

22 June 2026

Dear President von der Leyen,
Dear Prime Minister,
Dear President Costa,

Today's shifting geopolitical landscape underscores the need to strengthen cooperation between the European Union (EU) and the United Kingdom (UK). As close allies bound by shared interests and common values, our strong and enduring relationship has a vital role to play in advancing mutual security, growth, and competitiveness.

Ten years on from the Brexit referendum, and just over five years since the implementation of the EU–UK Trade and Cooperation Agreement (TCA), divergence and increased trade friction between our economies have created barriers that have weighed on investment, growth, and competitiveness.

Yet while challenges remain, the EU-UK economic partnership continues to remain strong. Bilateral trade and investment flows have shown resilience in recent years, with trade volumes steadily expanding and many EU Member States recording trade levels at or above those seen before the COVID-19 pandemic and Brexit. This underlines the depth of our economic ties but it also highlights the substantial benefits that further cooperation and the reduction of remaining barriers can deliver for businesses and citizens on both sides.

BusinessEurope and the CBI, together representing more than 20 million businesses, support a closer EU-UK economic partnership and therefore warmly welcomed the outcome of the inaugural EU-UK Summit and the renewed agenda set out in the Common Understanding.

Ahead of the upcoming EU-UK Summit, European and UK business urge leaders to agree on tangible outcomes that benefit both businesses and citizens, whilst at same time setting out an ambitious programme for deeper economic, defence, and security cooperation.

The continuing war in Ukraine, the ongoing conflict in the Middle East, and the unprecedented threats to our continent's security make cooperation on foreign policy and defence an absolute priority. As European business, we support stronger defence and industrial cooperation but were disappointed that negotiations regarding the UK's full participation in Security Action for Europe (SAFE) were unsuccessful. UK and EU leaders must reaffirm their commitment to defence and security cooperation at this year's Summit, including by advancing discussions on the UK's participation in SAFE and the EU's Ukraine Support Loan.

The conflict in the Middle East has once again highlighted vulnerabilities in both EU and UK energy and supply chain security. Closer cooperation on energy security, including in the North Sea, is vital to reducing critical dependencies and enhancing our collective economic security and resilience. Building more resilient and competitive European supply chains must therefore remain a priority. In this context, we continue to stress the importance of finding a mutually

agreed solution on Rules of Origin for electrified vehicles, ensuring the EU-UK Trade and Cooperation Agreement delivers, in both spirit and practice, the growth opportunities presented by the green industrial transition.

With the EU remaining the UK's largest trading partner and the UK the EU's second largest when both goods and services are taken into account, strengthening the trade and investment relationship is imperative for the competitiveness of both economies, particularly against a backdrop of increasing global trade fragmentation and instability.

Tangible outcomes at the forthcoming EU-UK Summit will be important in demonstrating that EU-UK relations have entered a new phase of maturity. Concluding negotiations on a Sanitary and Phytosanitary Agreement, and the linkage of the EU and UK Emissions Trading Schemes remains a key business priority for the year ahead. Delivering on these frameworks, alongside establishing a mutually beneficial Youth Experience Scheme, would support competitiveness, foster innovation, and reduce barriers to trade and investment. This would send a strong signal to businesses that both sides are committed to unlocking the full potential of this relationship.

EU and UK leaders must also advance other elements contained within the Common Understanding, notably on the internal electricity market, business mobility, touring artists, and mutual recognition of professional qualifications and conformity assessment. Looking ahead, the European and UK business communities support further enhanced regulatory cooperation in key sectors, including chemicals and pharmaceuticals, to address non-tariff barriers. Regulatory duplication and non-tariff barriers place unnecessary costs and burdens on business, particularly SMEs, and are often quoted as reasons why companies are reluctant to trade between the UK and the EU. That is why European and UK business urge both sides to commit to an ambitious agenda to reduce regulatory duplication and friction across our economies.

The EU and the UK, as like-minded partners, share a commitment to the principles of free, fair and sustainable trade, underpinned by a rules-based multilateral trading system. Greater coordination on trade and economic security measures will help deliver growth, resilience, and prosperity in an increasingly uncertain global environment.

Given the high degree of integration between our economies, it is important that 'European Preference' measures, are applied in a manner that fully reflects this relationship and encompasses all sectors of each economy. A political agreement at the EU-UK Summit reaffirming the UK as a trusted EU partner would reinforce investor confidence, strengthen supply chain resilience, and boost growth and competitiveness across both economies. Similarly, finding a mutually beneficial solution to our respective steel safeguard measures would support industrial competitiveness and growth. The unique situation of Northern Ireland must remain a key priority, not just within the context of the Common Understanding, but also as both sides pursue their respective policies that impact on businesses and the island of Ireland economy.

BusinessEurope and the CBI stand ready to support the EU and UK in advancing a stronger and more ambitious partnership and remain at your disposal for further dialogue.

Yours sincerely,



Markus J. Beyrer
Director General
BusinessEurope



Rain Newton-Smith
Chief Executive
CBI

Cc

European Commissioner Maroš Šefčovič

The Rt Hon. Nick Thomas-Symonds MP

The Rt Hon. Peter Kyle MP