Resolution on the framework of the future EU-UK relationship

2018/2573(RSP) - 14/03/2018 - Text adopted by Parliament, single reading

The European Parliament adopted by 544 votes to 110, with 51 abstentions, a resolution on the framework of the future EU-UK relationship.

The text adopted in plenary was tabled by the EPP, S&D, ALDE, GUE/NGL and Greens/EFA groups.

The purpose of negotiations between the European Union (EU) and the United Kingdom (UK) pursuant to Article 50 of the Treaty on European Union (TEU) is to provide for an orderly withdrawal of the UK from the EU. Article 50 TEU states that the arrangements for the UK's withdrawal should take account of the framework for its future relationship with the Union.

Following the negotiations on separation issues which took place in December 2017, it is appropriate that negotiations can now deal with the framework of the future EU-UK relationship. Any agreement on a framework for a future relationship will be treated as integral to the overall withdrawal settlement and will inform the European Parliament's deliberations during its consent procedure.

Although the UK and the EU will remain close neighbours and will continue to have many interests in common, the **United Kingdom will become a third country** after withdrawal whatever framework is agreed for its future relationship with the EU. Such a close relationship in the form of an **association agreement between the EU and the UK** could be considered an appropriate framework for the future relationship by which these common interests can be protected and promoted, including a **new trade relationship**.

Framework for the future relationship: although the UK will continue to be an important partner for the EU in all four main pillars that the future relationship should be based on (**trade and economic relations, foreign policy, security cooperation and development cooperation, internal security, thematic cooperation**), the resolution noted that such cooperation with the UK, as a third country, can only take place in **strict concordance** with the principles laid down by the European Parliament. Parliament recalled that the EU has **binding common rules**, common institutions and common supervisory, enforcement and adjudicatory mechanisms and that third countries, even those with identical legislation or full regulatory alignment, are not able to enjoy the same benefits or market access as EU Member States, for instance in relation to the four freedoms and financial contributions from the EU budget.

Trade and economic relations: the resolution recalled that internal market participation requires the incorporation of corresponding EU rules, a level playing field, including through a competition and state aid regime, binding CJEU jurisprudence and contributions to the EU budget. It noted that a customs union removes tariff barriers and some customs controls, but requires compliance with EU trade policy and a common external border. It took note that **the UK Government continues to rule out both the internal market and the customs union**.

However, leaving the internal market would lead to the **UK losing both passporting rights for financial services** and the possibility of opening branches in the EU subject to UK supervision. Parliament underlined that an EU-UK agreement should include a robust **dispute settlement mechanism** as well as governance structures.

The UK's current position would lead to customs checks and verification which would affect global supply chains and manufacturing processes, even if tariff barriers can be avoided. The importance of a **high level of alignment between the Single EU VAT Area and the UK** was stressed.

Foreign policy, security cooperation and development cooperation: as a third country, the UK will not be able to participate in the EU's decision-making process, however, Members pointed out that this does not exclude **consultation mechanisms** that would allow the UK to align with EU foreign policy positions, joint actions, notably on human rights, or multilateral cooperation, especially in the frameworks of the UN, OSCE and Council of Europe.

Internal security: Parliament stressed that it is in the mutual interest of the EU and the UK to establish a partnership that ensures continued security cooperation to face shared threats, especially terrorism and organised crime, and avoids the disruption of information flows in this field.

Governance of the future agreement: Parliament pointed out that any future EU-UK agreement with the UK as a third country should include the establishment of a coherent and solid governance system. It agreed with the idea of setting up a **joint committee** responsible for overseeing the implementation of the agreement, addressing divergences of interpretation and implementing agreed corrective measures in good faith, and fully ensuring the EU's regulatory autonomy, including the legislative prerogatives of the European Parliament and the Council.

Level playing field: Parliament strongly believes that the UK should adhere to the evolving standards on taxation and anti-money laundering legislation within the Union acquis, including tax transparency, the exchange of information on tax matters and anti-tax avoidance measures. It reiterated the need to set up safeguards to ensure the maintenance both of high standards and a level playing field in the areas of environmental protection, action against climate change, food safety and public health.

Citizens' rights: addressing all outstanding issues with regard to citizens' rights and making sure that the rights of EU citizens legally residing in the UK and of UK citizens legally residing in EU-27 are not affected by Brexit will be one of the key issues for Parliament´s consent. Parliament takes note of the provisions on the administrative procedures to acquire **permanent resident status** and insisted on the need to enable families to initiate the procedure by means of a **single form** that is declaratory in nature and places the burden of proof on the UK authorities. It insisted that **future free movement rights** across the whole EU for UK citizens currently resident in an EU-27 Member State are guaranteed, as well as voting rights in local elections for all citizens covered by the Withdrawal Agreement. It also called for the **lifelong right for EU citizens covered by the Withdrawal Agreement to return to the UK.**

It insisted that **during the transition period** any EU citizens coming to the UK enjoy the same rights as those who arrived before the start of the transition period. It rejected, in this context, the proposal in the recent policy paper published by the UK Government that maintains the discrimination between EU citizens who arrive before the start of the transition period and those who arrive after.

Ireland and Northern Ireland: Parliament recalled the importance of the **UK's commitment** to ensure that there will be no reduction in rights, including social and democratic rights, safeguards and equality of opportunity as set out in the Good Friday Agreement.

Transitional period: the resolution reiterated that after the withdrawal date the UK will no longer be part of the EU institutions and bodies and no longer contribute to decision-making, and that transition can only consist of the prolongation of the EU acquis and the continued application of existing EU regulatory, budgetary, supervisory, judicial and enforcement instruments and structures to the UK. It reiterated that all the rights conferred to citizens by Union law should be extended throughout the transition period. This should also apply to **EU citizens arriving in the UK during the transition period**, who should benefit

from exactly the same rights, especially concerning child allowances, family reunification and access to judicial redress with the CJEU.