

THE UK AND EU: RECOMMENDATIONS FOR AN ENVIRONMENTAL RESET

May 2025

The Institute for European Environmental Policy (IEEP) has been an analyst, contributor and commentator on UK and European environmental policy development for close to five decades. Following in-depth research of UK-EU dynamics on environmental policy since Brexit, we offer the recommendations below as a contribution to strengthen bilateral relations for mutual benefit. We believe environment and climate policy offers great potential for close collaboration. Whilst unlikely to be a priority subject for the UK-EU Summit on 19 May 2025, it may aid discussions on more contentious topics, due in part to the rich and intertwined history of UK and EU policy in this space, with beneficial outcomes for business and trade in support of Government economic growth objectives and environmental resilience.

What is the case for moving in this direction?

- Environment and climate is a **cross-cutting area of policy** with implications not only for the environment itself but also for trade policy, economic relations, energy security, international cooperation, and transatlantic relations, also affecting a range of issues addressed in the Trade and Cooperation Agreement (TCA).
- Long-term cooperation is beneficial, particularly the need to work closely to manage shared resources e.g. in the North Sea, shared biodiversity, air quality and other issues of mutual importance for neighbours. Beyond this, the UK and the EU share fundamentally similar approaches and legislation in this area, based on law enacted since the 1970s. The shared commitment to address climate change and support the IPCC comes at a time when sharp changes in US policy risk undermining progress and create pressures on UK and EU based companies to align with US priorities. This cooperation could include the potential re-joining of the EU ETS by the UK, CBAM, legislation on trade in commodities related to deforestation, and cooperation in international initiatives and negotiations (IEEP UK, 2024).
- Greater alignment is in both side's interests benefitting the environment and reducing unhelpful trade barriers and costs for UK producers. The most promising options for alignment are standards for chemicals (IEEP UK, 2025), pesticides and a range of traded products, including the group of EU 'ecodesign' standards being extended to cover more products through the new EU Ecodesign Regulation. The case for alignment will always require assessment but at present there is no clear expression of intent on the UK side. There are many areas of divergence (IEEP UK, 2024) where the UK has not chosen to follow changes in EU law. A proactive positive approach could be part of a UK 'offer', building goodwill and help balance more potentially challenging negotiations.
- The need to smooth potential political tensions as illustrated by the <u>recent dispute</u> over the UK decision to ban sand eel fishing in its North Sea waters, which was contested by the EU and led to an arbitration process established in the TCA. The UK will want to continue to exercise its right to increase sustainability of marine and fisheries management, so structures to anticipate and plan for this can only be helpful.

We hope that the 19 May UK-EU Summit will initiate further detailed discussions in the coming months, incorporating this thinking and help achieve the following objectives:

- To set out new principles for UK alignment of environmental product standards with those in the EU, without sacrificing regulatory autonomy. The Product Regulation and Metrology Bill is an opportunity to do this for some policy affecting the environment, notably for the circular economy and by extension chemicals policy (see IEEP UK, 2025).
- 2. The UK should explore the case for adopting a default position to generally align with EU environmental regulation where it introduces higher standards particularly where there are cross border and trade considerations. Our research (IEEP UK, 2024) has shown since Brexit the UK has diverged on important aspects of policy impacting the environment. The EU generally has gone 'further and faster' developing or updating key areas of regulation and the UK has not kept pace. Short of dynamic alignment we would recommend the UK aligns with several key elements of these laws, namely: air quality, waste, ecodesign, nature, waste-water, energy performance and efficiency, and critical raw materials.
- 3. **Formally link the UK-EU Emissions Trading Schemes & Carbon Border Adjustment Mechanisms**, underlining joint climate ambition and determination, increasing regulatory certainty for business working across Europe and removing the risk of additional costs to British exporters.
- 4. Following on from the decision to rejoin Horizon Europe and the Copernicus science and research programme, bridge a widening gap between UK/EU technical and scientific experts on environmental data and information with a **return to full membership of the European Environment Agency and Eionet** (IEEP UK, 2024).
- 5. **The UK should align with EU controls on hazardous chemicals** and seek a close working relationship with the European Chemicals Agency (**IEEP UK**, **2024**).
- 6. The UK should cement **cooperation on international environmental issues**, including joint positions and sharing longer term perspectives and plans.
- 7. The UK and EU should develop a new and efficient forum for exchange on the environment, with clear added value for officials on both sides and capacity to address operational issues and flag future developments.
- 8. **A UK–EU agreement on plant and animal health (a veterinary/SPS agreement) should seek to align to the highest standards on either side** e.g. UK animal welfare standards, and EU pesticide standards. This would also reduce costly checks and delays at borders benefitting businesses and consumers.

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The Institute for European Environmental Policy UK (IEEP UK) is a not-for-profit sustainability think tank, with over 45 years of experience. As part of the broader IEEP family, we are committed to advancing evidence-based research, analysis and policy insights concerning the UK and its interaction with policy in the EU and globally.