



## **Press statement by Michel Barnier following this week's round of negotiations**

Brussels, 8 June 2018

Ladies and gentlemen,

I am very happy to be here to debrief you on the round of negotiations which has just ended, less than three weeks from the European Council.

I would like to frankly present to you today, as I usually do, the three points of this negotiation:

- The separation issues;
- The major question of Ireland and Northern Ireland, in light of the UK paper presented yesterday;
- The future partnership and the conditions to succeed.

First of all, a general remark:

It is now time to take decisions and make choices.

Time is short. In less than 10 months, the United Kingdom is leaving the European Union, as it so wished. And, I repeat, we must conclude an agreement on the orderly withdrawal by autumn to give the necessary time on both sides for ratification – which was always my objective.

We continue to work intensely and, on our side, we will continue to explain calmly and clearly our positions, as well as recalling – as is sometimes necessary – what the European Union, the Single Market and the Customs Union are.

And, seeing as time is short, I also recall that we are always available and ready to intensify the rhythm of our meetings and negotiations.

Ladies and gentlemen,

I – First, a few words on this week's work and on the separation topics.

We progressed over the past days on a certain number of subjects linked to the orderly withdrawal. These are called "other separation issues".

We think that these subjects can be resolved before the next European Council, which means that, in the document you know well, we will probably change some yellow parts into green and some white parts into green.

Each of these subjects is obviously important to provide legal certainty where there is currently no legal certainty because of Brexit.

But there is a lot of work to be done on the three other separation issues, which are important, even very serious, for our businesses and citizens:

- The protection of the personal data of EU citizens. We want that the data that has already been exchanged remains protected as it is today.
- The protection of geographical indications, on which we still do not have any UK position. This subject is important for a lot of producers, for consumers, as much in the UK as in the 27 other countries of the European Union.
- The infringement and administrative procedures concerning the UK which will be ongoing at the end of the transition, for example in the area of state aid. This is not a bureaucratic point. This is a point which concerns the financial interests of the Union.

Beyond these three points – on which we have worked a lot – there remain two major points of divergence:

- The governance of the Withdrawal Agreement. I won't elaborate further on this point today because I spoke at length on this a few days ago in Lisbon.
- And obviously questions related to Ireland and Northern Ireland.

Ladies and gentlemen,

II – On Ireland and Northern Ireland, we also worked this week with the UK team on two important elements.

First, regulatory alignment.

This is about very concrete subjects: goods, agriculture, electricity, certain parts of environmental policy.

On these subjects, I would like to call for pragmatism from all sides, as I did recently during my trip to Ireland and Northern Ireland. On these concrete everyday topics, we need common rules to preserve the free movement of goods on the island and to preserve and encourage North-South cooperation.

During this visit – a month ago – everywhere I went, from Dundalk, to Newry, Derry-Londonderry and Dungannon, I was very interested to meet groups of farmers, businesses, young people, and women, who all told me the same thing. They told me about the importance of being able to circulate and move freely. And this is what we want to preserve in the agreement.

It is in Northern Ireland's interest also to keep the same rules in these areas, and to avoid new barriers to the daily exchanges on the island.

It is in the interest of the farmers in Ireland and Northern Ireland that the same sanitary and phytosanitary rules apply, as is the case today.

The second points of discussions on Ireland and Northern Ireland this week concerned customs.

Ladies and gentlemen,

You have all seen the UK's customs paper, which we received yesterday.

I welcomed the publication of this paper. It is good to see the UK engaging with us by proposing text.

As I said yesterday, we are examining this paper objectively, looking at three questions:

1. First: Is this a workable solution to avoid a hard border?
2. Second: Does it respect the integrity of the Single Market and the Customs Union?
3. Third: Is this an all-weather backstop?

Allow me to come back to each of these questions, which in turn, raise more specific ones.

1) First: Is this a workable solution to avoid a hard border?

- The UK recognises that the proposals in its paper cannot qualify as a backstop since the issue of full regulatory alignment is not addressed. I repeat that we need regulatory alignment to avoid a hard border. How do we solve this issue?

2) Second question: Does the UK proposal respect the integrity of the Single Market and the Customs Union?

- The UK wants to continue benefiting from our free trade agreements. Does that mean that we will have to reopen, renegotiate or even re-ratify our existing agreements in order to keep the UK in our customs territory after the transition?
- The UK tells us that it wants to avoid any control. How does that fit with the requirements of our VAT system?

3) Third question: Is this an all-weather backstop?

- The UK calls this arrangement temporary. How does that fit with the need to secure the absence of a hard border in all circumstances?
- Moreover, we had agreed with the UK on the principle that public authorities and businesses would need to adapt only once to the new situation created by Brexit – only once. Does the temporary nature of the customs arrangement mean that several adaptations will now be needed?

Ladies and gentlemen,

These questions require further discussion. The UK itself recognises that these questions are relevant and difficult.

But let me recall that our backstop provides answers to each of these questions.

It provides specific solutions to the unique situation of Northern Ireland.

The UK is taking a different angle, however. It is looking for a UK-wide solution.

Let me be clear: our backstop cannot be extended to the whole UK.

Why? Because it has been designed for the specific situation of Northern Ireland.

What does it do?

- On customs, Northern Ireland would form part of our customs territory. What is feasible with a territory the size of Northern Ireland is not necessarily feasible with the whole UK.
- On regulatory alignment, we have been pragmatic and developed the least disruptive system for citizens and businesses on both sides.

Let's go back to pragmatism. Checks carried out on ferries are less disruptive than along a 500km-long land border.

In addition, these checks can build on arrangements and facilities which already exist – which already exist – between the rest of the UK and Northern Ireland.

Obviously, behind all these rules, we want to preserve the fluidity and ease of trade and agricultural production on the island of Ireland.

And once again, we need such a solution in the Withdrawal Agreement by autumn.

We will not leave this issue unresolved.

Ladies and gentlemen,

III – My third and last point concerns the future relationship with the United Kingdom.

Following the mandate I received from the European Council in March, and as outlined by the European Parliament in its resolution, we are now discussing the framework for the future relationship, which will include an economic partnership and strategic cooperation in the area of security.

In all the UK papers that we have been receiving until now – which I read carefully with my team – there has been a request to maintain the status quo, a form of continuity, which is paradoxical seeing as the country decided itself to leave the European Union.

The United Kingdom seems to want to maintain the benefits of the current relationship, while leaving the EU regulatory, supervision, and application framework.

When we respond to UK leaders saying that these benefits are not accessible outside the EU system – because of their decision – some people in the UK try to blame us for the consequences of this.

I simply want to say that we will not be swayed, I will not be swayed, by this blame game.

The United Kingdom decided to leave the Union. We respect this democratic decision and we will implement it. The United Kingdom must assume the consequences.

If we want to construct a new relationship, we need a basis of trust. We also need more realism about what is and is not possible.

Ladies and gentlemen,

There are now two weeks left before the June European Council. I hope we will use this time to consolidate and make new progress in this difficult and complex negotiation.

Thank you for your attention.

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