# **European Parliament**

2014-2019



# **TEXTS ADOPTED**

# P8\_TA(2017)0102

# Negotiations with the United Kingdom following its notification that it intends to withdraw from the European Union

European Parliament resolution of 5 April 2017 on negotiations with the United Kingdom following its notification that it intends to withdraw from the European Union (2017/2593(RSP))

#### The European Parliament,

- having regard to Article 50 of the Treaty on European Union,
- having regard to Articles 3(5), 4(3) and 8 of the Treaty on European Union,
- having regard to Articles 217 and 218 of the Treaty on the Functioning of the European Union,
- having regard to the notification given by the Prime Minister of the United Kingdom to the European Council on 29 March 2017 in accordance with Article 50(2) of the Treaty on European Union,
- having regard to its resolution of 28 June 2016 on the decision to leave the EU resulting from the UK referendum<sup>1</sup>,
- having regard to its resolutions of 16 February 2017 on possible evolutions of and adjustments to the current institutional set-up of the European Union<sup>2</sup>, on improving the functioning of the European Union building on the potential of the Lisbon Treaty<sup>3</sup>, and on budgetary capacity for the euro area<sup>4</sup>,
- having regard to Rule 123(2) and (4) of its Rules of Procedure,
- A. whereas the notification by the United Kingdom Government to the European Council begins the process by which the United Kingdom will cease to be a Member State of the European Union and the Treaties will no longer apply to it;

<sup>&</sup>lt;sup>1</sup> Texts adopted, P8\_TA(2016)0294.

<sup>&</sup>lt;sup>2</sup> Texts adopted, P8\_TA(2017)0048.

<sup>&</sup>lt;sup>3</sup> Texts adopted,  $P8_TA(2017)0049$ .

<sup>&</sup>lt;sup>4</sup> Texts adopted, P8\_TA(2017)0050.

- B. whereas this will be an unprecedented and regrettable event as a Member State has never withdrawn from the European Union before; whereas that withdrawal must be arranged in an orderly fashion so as not to negatively affect the European Union, its citizens and the process of European integration;
- C. whereas the European Parliament represents all citizens of the European Union and will act throughout the whole process leading to the withdrawal of the United Kingdom to protect their interests;
- D. whereas although it is the sovereign right of a Member State to withdraw from the European Union, it is the duty of all remaining Member States to act in unity in the defence of the European Union's interests and its integrity; whereas, therefore, the negotiations will be conducted between the United Kingdom, on the one hand, and the Commission on behalf of the European Union and its remaining 27 Member States (EU-27), on the other;
- E. whereas negotiations on the United Kingdom's withdrawal from the European Union will begin following adoption by the European Council of guidelines for those negotiations; whereas this resolution represents the European Parliament's position for those guidelines and will also form the basis of Parliament's assessment of the negotiation process and of any agreement reached between the European Union and the United Kingdom;
- F. whereas until it leaves the European Union the United Kingdom must enjoy all the rights and fulfil all the obligations deriving from the Treaties, including the principle of sincere cooperation laid down in Article 4(3) of the Treaty on European Union;
- G. whereas the United Kingdom has stated in its notification of 29 March 2017 its intention to fall outside the jurisdiction of the Court of Justice of the European Union;
- H. whereas the United Kingdom Government has indicated in the same notification that its future relationship with the European Union will not include membership of the internal market or membership of the customs union;
- I. whereas, nevertheless, continued membership of the United Kingdom of the internal market, the European Economic Area and/or the customs union would have been the optimal solution for both the United Kingdom and the EU-27; whereas this is not possible as long as the United Kingdom Government maintains its objections to the four freedoms and to the jurisdiction of the Court of Justice of the European Union, refuses to make a general contribution to the Union budget, and wants to conduct its own trade policy;
- J. whereas, following the result of the referendum on leaving the European Union, the decision 'concerning a new settlement for the United Kingdom within the European Union' annexed to the European Council conclusions of 18 and 19 February 2016 is in any case null and void in all its provisions;
- K. whereas the negotiations must be conducted with the aims of providing legal stability and minimising disruption, and providing a clear vision of the future for citizens and legal entities;
- L. whereas a revocation of notification needs to be subject to conditions set by all EU-27,

so that it cannot be used as a procedural device or abused in an attempt to improve on the current terms of the United Kingdom's membership;

- M. whereas without a withdrawal agreement the United Kingdom would automatically exit the European Union on 30 March 2019, and would do so in a disorderly manner;
- N. whereas a large number of United Kingdom citizens, including a majority in Northern Ireland and Scotland, voted to remain in the European Union;
- O. whereas the European Parliament is especially concerned at the consequences of the United Kingdom's withdrawal from the European Union for Northern Ireland and its future relations with Ireland; whereas in that respect it is crucial to safeguard peace and therefore to preserve the Good Friday Agreement in all its parts, recalling that it was brokered with the active participation of the Union, as the European Parliament emphasised in its resolution of 13 November 2014 on the Northern Ireland peace process<sup>1</sup>;
- P. whereas the withdrawal of the United Kingdom should compel the EU-27 and the Union institutions to better address the current challenges and to reflect on their future and on their efforts to make the European project more effective, more democratic, and closer to the citizens; recalls the Bratislava roadmap, the resolutions of the European Parliament on the matter, the European Commission's White Paper of 1 March 2017 on the Future of Europe, the Rome Declaration of 25 March 2017, and the proposals of the High-Level Group on Own Resources of 17 January 2017, which may serve as a basis for this reflection;
- 1. Acknowledges the notification by the United Kingdom Government to the European Council which formalises the United Kingdom's decision to withdraw from the European Union;
- 2. Calls for the negotiations between the European Union and the United Kingdom, as provided for in Article 50(2) of the Treaty on European Union, to begin as soon as possible;
- 3. Reiterates the importance of the withdrawal agreement and any possible transitional arrangement(s) entering into force well before the elections to the European Parliament of May 2019;
- 4. Recalls that the withdrawal agreement can only be concluded with the consent of the European Parliament, as is also the case for any possible future agreement on relations between the European Union and the United Kingdom as well as any possible transitional arrangements;

# General principles for the negotiations

5. Expects that, to ensure an orderly exit of the United Kingdom from the European Union, the negotiations between the European Union and the United Kingdom must be conducted in good faith and full transparency; recalls that the United Kingdom will continue to enjoy its rights as a Member State of the European Union until the withdrawal agreement comes into force and will therefore also remain bound by its

<sup>&</sup>lt;sup>1</sup> OJ C 285, 5.8.2016, p. 9.

duties and commitments arising therefrom;

- 6. Recalls that, in this respect, it would be contrary to Union law for the United Kingdom to begin, in advance of its withdrawal, negotiations on possible trade agreements with third countries; stresses that such an action would be in contradiction with the principle of sincere cooperation laid down in Article 4(3) of the Treaty on European Union and should have consequences, among them the United Kingdom's exclusion from the procedures for trade negotiations laid down in Article 218 of the Treaty on the Functioning of the European Union; emphasises that the same must apply in other policy areas where the United Kingdom would continue to shape Union legislation, actions, strategies or common policies in a way that favours its own interests as a departing Member State, rather than the interests of the European Union and of the EU-27;
- 7. Warns that any bilateral arrangement between one or several remaining Member States and the United Kingdom, in the areas of European Union competence, that has not been agreed by the EU-27, relating to issues included in the scope of the withdrawal agreement and/or impinging on the future relationship of the European Union with the United Kingdom, would also be in contradiction with the Treaties; warns moreover that this would especially be the case for any bilateral agreement and/or regulatory or supervisory practice that would relate, for instance, to any privileged access to the internal market for United Kingdom-based financial institutions at the expense of the Union's regulatory framework or to the status of EU-27 citizens in the United Kingdom or vice versa;
- 8. Believes that the mandate and the negotiating directives applying throughout the whole negotiation process must fully reflect the positions and interests of the citizens of the EU-27, including those of Ireland, since that Member State will be particularly affected by the withdrawal of the United Kingdom from the European Union;
- 9. Hopes that under these conditions the European Union and the United Kingdom will establish a future relationship that is fair, as close as possible and balanced in terms of rights and obligations; regrets the decision by the United Kingdom Government not to participate in the internal market, the European Economic Area or the customs union; considers that a state withdrawing from the Union cannot enjoy similar benefits to those enjoyed by a Union Member State, and therefore announces that it will not consent to any agreement that would contradict this;
- 10. Reaffirms that membership of the internal market and the customs union entails acceptance of the four freedoms, the jurisdiction of the Court of Justice of the European Union, general budgetary contributions and adherence to the European Union's common commercial policy;
- 11. Stresses that the United Kingdom must honour all its legal, financial and budgetary obligations, including commitments under the current multiannual financial framework, falling due up to and after the date of its withdrawal;
- 12. Notes the proposed arrangements for the organisation of negotiations set out in the statement by the Heads of State or Government of 27 Member States, as well as the Presidents of the European Council and the European Commission, of 15 December 2016; welcomes the nomination of the European Commission as Union negotiator and

the Commission's nomination of Michel Barnier as its chief negotiator; points out that full involvement of the European Parliament is a necessary precondition for it to give its consent to any agreement reached between the European Union and the United Kingdom;

#### Sequencing of the negotiations

- 13. Underlines that, in accordance with Article 50(2) of the Treaty on European Union, the negotiations are to concern the arrangements for the United Kingdom's withdrawal while taking account of the framework for the United Kingdom's future relationship with the European Union;
- 14. Agrees that should substantial progress be made towards a withdrawal agreement then talks could start on possible transitional arrangements on the basis of the intended framework for the United Kingdom's future relationship with the European Union;
- 15. Notes that an agreement on a future relationship between the European Union and the United Kingdom as a third country can only be concluded once the United Kingdom has withdrawn from the European Union;

#### Withdrawal agreement

- 16. States that the withdrawal agreement must be in conformity with the Treaties and the Charter of Fundamental Rights of the European Union, failing which it will not obtain the consent of the European Parliament;
- 17. Is of the opinion that the withdrawal agreement should address the following elements:
  - the legal status of EU-27 citizens living or having lived in the United Kingdom and of United Kingdom citizens living or having lived in other Member States, as well as other provisions concerning their rights;
  - the settlement of financial obligations between the United Kingdom and the European Union;
  - the European Union's external border;
  - the clarification of the status of the United Kingdom's international commitments undertaken as a Member State of the European Union, given that the European Union of 27 Member States will be the legal successor to the European Union of 28 Member States;
  - legal certainty for legal entities, including companies;
  - the designation of the Court of Justice of the European Union as the competent authority for the interpretation and enforcement of the withdrawal agreement;
- 18. Requires the fair treatment of EU-27 citizens living or having lived in the United Kingdom and of United Kingdom citizens living or having lived in the EU-27 and is of the opinion that their respective rights and interests must be given full priority in the negotiations; demands, therefore, that the status and rights of EU-27 citizens residing in the United Kingdom and of United Kingdom citizens residing in the EU-27 be subject

to the principles of reciprocity, equity, symmetry and non-discrimination, and demands moreover the protection of the integrity of Union law, including the Charter of Fundamental Rights, and its enforcement framework; stresses that any degradation of the rights linked to freedom of movement, including discrimination between EU citizens in their access to residency rights, before the date of withdrawal from the European Union by the United Kingdom would be contrary to Union law;

- 19. Stresses that a single financial settlement with the United Kingdom on the basis of the European Union's annual accounts as audited by the European Court of Auditors must include all its legal liabilities arising from outstanding commitments as well as making provision for off-balance sheet items, contingent liabilities and other financial costs arising directly as a result of the United Kingdom's withdrawal;
- 20. Recognises that the unique position of and the special circumstances confronting the island of Ireland must be addressed in the withdrawal agreement; urges that all means and measures consistent with European Union law and the 1998 Good Friday Agreement be used to mitigate the effects of the United Kingdom's withdrawal on the border between Ireland and Northern Ireland; insists in that context on the absolute need to ensure continuity and stability of the Northern Ireland peace process and to do everything possible to avoid a hardening of the border;

#### Future European Union-United Kingdom relationship

- 21. Acknowledges the notification of 29 March 2017 and the White Paper of the United Kingdom Government of 2 February 2017 on 'The United Kingdom's exit from and new partnership with the European Union';
- 22. Believes that the future relationship between the European Union and the United Kingdom should be balanced and comprehensive and should serve the interests of the citizens of both parties, and will therefore need sufficient time to be negotiated; stresses that it should cover areas of common interest while respecting the integrity of the European Union's legal order and the fundamental principles and values of the Union, including the integrity of the internal market as well as the decision-making capacity and autonomy of the Union; notes that Article 8 of the Treaty on European Union, as well as Article 217 of the Treaty on the Functioning of the European Union, which provides for 'establishing an association involving reciprocal rights and obligations, common action and special procedures', could provide an appropriate framework for such a future relationship;
- 23. States that, whatever the outcome of the negotiations on the future European Union-United Kingdom relationship, they cannot involve any trade-off between internal and external security including defence cooperation, on the one hand, and the future economic relationship, on the other hand;
- 24. Stresses that any future agreement between the European Union and the United Kingdom is conditional on the United Kingdom's continued adherence to the standards provided by international obligations, including human rights, and the Union's legislation and policies, in, among others, the fields of the environment, climate change, the fight against tax evasion and avoidance, fair competition, trade and social rights, especially safeguards against social dumping;

- 25. Opposes any future agreement between the European Union and the United Kingdom that would contain piecemeal or sectorial provisions, including with respect to financial services, providing United Kingdom-based undertakings with preferential access to the internal market and/or the customs union; underlines that after its withdrawal the United Kingdom will fall under the third-country regime provided for in Union legislation;
- 26. Notes that if the United Kingdom asks to participate in certain European Union programmes it will be as a third country, entailing appropriate budgetary contributions and oversight by the existing jurisdiction; would welcome, in this context, the United Kingdom's continued participation in a number of programmes, such as Erasmus;
- 27. Takes note that many citizens of the United Kingdom have expressed strong opposition to losing the rights they currently enjoy pursuant to Article 20 of the Treaty on the Functioning of the European Union; proposes that the EU-27 examine how to mitigate this within the limits of Union primary law whilst fully respecting the principles of reciprocity, equity, symmetry and non-discrimination;

### Transitional arrangements

28. Believes that transitional arrangements ensuring legal certainty and continuity can only be agreed between the European Union and the United Kingdom if they contain the right balance of rights and obligations for both parties and preserve the integrity of the European Union's legal order, with the Court of Justice of the European Union responsible for settling any legal challenges; believes, moreover, that any such arrangements must also be strictly limited both in time – not exceeding three years – and in scope, as they can never be a substitute for European Union membership;

# Issues for the EU-27 and the Union institutions

- 29. Calls for agreement to be reached as quickly as possible on the relocation of the European Banking Authority and the European Medicines Agency and for the process of relocation to begin as soon as practicable;
- 30. Points out that a review and adjustment of Union law may be necessary to take account of the United Kingdom's withdrawal;
- 31. Believes that a revision covering the last two years of the current multiannual financial framework is not required, but that the impact of the United Kingdom's withdrawal should be dealt with by means of the annual budgetary procedure; underlines that the work on a new multiannual financial framework, including the question of own resources, should begin immediately among the Union institutions and the EU-27;
- 32. Commits itself to finalising in time the legislative procedures on the composition of the European Parliament under Article 14(2) of the Treaty on European Union and on the electoral procedure on the basis of its proposal under Article 223 of the Treaty on the Functioning of the European Union annexed to its resolution of 11 November 2015 on the reform of the electoral law of the European Union<sup>1</sup>; believes furthermore, taking into account Recital P of the present resolution, that during the negotiations on the withdrawal of, and on the establishing of a new relationship with, the United Kingdom,

<sup>&</sup>lt;sup>1</sup> Texts adopted, P8\_TA(2015)0395.

the remaining 27 Member States of the European Union, together with its institutions, need to strengthen the present Union by means of a broad public debate and to start an in-depth interinstitutional reflection on its future;

#### Final provisions

- 33. Reserves the right to clarify its position on the European Union-United Kingdom negotiations, and, where appropriate, to adopt further resolutions, including on specific matters or sectorial issues, in the light of the progress or otherwise of those negotiations;
- 34. Expects the European Council to take this resolution into account when adopting its guidelines defining the framework for negotiations and setting out the overall positions and principles that the European Union will pursue;
- 35. Resolves to determine its final position on the agreement(s) based on the assessment made in line with the content of this resolution and any subsequent European Parliament resolutions;

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36. Instructs its President to forward this resolution to the European Council, the Council of the European Union, the European Commission, the European Central Bank, the national parliaments and the Government of the United Kingdom.