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Analysis of today
Assessment of tomorrow

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UK-EU "reset" deal – between sovereignty and cooperation

The "reset" of relations between the United Kingdom and the European Union has introduced a pragmatic approach where previous agreements had failed. On 19 May, London and Brussels concluded a "reset" agreement that reorganises post-Brexit relations in the areas of trade, defence, fishing rights, and mobility.

The UK government and the European Commission agreed that the current framework—created under pressure from the chaotic end of the Withdrawal Agreement—was causing economic damage on both sides and jeopardising political stability, particularly in Northern Ireland.

Neither side has abandoned its core principles: the UK retains its regulatory autonomy, and the EU insists on maintaining the single market.

However, they have reached a pragmatic compromise that promises new momentum for bilateral relations without reopening the Withdrawal Agreement in its entirety.

Abolishing barriers

Trade will be the first to benefit. The agreement will abolish numerous non-tariff barriers that have plagued exporters since 2021.

British food and drink manufacturers, who have long been burdened by customs checks and health certificates, will be able to expect simpler procedures in the future until mid-2028.

The same applies to EU parts manufacturers sending goods to UK factories – congestion at Dover (the main port in Kent, England) and Calais (a French town and harbour on the North Sea) will be significantly reduced.

Industry organisations estimate that the volume of trade between the UK and the EU, which is still around 12% lower than in 2019, could recover by half over the next two years, provided that both parties apply the agreed measures consistently and resist the temptation to reintroduce restrictions under domestic pressure.

The fishing industry, which has been a stumbling block since the Joint Fisheries Statement 2020, has been reallocated but not fully resolved.

EU vessels will be provided access to UK waters for a further twelve years, with quotas gradually reduced by 20% from pre-Brexit levels. Any further reduction in quotas will require agreement with the Specialised Committee on Fisheries.

Although both sides are unhappy – the UK believes it has made too many concessions, and France and the Netherlands do not accept the quota reduction – a clearly defined timetable for the agreement will ease the traditional disputes at the December summit (the annual meeting of the EU Council of Ministers responsible for fisheries).

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Defence and security are the real success stories of the "reset". For the first time, the UK will participate in the European Defence Fund with guaranteed access for its defence companies to projects worth up to €150 billion over the next seven years.

In return, Brussels will receive British expertise in cyber defence, naval exercises and military mobility – areas where the UK's experience of expeditionary operations is second to none.

A joint working group will oversee cooperation on early warning systems and data sharing protocols that are due to be finalised by the end of 2025. This strengthens defence cooperation against Russian pretensions and sends a message to Washington that Europe can shoulder most of the defence burden alone.

Mobility for young people and professionals

has also been significantly liberalised. The new 'Young Talent' programme allows 18- to 30-year-olds from the UK to live and work in the EU for up to two years without a visa – and vice versa.

The mutual recognition of digital documents will facilitate short-term business trips, enabling conferences and business meetings with minimal formalities. Professionals from sectors with labour shortages—nurses, engineers, and IT specialists—can take advantage of the fast-track visa process, provided their qualifications are recognised according to the professional standards of both parties.

Although it does not restore complete freedom of movement, the programme responds to the key needs of the labour market and offers tangible benefits.

Simplifying procedures

Northern Ireland remains the most sensitive part of the agreement. Both sides confirmed that the protocol would not be reopened but agreed to simplify customs procedures at the land border.

The "trusted trader" system will allow goods to move between the UK and Northern Ireland with minimal checks, provided the goods remain in Northern Ireland or travel under strictly defined final destination guarantees.

The EU has committed to suspending full controls on goods travelling from Northern Ireland to the Republic of Ireland for a trial period of 18 months. The measure calms political tensions in Belfast and protects the Good Friday Agreement, although radical supporters on both sides criticise any deviation from the original text.

Co-operation in energy and climate is also part of the "reset." The UK and EU have agreed on a joint strategy for the development of wind farms in the North Sea, with mechanisms to co-finance interconnectors and strengthen the electricity grid.

They will cooperate on hydrogen transport and consider mutual recognition of credits in carbon markets.

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These initiatives reaffirm the commitments made at COP28 and support the UK's ambition to remain a key financial hub for green investment. However, different approaches to state aid during the energy transition may require additional negotiations to reconcile competition rules with decarbonisation requirements.

The reset reflects a broader realisation: no bilateral framework can last if it does not follow economic and security priorities.

The original post-Brexit agreements, which were hastily drafted, lacked effective dispute resolution mechanisms. Reset introduces a fast-track arbitration body for sectoral disputes, which must deliver a ruling within three months.

It also establishes a permanent EU-UK Council, chaired alternately by the President of the European Council and the British Prime Minister, to monitor relations and prevent crises. This institutional innovation could be the most lasting outcome of the London summit.

Mixed reactions

Political reactions are mixed. In Westminster, the government is praising the agreement as a restoration of "pragmatic sovereignty," which will give companies the security they have been longing for.

The Labour Party leadership, keen to demonstrate its foreign policy competencies, has largely supported the outcome.

Some members of the Conservative Party

believe that any further compromise with the EU contradicts the will of the majority who supported withdrawal from the Union. In Brussels, Franco-German support was crucial, but some Eastern European member states criticised the concessions in Northern Ireland, fearing a precedent for their own minority regions.

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Eurosceptic parties across the continent, on the other hand, see the reset as proof that the EU needs to tighten the rules to prevent further fragmentation.

The success of the reset depends on its application. If trade flows pick up again by mid-2026, the defence projects start, and the youth programmes and fishing protocols function without major conflicts, the framework will be a qualified success.

Failure to achieve one or more targets – particularly in fisheries or Northern Ireland – could trigger legal disputes and political pressure. It is in the interests of both parties to see tangible results quickly. Ministers have set themselves the target of reducing Channel delays by 50% over the next twelve months.

A model for resilient co-operation

In a broader sense, this reset can serve as a model for states that are breaking away from regional alliances. It shows that disaggregated membership – fully-fledged in some areas, affiliated in others – can combine autonomy and co-operation.

For Brussels, it is a lesson in flexibility to preserve unity without coercion. For London, it confirms that global ambitions are not at odds with pragmatic partnerships.

At a time when great power rivalry and complex supply chains are on the rise again, the EU–UK reset could become a roadmap for resilient co-operation between sovereign democracies.

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If the reset consistently delivers on its promises, it will gain a significant advantage over those who criticise the existing order. It will show that political credibility comes not from maximalist demands but from negotiated compromises based on the shared interests of security and economics.

Should one or both parties adopt zero-tariff strategies, the reset will be perceived as a lost chance, and the upcoming months will reveal whether London and Brussels possess the determination to transform the diplomatic thaw into a sustainable strategic alliance.