Position statement

Trade and Cooperation Agreement between the EU and UK

January 2021

The EU and the UK reached a Trade and Cooperation Agreement (TCA) on 24 December 2020. This sets the framework for the relationship between them after the post-Brexit transition period ended on 31 December 2020. The TCA consists of a Free Trade Agreement, a Partnership on Citizens' Security and an agreement on governance of the TCA.

Chemistry plays a vital role in the UK economy, in shaping our society and the environment in which we live. The chemistry-using workforce contributes £83 billion per year to UK Gross Domestic Product (GDP) through its overall economic impact.¹ The TCA impacts the chemical sciences in the UK and in the EU in a number of ways, for example they set aspects of the framework of rules applying to chemistry-using businesses. Also, the chemical sciences have an important role to play in shaping some of the changes expected to emerge in the light of this changing relationship.

The conclusion of a Trade and Cooperation Agreement between the EU and the UK is welcome, as a no deal outcome would have been highly problematic for the chemical sciences.

It is vital that the agreement delivers further scientific cooperation on research, innovation, policy and regulation, enables mobility of the chemistry workforce and students, whilst helping chemistry-using sectors and companies to grow and flourish.

High standards of human health and environmental protection must continue in the UK post Brexit and these must be informed by the best science. Formal mechanisms to ensure the best scientific evidence and advice is taken into account into decision-making for chemicals policy must be in place as soon as possible in 2021.

The EU research and innovation programmes are vital enablers of collaboration, discovery and SMEs in the chemical sciences. The announcement that the UK will associate to the Horizon Europe, dependent on ratification and final regulations, is welcome for the chemical sciences community.

The announced Turing scheme needs to enable international mobility in the chemical sciences when it replaces the Erasmus+ scheme.

¹ This is an average figure for 2013-19 and covers direct, indirect and induced economic impact. See <u>https://www.rsc.org/contentassets/8122a7694dd14a4f9779cec4e9dbb0a6/workforce-full-report</u>

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We have consistently warned of the risks to the chemical sciences of a no deal outcome, for example the significant barriers to scientific cooperation and trade across a range of sectors.

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The Free Trade Agreement sets the framework for the EU-UK relationship going forward. It needs to facilitate the relationships and dialogues that support a broad range of scientific cooperation: research collaborations; innovation; mobility of scientists and scientific cooperation on regulation and standards.

The end of the transition period means that the UK can make rules and standards in areas of EU competence, such as chemicals, without needing to meet the requirements of future EU rules. It can also change existing rules made as an EU member. It is vital that the UK Chemicals Framework and future UK chemicals regulation are strongly informed by the best possible science. Transparent mechanisms for ensuring the best science and scientists in their fields provide strong advice to decision-makers are vital to ensure future UK chemicals regulation continues to protect the environment and human health and enable innovation. We are advocating strongly for this approach in Chemicals Framework discussions.

The FTA aims to enable tariff-free trade between the UK and EU for chemistry using sectors and businesses trading in goods, where rules of origin requirements are met. There are new requirements for chemistry-using businesses that import and export: these could increase if UK rules diverge significantly from EU rules over time. The impacts of regulatory divergence on trade on UK chemistry-using businesses need to be a significant factor in decisions on whether UK rules should change going forward, whilst scientific evidence must of course be a key driver. These businesses have an important part to play in a green economic recovery post-COVID pandemic.

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Although no longer a member of the EU, the UK can participate in EU programmes and has announced the intention to associate to Horizon Europe, the next EU research and innovation programme, as well as the Euratom Research & Training (R&T) Programme 2021-2025, subject to ratification and final programme regulations. We have made the case consistently that the UK should associate fully to Horizon Europe to preserve and enhance international collaborations and the many reciprocal benefits they bring to both the UK and the European Union. Continued participation in the Euratom programme is important for some chemical science fields e.g. radiochemistry.

Science is a collaborative, international endeavour. It provides the widest benefits to society when researchers from diverse backgrounds, be that country, sector, discipline or other characteristics, come together. Access to European Union (EU) research and development framework programmes for universities and businesses enhances UK global competitiveness by supporting scientists to continue working internationally, even now the UK has left the EU.

Schemes such as the Erasmus+ scheme play a key role in developing scientists and scientific links by enabling mobility and interchange. The Turing scheme needs to facilitate mobility in the chemical sciences between the UK, the EU and internationally.

Contact

We would be happy to discuss any of the issues raised in our written evidence in more detail. Any questions should be directed to <u>policy@rsc.org</u>.

About us

With around 50,000 members in over 100 countries and a knowledge business that spans the globe, the Royal Society of Chemistry is the UK's professional body for chemical scientists, supporting and representing our members and bringing together chemical scientists from all over the world. Our members include those working in large multinational companies and small to medium enterprises, researchers and students in universities, teachers and regulators.