# STEPHENSON HARWOOD

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# AIRSPEED READ

Impact of the Inaugural UK / EU Summit on Aviation

On the 19 May 2025, the UK and European Union (the "**EU**") held their first summit since the UK withdrew from the EU on 31 January 2020. The inaugural summit was a welcome step towards closer collaboration between the nations, and was described by Ursula Von der Leyen, the President of the European Commission, as "*a historic moment ... opening a new chapter in our unique relationship*".

The leaders of the UK and the EU agreed a new Strategic Partnership, which builds upon the existing Withdrawal Agreement<sup>1</sup>, Trade and Cooperation Agreement (the "TCA"), and the Windsor Framework.<sup>2</sup> which is intended to further secure the parameters for their ongoing relations. The agreement provided specific areas for joint commitments that the UK and EU will collaborate on going forward. The Strategic Partnership marks a reset of the UK's relationship with the EU and sets out a renewed agenda, common understandings and a roadmap between the UK and EU on areas including security, defence, development and strengthening of economics, the environment, judicial cooperation, and movement of people.

#### Agreement on the Withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and European Atomic Energy Community

## HOW DOES THE STRATEGIC PARTNERSHIP AFFECT THE AVIATION INDUSTRY??

#### 1. Access to e-Gates

The deal confirmed that UK passport holders would now be able to use e-gates when travelling to Europe. This aligns with the shared interest of the UK and EU nations to enable better movement of people between the UK and EU member states and ensures consistency with the current rights that EU citizens benefit from in the UK. As it stands, EU citizens are able to use the e-gates at border control at UK airports under the new Electronic Travel Authorisation (the "ETA").

UK passengers will be able to use e-gates at EU borders once the new Entry/Exit System (the "EES")<sup>3</sup> has come into force, which is expected to be in October this year. For more information on the background to the proposals of these systems by the EU, see our article 'Digitalising borders: ETIAS and ETA.'<sup>4</sup>

Individual member states of the EU will need to take steps to implement the use of e-gates for UK passengers. The UK Prime Minister has

Entry/Exit System (EES) to register any exit data and refusal of entry of third-country nationals crossing the external borders of the Member States and determining the conditions for access to the EES for law enforcement purposes, and amending the Convention implementing the Schengen Agreement and Regulations (EC) No 767/2008 and (EU) No 1077/2011

<sup>&</sup>lt;sup>2</sup> The Windsor Political Declaration by the European Commission and the Government of the United Kingdom (dated 27 February 2023)

<sup>&</sup>lt;sup>3</sup> EES was adopted by Regulation (EU) 2017/2226 of the European Parliament and of the Council of 30 November 2017 establishing an

<sup>&</sup>lt;sup>4</sup> <u>Digitalising Borders: EITAS and ETA</u>



called on "all EU member states to help make this a reality without delay" and it is hoped this change will have a positive impact for travellers. Portugal has been the first to introduce and implement this change, which came into force earlier this month.

### 2. Linking the Emissions Trading Schemes

The UK and EU announced plans to link the EU Emissions Trading Scheme (the "EU ETS") with the UK Emissions Trading Scheme (the "UK ETS"). They both share common goals in respect of climate action and have agreed to link the schemes to support these efforts and simplify the programme of regulation in this area across the EU.

The UK ETS has been in place since 1 January 2021. The UK ETS applies to energy intensive industries, including aviation, and makes provision for both domestic and international flights. The routes covered by the UK ETS include (i) UK domestic flights; (ii) flights between the UK and Gibraltar; and (iii) flights departing the UK to the European Economic Area (the "EEA").

Similarly, the EU ETS applies to aviation activities and requires airlines to monitor, report, and verify their emissions and surrender allowances against those emissions. Following the implementation of the amendments to the EU ETS Directive, which came into force on 5 June 2023, EU ETS currently applies to intra-EEA flights, and flights departing to Switzerland and to the UK. Whilst the revised legislation allows for the scope of EU ETS to cover all flights leaving the EU to other parts of the world, the "stop the clock" measure<sup>5</sup> has been extended until the end of 2026 to enable the EU Commission to assess the progress of the Carbon Offsetting and Reduction Scheme for International Aviation ("CORSIA") on the environmental performance of international flights from the EU. Therefore, as it stands international flights from the EU fall outside of the EU ETS.

Both the UK and EU operate similar 'cap and trade' approaches to reducing emissions and the new agreement intends to further harmonise these efforts in support of the Net Zero 2050 target in the UK and the Fit for 55 target in the EU, where all nations are working towards a carbon neutral goal by 2050 subject to the Paris Agreement. It is therefore possible for the two schemes to be linked, and indeed the EU and Switzerland have successfully linked their respective ETS schemes.

It will be interesting to see to what extent, the EU Commission's review of CORSIA may influence the linking between the EU and UK ETS.

#### 3. Other

In addition to the above, the Strategic Partnership introduces changes to the Visa requirements for UK citizens travelling to Europe, introducing a new '90-day rule' which applies to eligible non-EU citizens, allowing them to spend 90 days in any 180-day period in EU countries without obtaining a Visa. The agreement also brings back provisions for pet passports making travelling with pets simpler by removing the requirement to obtain animal health certificates on both entry and exit from EU countries. These changes are aimed at increasing mobility.

Whilst the agreement marks a considerable milestone in the UK's international relations with the EU, the full details of how the new systems will be implemented remains to be seen. It is intended that the UK-EU summit will take place annually and the UK and EU interlocutors have agreed that high-level meetings will take place regularly to consider and monitor joint strategic interests.



<sup>&</sup>lt;sup>5</sup> The "stop the clock" measure was introduced in 2012 and suspends the application of the EU ETS to international flights departing from the EU, to allow the International Civil Aviation Organisation (ICAO) to develop and put in place a global market-based measure for international aviation carbon emissions.



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