

EU-UK Trade and Cooperation Agreement (TCA): Conclusion

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Four years after the Brexit referendum, the EU and the United Kingdom have reached an agreement on the [EU-UK Trade and Cooperation Agreement](#) (TCA), which follows the [Brexit Withdrawal Agreement](#). BLOMSTEIN presents the key contents of the new trade agreement in a briefing series. In [Part 1](#), we have looked at the implementation and substantial changes in the EU-UK relationship. [Part 2](#) focused on the trade in goods. [Part 3](#) looked at a variety of areas from services and investments to digital commerce, energy and the level playing field. [Part 4](#) analyzed the areas of transport and aviation, fishing, social security cooperation, freedom of movement and other cooperations. [Part 5](#) concerned the governance structures, dispute settlement mechanism and enforcement of the agreement within the framework of national jurisdiction and the ECJ. Part 6 now draws a short conclusion.

Even though it is certainly not an ordinary free trade agreement due to the preceding history and the now ending EU membership of the United Kingdom, the agreement continues some trends that have been observed for some time. These include, in particular, the continuous expansion of the policy and legal areas affected by modern free trade agreements, leading to an increasing convergence of national regulations. Given the extremely broad scope of the agreement and the almost supranational nature of the governance structure, it may well be doubted whether the United Kingdom has actually “taken back control” and is once again a completely self-sufficient and sovereign country.

By avoiding a “no-deal Brexit”, the most feared disruptions were prevented. It can reasonably be expected that trade with the United Kingdom will continue to play a significant role due to the already broad scope of the agreement. After anticipated implementation difficulties, it can also be assumed that fairly efficient trade in goods can be ensured in the coming months. Nevertheless, economic operators on both sides of the channel will have to observe numerous new regulations. An additional economic burden is to be expected as a result.

With regard to the dispute resolution mechanisms inherent in the agreement, it will be necessary to observe how these will develop in practice. The exclusion of the ECJ from any litigation relevant to the new relationship, vehemently pursued by the United Kingdom, will in all likelihood lead to a politicization of the substantive disputes. Companies

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will be dependent on the support of the subjects of international law responsible for them in the procedural enforcement of their claims.

From the UK's economic perspective, it is certainly regrettable that the agreement deals only marginally with the financial sector. The complete absence of the defense sector and only partial treatment of the security sector is also astonishing. In these sectors, the EU, its member states and the United Kingdom have cooperated closely in recent years. It remains to be seen whether a rapprochement can be reached again in the coming years.

BLOMSTEIN is monitoring the foreign trade law implications of the new free trade agreement with the United Kingdom and their impact on companies. [Dr. Roland M. Stein](#) and [Dr. Leonard von Rummel](#) are available for this purpose at any time.