

The UK–EU Reset.

Today (19th May 2025), the long-awaited UK-EU ‘reset’ summit took place between the UK Government and the European Commission. After talks running late into Sunday night, the UK and the EU have announced a new economic partnership deal designed to strengthen trade and security ties.

Today’s UK-EU agreement marks the most significant step thus far in delivering Starmer’s Manifesto commitment to ‘reset’ the UK’s relationship with the EU.

[Earlier](#) this month, the Prime Minister spoke of his ambitions to achieve “*a closer relationship on security, on defence, on trade, and on the economy*” with the European Union, arguing that “*the way we lower barriers with like-minded partners really matters*”.

Alongside enhancing security and defence co-operation, the Government hopes that today’s ‘reset’ agreement will boost UK economic growth. Speaking to the media this morning, Chancellor of the Exchequer Rachel Reeves described how it has become “*too difficult to export, to bring in talent, to trade with our nearest neighbours*”, arguing that the ‘reset’ will reduce prices for consumers and bring jobs to the UK.

Combined, the Government argues that its two flagship measures – creating a new Sanitary and Phytosanitary Area and the measures to link UK and EU Carbon Emission Trading Schemes – will add £9 billion to the UK economy by 2040, in a huge boost for growth.

- The Government’s press announcements can be found [here](#)
- The officials documents from the UK-EU Summit are available [here](#)
- Details of the new UK-EU Security and Defence Partnership are available [here](#)

This note sets out what was announced today, what remains on the table, and the reaction thus far.

“This is the first UK-EU Summit and it marks a new era in our relationship ... today is all about moving on from stale old debates, looking forward not backwards, focusing on what we can do together to deliver in the national interest.”

- Prime Minister Keir Starmer

Key points

The documents approved today represent a direction of travel for the new UK-EU relationship, rather than the detail of the final relationship.

The UK-EU summit delivered statements of common understanding and shared commitments about the future, rather than treaties, regulations, or policy-dense working documents. The decisions made today are the start of a process that will see the UK move back towards the EU on economic issues. In the months that follow, significant work is needed to work up the detail of these agreements in principle into operational policy detail.

There is much that still needs to be discussed and agreed, but the key points are outlined below.

Agriculture and Food

- The UK and the EU agreed to work towards the development of a Common Sanitary and Phytosanitary Area through the development of an SPS Agreement.
- This SPS agreement will make it easier to import and export food, drink, plant, and animal products by reducing the red tape on businesses.
- It is expected that this system will ease the transfer of agri-food across the GB-NI and NI-ROI borders, and in turn reduce pressure and delays at UK ports.
- Once negotiated, the SPS Agreement will see the UK accept dynamic alignment with EU rules on food safety, consumer rules for food, agrifood, and the regulation of live animals and pesticides.

Energy

- The parties agreed to explore UK participation in the EU's internal electricity market.
- This agreement includes a specific promise to work towards connecting the UK and EU Emission Trading Schemes, pledging to establish a link between their carbon markets. The reset confirms that an ETS linking scheme between should include electricity generation, industrial heat, industry, domestic and international transport.
- The document sets out that a future UK-EU ETS linking scheme should involve UK dynamic alignment with EU rules and will involve a UK financial contribution to the EU.
- The agreement states that any new UK engagement with the EU's electricity markets or carbon trading systems must ensure a level playing field relating to the promotion of renewables and protection of the environment.
- The Government argues that co-operation on emissions through linking Emissions Trading Systems will improve the UK's energy security and avoid businesses being hit by the EU's carbon tax due to come in next year – which would have sent £800 million directly to the EU's budget.

Steel

- British steel exports will be protected from new EU rules and restrictive tariffs, through a bespoke arrangement for the UK that will save UK steel £25m per year.

Border management

- The UK and the EU agreed to work towards smoothing out border management for the benefit of their citizens, promising to look into enabling UK citizens to use eGates at European borders.
- This is an agreement in principle, with no timescales or detail set out.

Labour mobility and qualifications

- Within the text, the UK and EU agreed in principle to set up dedicated dialogues on potential measures to support the entry and temporary stay of workers, including sponsorship schemes and the mutual recognition of qualifications. However, there was little practical detail.

Youth Mobility

- While there was much speculation ahead of the summit that the reset agreement might include a fully worked-up 'Youth Mobility Scheme', only an agreement in principle was included today.
- The UK and EU agreed to the principle of achieving a Youth Mobility Scheme in the coming months, stating that they would *"work towards a balanced youth experience scheme on terms to be mutually agreed ... it should provide a dedicated visa path."*
- The aim of the scheme will be to enable under 30s to live and work in each other's countries for a time-limited period.
- In response to questions from the press, the Prime Minister confirmed that the Youth Mobility Scheme, once agreed, would *"not be uncapped"*, i.e. there would be a maximum number of EU citizens and UK citizens who could make use of it.

R&D

- The UK and the EU agreed to work towards the UK's association with the EU's Erasmus+ Scheme, under which students from both parties can study in each other's universities under better terms.
- The details of this proposal have yet to be worked through.

Fish

- Fishing was one of the stumbling blocks to a deal.
- The UK has agreed to keep its fishing waters open to EU vessels on current terms for a further 12 years. There will be no increase in the quota for EU boats in this period and no change to the current access to EU waters for British fishermen.
- This marks a concession on the part of the UK Government, who had previously offered continuing access to the EU for a further five years. However, it falls short of maximalist demands of coastal EU Members States, including France and the Netherlands, who sought permanent access.
- To ease the pressure of this agreement on fisheries, the UK Government will support coastal communities by investing £360 million into the fishing industry for technology and equipment to modernise the fleet, training to help upskill the workforce, and funding to boost seafood exports.

Defence

- An integral part of today's deal is a new defence pact between the UK and the EU.
- Drafted in the context of Russian aggression and doubts over US security guarantees, the UK-EU Security and Defence Partnership will pave the way for the UK defence industry to participate in the EU's £150bn "Security Action for Europe" (SAFE) defence fund.
- The Government believe that this will provide British defence firms with significant opportunities for financing, jobs, and growth.

Looking ahead

Today's summit marks the start of a new chapter for UK-EU relations, rather than the end-point.

The gathering at Lancaster House delivered a series of agreements in principle that will shape the nature of the new economic and security relationship, but it left much of the detail to further negotiations and agreements between UK and EU officials. Indeed, the Prime Minister indicated that today was *"was the first of what will be many summits as we progress through this new era."*

Going forwards, there are a number of elements that the UK and the EU will need to work through, including the detail of the new Common SPS Area for agri-foods, how the UK will participate in the EU's electricity and carbon trading market, and the rules that will shape the proposed Youth Mobility Scheme.

Businesses and travellers will not see any immediate changes as a result of this summit, as the EU and UK need to work up the detail for each sector within the reset agreement. However, today's summit provides a clear direction of travel for closer economic integration with the EU in the years ahead.

Reaction

Labour

Mayor of London, Sir Sadiq Khan:

"A new youth mobility scheme with the EU would boost growth not only in London but across Britain and Europe.

This scheme would allow our city and country to benefit from the talent, energy and skills of young EU citizens.

Young EU citizens will be able to fill critical gaps in our labour market and fuel growth. At the same time, we'll continue to invest in skills and training schemes to give Londoners and Brits the tools they need to pursue better paying jobs."

Graham Stringer, Labour MP for Blackley and Middleton South, stated:

Accepting EU standards "completely undermines the whole reason for being out. I think dynamic realignment is definitely a betrayal because it's giving everything up."

Conservatives

Leader of the Conservative Party, [Kemi Badenoch MP](#):

Kemi stated that she was “gobsmacked” by the deal, describing it as a “complete sell-out”, particularly on fishing. She condemned the 12-year agreement on fishing access as giving away UK fishing rights and betraying coastal communities across the UK. Badenoch criticised the inclusion of emissions schemes, warning they would lead to higher energy bills for households and businesses. She argued that Starmer’s deal had set the UK back to “square one” and *“we should be using the opportunities of leaving the EU, not taking steps backwards”*.

Shadow Secretary of State for Business and Trade, [Andrew Griffith MP](#):

Andrew outlined his concern at the proposal to align with the EU’s plant and animal health laws, noting that *“Giving up trade freedoms and regulatory autonomy is a massive step in the wrong direction. The successful countries of the future will be those which are agile: able to respond fast and embrace new developments. Tying the U.K. back into a bloc with 27 other countries would be to pour concrete on our own feet.”*

Liberal Democrats

The Leader of the Liberal Democrats, [Ed Davey MP](#):

“These seem to be some positive first steps in rebuilding our relationship with Europe after years of a Conservative Party that wrecked trust and broke our relationship with our closest allies.”

Reform UK

Leader of Reform UK [Nigel Farage MP](#):

Nigel Farage, the Reform UK leader, said the UK will become *“an island without a fishing industry”* because of Sir Keir Starmer’s “reset” deal.

[He told the Telegraph](#): *“This will be the end of the industry with no new investment. An island without a fishing industry. Why would a north London lawyer care?”*

Scotland

Constitution Secretary, [Angus Robertson](#):

The Scottish Government’s Constitution Secretary [Angus Robertson](#) criticised the UK Government for bypassing devolved administrations in reaching the agreement, he blasted the UK for having agreed a fisheries deal in principle *“without any recourse, involvement or approval of devolved administrations”*.

He commented [further](#) that *“the UK Government has just reached a 12 year deal on the devolved issue of fishing without any recourse, involvement or approval of Scottish Government and other Devolved Administrations. It follows cancellation of last three EFRA inter ministerial meetings by UK government.”*

Scottish Conservatives:

The Scottish Conservatives [issued a statement](#) denouncing the agreement. Tim Eagle, the party’s fishing spokesperson in Holyrood described the deal as: *“An absolute disaster for the Scottish fishing industry. Sir Keir Starmer and the UK Labour government have not just surrendered to the European Union’s demands, they have totally capitulated to them. The deal is a shameful betrayal of our fishermen and will go down like a lead balloon in our coastal communities across Scotland. It is even worse than they feared.”*

Scottish Fishermen’s Federation:

Elspeth Macdonald, chief executive of the Scottish Fishermen’s Federation, [condemned](#) the agreement, calling it a *“horror show for Scottish fishermen”*. She argued the deal is far worse than the Brexit arrangements made under former PM Boris Johnson stating:

“It is clear that Sir Keir Starmer made the whole deal on the backs of our fishermen and coastal communities, granting EU vessels 12 years of continuous access to UK waters at the last minute in order secure other objectives.”

Wales

First Minister Eluned Morgan:

Eluned Morgan [welcomed](#) the agreement; particularly the benefits expected for Welsh businesses, food producers and the defence sector in Wales. She also welcomed the agreement on Erasmus+, stating that it would build on the Welsh Government's own Taith international exchange programme. She stated:

"This is about creating pragmatic solutions, slashing red tape for Welsh businesses, supporting food producers, creating new opportunities and jobs for our defence sector and cutting queues at airports. It will also provide opportunities for young people, building on Taith, our incredibly successful international exchange programme already benefitting thousands of young people in Wales."

Plaid Cymru

Plaid Cymru [stated that](#): "Brexit has caused billions of pounds of damage to the Welsh economy. The UK Government must commit to re-joining the Single Market and Customs Union. Plaid Cymru are clear - stronger ties with Europe are essential for a stronger Welsh economy."

Welsh Secretary Jo Stevens [stated](#):

"All three trade deals are great news for Wales, for Welsh consumers and businesses and for Welsh jobs. After 14 years of Tory talk and chaos, we're getting on with the job of improving living standards and boosting the economy. A Government of Service."

Northern Ireland

First Minister Michelle O'Neill:

Michelle O'Neill welcomed the agreement in principle, [saying](#) it could protect the all-island economy and ease trade barriers, but warned "the devil will be in the detail." She stated that:

"Anything that protects the all-island economy, anything that maximises our access to both markets in terms of trade, anything that removes barriers for trade, then that's something that we would obviously very much welcome," she said."

DUP Leader Gavin Robinson:

Mr Robinson [stated](#) any deal would be judged "through the prism of the union" and warned it was too early to assess its implications. He also raised concerns about fishing rights and whether that would negatively affect local fishing firms.

TUV leader Jim Allister:

Jim Allister was highly critical, [stating](#) the deal "copper-fastens Northern Ireland as EU territory" and that: *"As for seeking to mitigate some of the damage of surrendering sovereignty over NI in the Protocol by doing the same for GB, in terms of being a supplicant rule-taker from Brussels, this too is edging the whole UK back into the EU's orbit of control."*

"The promise of Brexit was 'taking back control'; today was about giving back control in GB to Brussels, and paying for the privilege,"

SDLP leader Claire Hanna:

The SDLP leader Claire Hanna [described](#) the deal as "substantial" and a "better direction," highlighting its benefits for trade, youth mobility, and cultural sectors. She stated she was *"glad to see a number of things that the SDLP has been campaigning and pressing for"*.

The NFU

The NFU president Tom Bradshaw [stated](#):

"The danger is we will become a rule taker without an ability to influence those rules and that's something that's going to be pretty challenging." He highlighted that it was essential to figure out where the UK could be "world leading" and make sure that we have the ability to continue to utilise that technology so our research can *"continue to be recognised across the world"*.

The CBI

Rain Newton-Smith, Chief Executive, CBI, said:

"After the turbulence of the last decade, today's Summit marks a leap forward in the EU-UK relationship. The government has been relentless in its commitment to free and fair trade on the international stage, providing businesses with a shot of confidence through recent deals with the US and India.

"Businesses do not need more politics, they need progress. Today's deal means firms on both sides of the border will be breathing a sigh of relief following practical commitments to improve regulatory cooperation, bolster defence, and deliver on our mutual net zero ambitions."

Energy UK

Dhara Vyas, chief executive of Energy UK welcomed the deal, stating:

"Today's announcement marks a step change in the UK's relationship with the EU, our closest trading partner. The commitments both sides have made represent a common-sense approach to cooperation and will deliver better outcomes for the UK economy, businesses and customers. Both the UK Government and European Commission should receive credit for this – the energy industry has long called for closer collaboration on carbon pricing and electricity trading, along with trade bodies and businesses in the wider economy."

ADS Group

Kevin Craven, Chief Executive of defence industry group ADS, stated:

"While we are assured that this will pave the way for the UK defence industry to participate in the EU's proposed new £150bn Security Action for Europe defence fund, and therefore support thousands of UK jobs, we are reluctant to celebrate too early when the specifics of such a deal remain to be seen." He described the deal as "somewhat underwhelming in the lack of detail".