

Brussels, 21 January 2021 PCAB/FT (2021) D123

Ursula von der Leyen President of the European Commission Rue de la Loi, 200 1040 Brussels

## Dear President,

The Trade and Cooperation Agreement agreed on 24 December 2020 between the EU and the UK marks the end of a period of uncertainty. We would therefore like to thank you and Mr Barnier for reaching an agreement that is in the interests of the European Union and its citizens. It sets the basis for future relations between the UK and the EU, provides guarantees on fair competition and to some extent appears the concerns of those regions most exposed to the negative consequences of the UK's withdrawal from the EU.

However, the agreement does not solve all the problems resulting from the UK's withdrawal. The EU has lost an important Member in these trying times, when we instead need closer European solidarity and cooperation. It is our duty to rebuild trust in creating a new partnership with the UK, needed to tackle the major societal challenges of the 21<sup>st</sup> century, most notably the post-Covid economic recovery. Local and regional authorities can help to foster this vital cooperation and mutual trust, building on the strong foundations of our long-existing cooperation with our counterparts in UK local government, devolved parliaments and assemblies.

It is therefore most regrettable that the Agreement does not foresee any specific or structured perspective for local and regional authorities, despite their important role in developing the new partnership, not only in economic and political terms, but also having regard to their competences. Indeed, local and regional authorities are only mentioned when it comes to adapting some points of the Agreement to regional conditions, or on very specific issues, such as fiscal provisions. In particular, the Agreement omits the participation of local and regional authorities in any of the codified governance structures. As the EU's political assembly of local and regional governments, we therefore ask that the European Committee of the Regions (CoR) be given the facility to formally represent local and regional authorities in the new partnership in a structured manner under the Agreement.

In this regard, we would like to propose the involvement of our institution within the EU delegation to the Joint Partnership Council as a possible pragmatic solution.

Our institutions will continue to play an active role in relations with the UK through the political work of our CoR-UK Contact Group (chaired by Loïg Chesnais-Girard) and through the consultative work of the Commission for Citizenship, Governance, Institutional and External Affairs (chaired by Mark Speich) and Commission for Economic Policy (chaired by Michael Murphy). These political bodies will ensure the continuation of dialogue between EU and UK local and regional authorities, representing their interests and contributing to the development of the new relationship with the UK. We will monitor and analyse the territorial impact of Brexit, as well as the impact of the financial instruments designed to mitigate the consequences of the withdrawal, seeking to ensure the Brexit Adjustment Reserve matches the needs of local and regional authorities and that they are properly involved in the shaping of its implementing measures.

We believe that a strong cohesion policy, reinforced European territorial cooperation programmes such as Interreg, the PEACE programme and other instruments such as the European Grouping of Territorial Cooperation, should be further developed and promoted within the new relationship. In this context, our CoR-UK Contact Group will reflect on ways to ensure the continuity of our cooperation with UK's devolved administrations and local governance, including through the implementation of new tools of partnership, such as a possible future macro-regional strategy including the UK.

We look forward to our continued cooperation in this most important area.

Yours sincerely,

Apostolos TZITZIKOSTAS

President of the European Committee of the Regions

(Governor of Central Macedonia Region, Greece)

Loïg CHESNAIS-GIRARD

President of the CoR-UK Contact Group

(President of the Regional Council of Brittany, France)

Copy to: Mr Maroš Šefčovič, Vice-President of the European Commission