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Three Priorities for a Meaningful EU-UK Reset

As new political leadership took office in the UK and the EU last year, both sides committed to a “reset” in their relationship after Brexit. Now however, more than six months on, the political climate has improved, but progress remains largely rhetorical.

Allowing the reset to devolve into a symbolic exercise would be a consequential strategic failure, as global shifts make closer EU-UK cooperation essential to defending the Western alliance.

The inaugural EU-UK political summit in the first half of 2025 presents an opportunity to translate this opportunity into concrete action with three immediate steps:

1. **Agree on a renewed Joint Political Declaration** to define shared priorities and establish a roadmap for policy negotiations;

2. **Launch a new comprehensive Security and Defence Partnership** to deepen cooperation on security, defence and foreign policy;
3. **Establish an Economic Security and Resilience Dialogue** to improve coordination on shared geoeconomic threats.

Political obstacles

Since Labour’s victory in the UK’s general election in July 2024, the new British government and the EU have improved their relationship. UK Prime Minister Keir Starmer, EU Council President Antonio Costa and European Commission President Ursula von der Leyen now hold regular political summits, with the first one planned for the first half of 2025. Signaling new levels of trust, Keir Starmer has been invited to partially attend an informal meeting of EU leaders in early February. UK foreign secretary David Lammy

has initiated a foreign policy dialogue with EU counterparts and attended an EU foreign affairs ministers' meeting. In parallel, the UK has deepened defence collaboration with several European countries. The reset with the EU, however, has yet to yield substantive policy outcomes.

While the new political leadership in the UK and the EU provides a window of opportunity to strategically deepen the relationship in a way that would serve both sides' interests, political hurdles are significant. While most EU capitals view the Starmer government more favourably than its predecessors, doubts persist about the UK's commitment to prioritize Europe in its foreign policy. Many in Brussels remain scarred by the Brexit negotiations, seeing the UK's approach as transactional and focused more on short-term political gains than genuine, long-term partnership. And indeed, while Labour's instincts are pro-European, the government is constrained by self-imposed "red lines" such as no single market, no customs union, and no free movement of people. Moreover, it faces growing pressure from Reform UK, a new right-wing political force in Britain. Even modest proposals, such as improving young mobility, have proven politically sensitive, much to the dismay of European capitals. This has led to a sense of frustration at the perceived lack of strategy from the Starmer government and a view that the responsibility for moving the relationship forward lies firmly with London – not with Brussels.

A new strategic imperative

While the EU and the UK tread carefully around each other, global power dynamics demand a stronger, more coordinated European response. The new strategic environment is defined by Donald Trump's second US presidency, which threatens to split the political West, the breakdown of Europe's security order, the continued need

to support Ukraine, Chinese growing geoeconomic and geopolitical influence and the rapid technological revolution. Closer European cooperation, including between the EU and the UK, is therefore crucial, specifically on security and economic matters.

European nations face mounting pressure from Washington to increase defence spending and take greater responsibility for Europe's **security**. For now, NATO remains the central framework for transatlantic cooperation and it will only remain so, if European NATO members decisively increase their contribution. This can best be achieved through cooperation among European countries, including the UK. At the same time, it is essential to prepare for a scenario in which the US reduces support for Europeans, particularly as the Ukraine war evolves, and Europe's security architecture is reshaped. As Brussels is getting more proactive on defence industrial policy, there are opportunities for closer cooperation with the UK.

On the **economic** front, a more protectionist US administration could push the EU and the UK closer together - unless Washington attempts to pull the UK away from the EU. It could, for instance, offer UK admission to the US-Mexico-Canada Agreement (USMCA) which is up for renegotiation in 2026, in return for aligning with the US on China. It could also reignite talks of a bilateral US-UK trade deal that stalled under Biden. The first option would draw the UK further from the EU's regulatory orbit, while the second might be compatible with closer ties with the EU but would likely reignite a sentiment prevalent across many European capitals that the UK wants to "have its cake and eat it". The greatest possibility, however, is that a UK pivot towards the US happens inadvertently if the reset with the EU fails to deliver meaningful results. If the promise of improved

transatlantic economic ties appeared more realistic than ill-defined, slow-moving negotiations with the EU, the Labour government could make a strategic turn to Washington to boost sluggish growth.

Three steps for a meaningful reset

When the UK and EU leaders meet at the inaugural UK-EU-summit, likely in late spring 2025, concrete steps should be taken towards a meaningful reset. The upcoming meeting between Heads of State and Government and the UK Prime Minister in early February provides an opportunity to discuss these goals and begin substantive preparations. The summit's primary focus should be on agreeing the "what" – shared objectives with the UK and a shared roadmap for achieving them – rather than becoming entangled in the "how", which risks delaying progress on core issues. Once common goals are set, procedural questions – such as whether the reset should be pursued as a comprehensive "package" (where no final agreement is made until all issues are settled) or through an issue-by-issue approach – can be addressed more effectively. The three steps outlined below reflect this approach.

1. A renewed Joint Political Declaration

At present, both sides have distinct views on which aspects of their relationship require improvements or revisions. The UK seeks targeted improvements, including lowering trade barriers for agrifood through a veterinary agreement, more ambitious services arrangements, more effective cooperation on energy and a wide-ranging "security pact". The EU, meanwhile, prioritises new mobility arrangements for young people, an updated fisheries deal and, equally, more effective energy arrangements.

What is lacking is a shared articulation of common objectives that includes a joint response to the collective challenges Europe is facing in terms of security, economic competitiveness and democratic resilience, and a shared political roadmap to guide substantive policy discussions on selected issues. A key outcome of the political summit should therefore be a new joint political declaration that sets out shared objectives and priorities for deepening the relations. This declaration would replace the outdated Political Declaration of 2019, which was agreed alongside the Withdrawal Agreement (WA) but has since been superseded by the Trade and Cooperation Agreement (TCA). Neither document recognises the profound global shifts that have taken place since then.

This declaration should identify new areas where cooperation can be strengthened and sketch a joint roadmap. On security, it should commit both sides to negotiating a new comprehensive Security and Defence Partnership (see below). On economic agendas, it should cover areas in which the two sides wish to deepen their relations, including in trade in goods (industrial standards as well as barriers to agrifood trade), fisheries, mobility and services trade (enhanced mobility arrangements), energy trade (electricity trading, linkage of Emissions Trading Systems). It should also address questions related to economic security – an area where formal cooperation is lacking at present and a new Economic Security and Resilience Dialogue could be established (see below). Understandably, any such declaration must start from acknowledging that maintaining good relations is the precondition to deepening the relations, and that includes respecting existing obligations under the WA, the Windsor Framework and the TCA.

To prepare the EU-UK declaration, a joint scoping exercise should allow both sides to define their objectives and test the limits of what is achievable within each other's red lines. This will require difficult discussions: the UK, if serious about deeper cooperation, must be willing to discuss ongoing regulatory alignment and potential financial obligations. The EU, in turn, must consider objectives that currently fall outside its third-country frameworks but may become viable if a new balance of rights and obligations can be established with the UK.

2. A new comprehensive Security and Defence Partnership

Given today's urgent need to increase Europe's security and resilience, cooperation in these areas should be a priority for the EU-UK reset. Following the informal leaders' meeting in February, the two sides could initiate talks on a new EU-UK Security and Defence Partnership (SDP) to substantiate such cooperation.

The SDP is a new instrument that the EU is using to improve security ties with likeminded partners. In 2024, it concluded six such partnerships with third countries, including with Japan, South Korea and Norway. These political agreements are non-binding and can flexibly cover areas of cooperation where both sides see maximum benefits. A similar partnership with the UK would signal political intent and provide a clear roadmap for developing more formal arrangements on specific aspects of security and defence cooperation further down the line. Since the SDP would be non-binding, it can be agreed relatively quickly provided that political agreement exists on both sides. Nor does it require being tied to the broader "package" of other negotiating issues as part of the reset.

At a minimum, the SDP should cover the following priorities:

(i) Supporting Ukraine: Both the EU and the UK share a critical interest in supporting Ukraine's defence and sovereignty and ensuring Russia gains no strategic advantage from its invasion. At present, support for Ukraine is coordinated within NATO. Closer cooperation between the EU and the UK could strengthen these efforts in three ways.

Firstly, there is a need to prepare for changes in the US policy towards Ukraine. Increasing direct EU-UK contact that goes beyond bilateral channels between London and European capitals can be an important aspect of future political and policy coordination. Secondly, building on existing cooperation on sanction policy, which has proved effective so far, the EU and the UK can develop joint enforcement strategies to address problems caused by divergence between different sanction regimes. Lastly, the SDP could encourage further cooperating on Ukraine's eventual reconstruction, thus contributing to the G7 coordination efforts. Building on the consecutive Ukraine Reconstruction Conferences in Lugano (2022), London (2023) and Berlin (2024), in which the EU's role has grown as Ukraine has become an EU accession candidate, coordination with UK-led efforts such as the UK-Ukraine Private Finance Partnership and the UK-Ukraine Infrastructure taskforce would be beneficial.

(ii) Defence policy and instruments: As the EU looks for new ways to enhance shared defence capabilities and capacity to contribute more strongly to NATO and the continent's security, future defence cooperation with the UK will be of increasing importance. Over the past years, the EU has become more open to include non-EU countries in defence initiatives, such as

PESCO, and is involving non-EU companies in the proposed European Defence Investment Plan (EDIP). Building on this, the SDP could include a commitment to involving the UK in emerging EU defence programmes and instruments, subject to agreement on clear rules for participation, such as financial contributions and data-sharing protocols. The Partnership could also scope out cooperation on joint R&D defence projects and new administrative arrangements with relevant EU bodies such as the European Defence Agency.

(iii) Peace and crisis management: The EU is committed to bringing partners into Common Security and Defence Policy (CSDP) missions and operations. Closer collaboration on peace missions and crisis management and UK participation in CSDP missions require a framework which the SDP could commit both sides to negotiating.

(iv) Space policy: While the UK no longer participates in the EU's Galileo programme, it is associated with the Copernicus programme (until 2027) and continues to participate in the EU Space Agency. As both sides have a shared interest in developing space capabilities, the UK and the EU could commit to developing joint support for new space projects, particularly around shared space security concerns.

(v) Cyber and hybrid threats: Building on the existing cyber-policy dialogue, the UK and the EU could work more on joint threat assessments, information-sharing protocols, and coordinated responses to cyber incidents and hybrid threats, such as disinformation campaigns or energy security risks.

(vi) Consultations and dialogues: While the EU and the UK have engaged in several informal foreign-policy dialogues since the summer of 2024, the UK remains unique

among the EU's external partners in lacking structured cooperation on foreign and security policy issues. This has prevented both sides from responding to a number of security challenges in a more coordinated manner – ranging from the crisis in the Middle East to strategies on the Indo-Pacific. More regular mechanisms would allow them to respond more proactively and strategically to future crises and emerging threats, including from climate change and technological risks, thus making future cooperation less dependent on relationships between individual leaders and officials.

3. A New Economic Security and Resilience Dialogue

EU-UK cooperation on economic security risk is currently confined to G7 discussions and ad-hoc political and diplomatic exchanges. Yet, with economic protectionism in the US and sustained economic threat from China the risks of economic fragmentation have increased – this time within the Western alliance itself. The UK and the EU share an interest in defending the 'economic West' as much as 'the political West' by safeguarding an open global economy and a rules-based trading system. For the EU, which is developing an 'economic security doctrine', working with like-minded partners like the UK should be a core part of its strategy.

A new EU-UK Economic Security and Resilience Dialogue, operating at both ministerial and technical levels, could help coordinate policy responses to emerging economic security challenges, such as sanctions, export controls, FDI screening, trade defence instruments and strategic industrial policies. The dialogue could also facilitate cooperation on energy and climate-related issues, such as coordinating the implementation of EU and UK carbon border

adjustment mechanisms, where closer alignment is crucial.

Given its distinct focus, there is a case for keeping the Economic Security and Resilience Dialogue separate from the SDP. Initially, the dialogue could operate informally under a non-binding political framework, with the potential to evolve into a more formal framework as relations deepen over time.

Outlook

As the Western alliance faces growing challenges, the upcoming EU-UK political summit presents an opportunity to revitalise a relationship that despite its importance has been weakened by both animosity and inertia in recent years. This can be achieved only if leaders on both sides are prepared to invest meaningfully in resetting the relations and adopt a constructive shift in attitude.

For the UK, this requires re-prioritizing Europe as the central pillar of its strategic outlook and acknowledging that its long-term security and prosperity are inextricably linked to that of the EU. It must also accept that deeper, more substantial relations come hand in hand with new responsibilities.

The EU needs to move beyond conventional frameworks and recognise the UK as a strategic partner, rather than an ordinary third country. It is clearly in the EU's interest to accommodate a major European country, economic and Nato partner, nuclear power and UN security council member, whose cooperation remains essential to achieving broader geopolitical objectives.

In the context of a rapidly evolving global order, the strategic imperative for both sides is clear: forging a closer, more resilient partnership not only benefits bilateral ties but strengthens the Western alliance as a whole.

If the EU-UK summit fails to deliver concrete progress, inertia will only push the two sides further apart – not by design, but by neglect. In an increasingly unstable world, where reliable alliances are more valuable than ever, such drift would represent not only a missed opportunity but a profound strategic failure.

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