been more limited, it remains meaningful.

The fisheries agreement removes a key UK bargaining chip for a much longer period than expected – an important sign of alignment with EU demands. Similarly, the UK’s dynamic alignment with EU food and agricultural standards (and potential recourse to the European Court of Justice) marks a politically sensitive step, exposing the government to accusations of returning to a rule-taker role. The 19 May agreement sets the direction for further progress, but much remains unresolved. Detailed negotiations in areas such as energy, emissions trading and phytosanitary measures may take months – or years.

Despite making some concessions, the Starmer government has preserved its red lines (no customs union; no free movement; no internal market access). While maintaining these core Brexit principles, the UK government has agreed to limited regulatory alignment with EU food and agricultural standards – a notable shift given the domestic debate in the post-referendum years, and one whose significance should not be underestimated. To be sure, the preservation of the three red lines restricts the scope for future economic integration. Nevertheless, the agreement may be a first step for gradual, meaningful improvements, as illustrated by the prospect of aligning carbon emissions trading systems.

An ambitious, but realistic agenda

Despite the hurdles ahead, this reset marks the first step in a necessary course correction – one that brings together two sides that would have much to benefit from a closer partnership. To do

so, the two sides should plan a realistic agenda for future negotiations over the details of the framework agreed in May. Brexit will not be reversed. The EU should be aware that concessions – for instance facilitating UK participation in defence initiatives – may be necessary, even if they may appear in contradiction to the firm line assumed by Brussels after London's departure from the bloc. The global context has indeed deeply changed and a new perspective is needed to guarantee European security, one that involves UK military capabilities, defence industry and political clout. On its side, the UK negotiating position should take into consideration the extent to which the new US posture calls for deeper defence cooperation with the EU. In order to lock in such an asset, more flexibility on other policy dossiers – as shown in the agreement on fisheries – will be needed to implement a broader deal. London would also benefit from refraining from being excessively constrained by the rhetorical assumptions made to the public before and after Brexit on an easy decoupling from the EU, by communicating in a realistic fashion pros and cons of a renewed relationship with Brussels while keeping its own red lines, which are still non-negotiable for the British political establishment.

The need for a pragmatic and balanced communication strategy is particularly pressing when it comes to mobility – a highly sensitive issue for the British and European public opinions alike and easily subject to political manipulation. It will therefore be crucial to clearly distinguish the type of mobility of interest to both the EU and the UK – primarily involving

students and qualified workers – from irregular migration, which remains a key electoral target for populist parties on both sides of the Channel. The latest initiatives in this field in the UK and the EU suggest a significant tightening of entry rules, making it even more important to strike a balance between domestic political imperatives and the objective of re-engaging with each other on mobility-related matters.

In a nutshell, pressing common challenges require a new common understanding of the bilateral relationship and of the international order at large. Against this backdrop, the EU and UK must step up in a realistic way to be successful.

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- 25 | 33 Luca Barana and Luca Cinciripini, *Ambitious, but Realistic: How the EU and UK Are Getting Closer Again*
- 25 | 32 Volodymyr Sheiko, *The Siege of the Soul: Ukrainian Culture in Wartime*
- 25 | 31 Chiara Scissa, *The Troubled Water Resources of Central Asia Need Better Management*
- 25 | 30 Luca Cinciripini, *The Italian Job: Navigating between the UK, the EU and Trump*
- 25 | 29 Clemens Chay, *Will Trump's Visit to the Gulf Be More than Just Fanfare?*
- 25 | 28 Güneş Daşlı, *Can Reconciliation Happen without (Positive) Peace? Justice, Politics and the Kurdish Conflict*
- 25 | 27 Riccardo Alcaro and Leo Goretti, *Meloni's US Dilemma: Balancing Ideology and Strategic Interest*
- 25 | 26 Alessio Sangiorgio, *Can Germany's New Coalition Deliver on the Energy Transition?*
- 25 | 25 Rafael Ramírez, *The Domestic and International Predicament of Venezuela after the 2024 Election and Oil Sanctions*
- 25 | 24 Matteo Bursi, *Is the Digital Euro Back on Track?*