

Pagefield briefing note: The United Kingdom's exit from and new partnership with the European Union

This document provides a condensed briefing of the government's White Paper: 'The United Kingdom's exit from and new partnership with the European Union White Paper'. The White Paper builds and expands on the Prime Minister's Lancaster House speech from January 2017.

Contents:

1. [Providing certainty and clarity](#)
2. [Taking control of our own laws](#)
3. [Strengthening the Union](#)
4. [Protecting strong and historic ties with Ireland and maintaining the Common Travel Area](#)
5. [Controlling immigration](#)
6. [Securing rights for EU nationals in the UK, and UK nationals in the EU](#)
7. [Protecting workers' rights](#)
8. [Ensuring free trade with European Markets](#)
9. [Securing new trade agreements with other countries](#)
10. [Ensuring the United Kingdom remains the best place for science and innovation](#)
11. [Cooperating in the fight against crime and terrorism](#)
12. [Delivering a smooth, orderly exit from the EU](#)

Providing certainty and clarity

Providing clarity

The Great Repeal Bill will remove the European Communities Act 1972 and, wherever appropriate, convert the body of existing EU laws into domestic law. This approach will aim to preserve the rights and obligations that already exist in the UK under EU law in order to provide a secure basis for future changes to domestic law ensuring as much certainty as possible to both UK and EU business.

The Government intend to bring forward a White Paper on the Great Repeal Bill which will provide more detail on their approach.

Public and parliamentary involvement and scrutiny

The government will seek to as many organisations, institutions and representatives as possible to ensure that a national consensus forms the basis of negotiating positions.

The Joint Ministerial Committee will continue to engage the devolved administrations during the process of exiting the European Union in order to obtain proper scrutiny.

Parliament will play a critical role in determining the legislation required to give effect to our withdrawal from the EU. Policy changes which are included will be underpinned by a multitude of legislation, offering the opportunity to debate and scrutinise all changes. For example; there will be separate bills on immigration and customs.

Both houses, The House of Commons Select Committee on Exiting the EU and other select committees will contribute to scrutinising decisions which are made.

The UK parliament will receive at least as much information as that received by members of the European Parliament; however, in the interest of negotiation power, there will be times when a limited amount of commentary can be made public.

The government will put the final deal that is agreed between the UK and the EU to a vote in both Houses of Parliament.

Funding Commitments already made by the government

All European Structural and Investment Funds that were in place before the Autumn Statement 2016 will be fully funded. Any projects signed after this point will be continued if they provide strong value for money. Institutions, Universities and Businesses should continue to bid directly to the Commission. HM Treasury has provided a guarantee to the agricultural sector that it will receive the same level of funding until the end of the Multiannual Financial Framework in 2020. The same level of reassurance is offered to the devolved administrations.

Taking control of our own laws

Parliamentary Sovereignty

The paper states that leaving the EU will mean that UK laws will be made in London, Edinburgh, Cardiff and Belfast, and will be based on the specific interests and values of the UK. While continuing to honour international commitments and international laws, the government will bring an end to the Court of Justice of the European Union having jurisdiction in the UK.

Dispute resolution mechanisms

Dispute resolution mechanisms ensure that all parties share a single understanding of an agreement, both in terms of interpretation and application. These mechanisms can also ensure uniform and fair enforcement of agreements. The UK will seek to agree a new approach to interpretation and dispute resolution with the EU.

Strengthening the Union

Overview

The government expects full engagement of all devolved administrations. The Joint Ministerial Committee on EU Negotiations is chaired by the Secretary of State for Exiting the EU and has members from each devolved administration. The Committee will meet on a monthly basis to consider proposals put forward by the devolved administrations. So far the committee has priorities relating to law enforcement, security, criminal justice, civil judicial cooperation, immigration and trade. It will be ensured that the opportunity of bringing decision making back to the UK results in more decision being devolved. Through recognising the importance of trade within the UK to all parts of the Union, it can be ensured that no new barriers to living and doing business within our own Union are created.

Devolved administrations' proposals:

The Scottish Government has published Scotland's Place in Europe, which sets out three points. These points are similar to those set out by Plaid Cymru in Securing Wales' Future:

- Aiming to keep the UK in the European Single Market through the European Economic Area Agreement and the EU Customs Union.
- Exploring options for how Scotland could remain a member of the European Single Market even if the rest of the UK leaves.
- Safeguarding and expanding the powers of the Scottish Parliament.

Protecting strong and historic ties with Ireland and maintaining the Common Travel Area

Overview

The government has promised to recognise and protect the unique economic, social and political context between Ireland and the United Kingdom.

Economically

- Commitment by both the UK and Irish governments to “deepen and broaden” a modern relationship, post-Brexit.
- To have a seamless and frictionless border between Northern Ireland and Ireland.
- To find shared solutions to the economic challenges and maximise the economic opportunities for both the UK and Ireland once the UK leaves the UK.

Rights

- Guarantee the current rights of both Northern Irish and Irish in relation to the UK.
- Allow people of Northern Ireland to hold citizenship to the UK accordingly.
- Deliver the maintenance of the Common Travel Area (CTA), while also protecting the integrity of the UK’s immigration system.

Controlling Immigration

Overview

The government assert that the UK will remain an open tolerant country, but are keen to establish confidence from the public in their ability to control immigration and confirm that the Free Movement Directive will no longer apply to the migration of EU nationals.

A controlled approach

It is reiterated throughout the white paper that there will be “controlled” approach to immigration. The government recognise that immigration can bring great benefits – filling skills shortages, delivering public services but that this must be controlled.

Skill migrants and students

The white paper ensures that the UK will remain open to the “brightest and best” to come to this country and will welcome “genuine students” and those with the skills and expertise to contribute to UK society. The government have already confirmed that existing EU students and those starting courses in 2016-17 and 2017-18 will continue to be eligible for student loans and home fee status for the duration of their course. They have also confirmed that research councils will continue to fund postgraduate students from the EU whose courses start in 2017-18.

Phased approach

There remains a lack of detail in the approach the Prime Minister will take on new immigration arrangements and the possibility of a “phased approach” is reiterated. The government notes that businesses and individuals will be given enough time to plan and prepare for any arrangements which are put in place.

Securing rights for EU nationals in the UK, and UK nationals in the EU

Overview

The government intends to secure the status of EU citizens currently living in the UK (an estimated 2.8 million) and UK nationals currently living in Member States (around 1 million, with 300,000 in Spain), as early as possible. This is described as an early priority. Government will be working with a range of stakeholders to achieve this, with an emphasis on recognising the necessity for UK nationals to have easy access to healthcare in member states.

Although there have been attempts to resolve these issues ahead of formal negotiations this has not been possible. The government state that a deal will be made with European partners at the earliest opportunity.

Protecting workers' rights

Overview

The government recognises that its employment laws already in place go further than many of the standards set out within EU legislation. Their aim is to protect and enhance the rights people have at work, post-Brexit by:

- Committing to strengthening rights when it is the right choice for UK workers and continue to seek out opportunities to enhance protections.
- Give certainty and continuity to employees and employers alike within the UK.
- Commission an independent review of employment practices within the modern economy with the aim of tackling issues such as the rapid growth in self-employment, shift in business practice from hiring to contracting, the rise of non-standard contract forms, and the emergence of new business models such as on-demand platforms

Ensuring free trade with European Markets

Overview

The government has announced that securing the freest and most '*frictionless*' trade possible in terms of goods and services with the EU is a priority in terms of Brexit negotiations.

Single Market

The paper clarifies that the government will **not be seeking membership of the Single Market** but instead will pursue a new strategic partnership – including a Free Trade Agreement and a new customs agreement. It also clarifies that the government will not be seeking an existing model used by other countries, but that the agreement may include elements of the current Single Market arrangements.

The paper also emphasises the importance of the relationship between the EU and the UK in terms of trade – highlighting the mutual benefits it allows for.

Securing new trade agreements with other countries

Overview

In terms of securing new trade agreements, this section of the paper fleshes out government discourse with regards to the opportunity for the UK to strike free trade agreements with countries across the world following its exit from the European Union.

The paper explains that while the UK remains a member of the EU it will continue to support the EU's trade agenda – but simultaneously look to increase UK trade with '*the fastest growing and most dynamic export markets in the world*'.

Approach

The UK's approach to trade policy will include; bilateral FTAs and dialogues with third countries, participation in multilateral and plurilateral negotiations, market access and dispute resolution through the WTO, trade remedies, import and export controls, unilateral liberalisation, trade preferences and trade for development.

Department of International Trade objectives

The White Paper points to the establishment of the Department of International Trade as a means by which to drive up UK trade and investment. The Department's objectives are as follows:

- Promoting and supporting UK exports of goods and services to deliver a growing economy that works for everyone;
- Maximising wealth creation through supporting Foreign Direct Investment and Outward Direct Investment; and
- Delivering the best international trading framework for the UK.

New trade deals

The white paper highlights that the government has begun trade discussions with countries such as Australia, New Zealand and India, and most notably the United States. Despite not being able to agree to any new trade deals until the UK has formally left the EU – the government are keen to point out that preparations are ongoing.

WTO membership

The government describes the UK's WTO membership as 'the bedrock on which we will build our future trade relationship', whilst also mentioning that as part of leaving the EU the UK will need to establish its own schedules for covering trade in goods and services at the WTO, once again clarifying that work is already under way.

Other institutions and organisations

The UK will also pursue long-held pro-trade and pro-development stance in the relevant international institutions and organisations, such as the G7 and G20, the UN and the OECD

Ensuring the United Kingdom remains the best place for science and innovation

Overview

The government has set out its pledge to invest in science and innovation with its intention to turn the UK's strengths in research and the world-leading ideas and discoveries made in Britain into "global industrial and commercial lead".

Committed to science

As confirmed in the Autumn Statement, the government wants to send a clear message that the UK is committed to protecting the UK's strength in science and repeats its pledge for a substantial increase in government investment, worth an extra £2 billion a year by 2020/21.

The paper also outlines how the new Industrial Strategy Challenge Fund will back priority technologies such as robotics and biotechnology and in doing so put the UK and its companies at the forefront of innovation, developing products and services so to address the challenges of the future.

Close engagement with the science and research base

The government has established a 'High Level Stakeholder Working Group on EU Exit, Universities Research and Innovation' in order to work together to ensure the UK retains and builds on its strong position in research and innovation excellence.

As the Prime Minister indicated in her speech on the 17th January, the paper seeks to assure the science and research sectors that collaboration between the UK and that the EU will not stop or slow down during the process or once we have left the European Union.

It attempts to do this by encouraging researchers to continue to bid for competitive European funding whilst the UK is still a member of the EU and ensures that the government will work with the European Commission to make sure funds are awarded. The HM Treasury will also underwrite payments of these awards even when specific projects continue beyond the UK's departure from the EU. This is an attempt from the government to provide the reassurance and the certainty needed for long term projects to go ahead.

As mentioned under 'Controlling Migration' the government has also provided further assurances for Universities and research departments by guaranteeing to uphold student loans and home fee status for existing EU students and those starting courses between 2016-2018 – even after the UK has left the EU.

International Collaboration

The paper stresses the benefit that international collaboration on research has held in the past and seeks to welcome an agreement whereby the UK and EU can continue the partnerships on major science, research and technology initiatives that currently exist.

Cooperating in the fight against crime and terrorism

Overview

With the safety of the UK public defined as "the top public priority for the government", the UK intends to work even more closely with the EU to share information to prevent the threat of terrorism. It is noted that these efforts have intensified following the incidents in Paris, Brussels and Berlin, and that deep cooperation will continue. Activities to combat crime and terrorism that the UK and EU have been working together on are listed, demonstrating the mutual benefits of continued cooperation.

The government recognises – and mirrors - intentions from key European players for continued and improved cooperation following the UK's exit from the EU, with a continued focus on cyber security and serious and organised crime.

Delivering a smooth, orderly exit from the EU

Overview

The government is confident that the UK and EU can reach a positive deal on our future partnership, as it would be mutually beneficial for both parties to do so, and will approach negotiations in that spirit.

Phased process

The UK will seek a phased process of implementation, in which both the UK and the EU institutions and the remaining EU Member States prepare for the new arrangements that will exist between us. The government states that this delivery will be a smooth, mutually beneficial exit, and not a disruptive cliff-edge process.

Next steps

- Article 50 will be triggered no later than the end of March 2017.
- An agreement to be in place by the time the two year Article 50 process has concluded.
- The process of implementation of new arrangements with the UK, EU and Member States will be in all parties' mutual interests.
- Businesses are given enough time to plan and prepare for the arrangements in place.

The UK will not however seek any form of unlimited transitional status and have made it clear that “no deal for the UK is better than a bad deal for the UK”.