



Press statement by Michel Barnier following Round 6 of the negotiations for a new partnership between the European Union and the United Kingdom

London, 23 July 2020

Ladies and gentlemen,

Good afternoon to all of you.

I am happy to meet you here in Europe House in London, at the end of this sixth negotiation round.

I would like to thank the EU Delegation, and our Ambassador João Vale de Almeida for welcoming us.

Thank you also for the very useful work you do, representing the EU in the UK, together with the 27 EU Ambassadors, whom I met yesterday.

This negotiation takes place in the middle of a very serious health, economic and social crisis across Europe and the world.

This crisis gives us a duty to act responsibly and to work for an agreement limiting the negative consequences of Brexit.

This is also why the agreement found this week in the European Council is so important.

EU leaders, including Presidents Ursula von der Leyen and Charles Michel, showed responsibility and EU unity in agreeing on a budget for the next 7 years and on a very ambitious recovery plan. The European Parliament is debating this today.

Ladies and gentlemen,

Let me begin with a few words on the context of this round.

At the High-Level Meeting with Presidents Ursula von der Leyen, David Sassoli and Charles Michel in June, Prime Minister Boris Johnson told us that he wanted to reach a political agreement quickly.

The Prime Minister also stated three red lines:

- no role for the European Court of Justice in the UK;
- the right to determine future UK laws without constraints and;
- an agreement on fisheries that shows that Brexit makes a real difference compared to the existing situation.

Ladies and gentlemen,

What Boris Johnson says and writes matters to the EU.

Therefore, following the High-Level Meeting, we agreed to intensify our discussions.

We have tried to understand how these three red lines can be squared with our commitment to a comprehensive new partnership – as set out in the Political Declaration, signed by Prime Minister Johnson on 17 October last year.

Because of course, any international agreement implies constraints on both Parties.

We have continued to engage sincerely and constructively, in line with the mandate given to us by the Member States, with the support of the European Parliament.

However, over the past few weeks, the UK has not shown the same level of engagement and readiness to find solutions respecting the EU's fundamental principles and interests.

This week, we have had useful discussions on some issues in goods and services.

But these negotiations are complex and require us to make progress across all areas. And we are still far away.

This week, discussions took place in a positive atmosphere, and I want to thank David Frost and his team, as well as the EU team, for their professional approach.

It has allowed us to make some progress:

- We had useful discussions to narrow our divergences in the areas of social security coordination and Union programmes.
- We made progress towards the objective of a comprehensive and single institutional framework, which must include robust enforcement mechanisms.
- And we had good discussions on police and judicial cooperation, even if divergences remain.

On two important subjects, transport and energy, we had intense and useful discussions. However, the UK continued to request single market-like benefits.

In addition, there is still no progress on two essential topics of our economic partnership.

- First, there must be robust guarantees for a level playing field – including on State aid and standards – to ensure open and fair competition among our businesses, also over time. This is a core interest for all 27 Member States – and in my view also for the UK.
- Second, we have to agree on a balanced, sustainable and long-term solution for fisheries, with the interests of all Member States concerned in mind, and not least the many men and women whose livelihoods depend on it on both sides.

These two points should not come as a surprise.

We have been saying the same thing since the beginning of the negotiations – not only this year, but consistently over the last three years.

These points are mentioned explicitly in the Political Declaration – a rather precise text.

They were part and parcel of our political engagement with Prime Minister Boris Johnson eight months ago.

We are simply asking to translate this political engagement into a legal text. Nothing more.

Once again, what the Prime Minister writes and says matters to us.

On the two points I mentioned – the level playing field and fisheries – this week again, the UK did not show a willingness to break the deadlock.

1/ On the level playing field, the UK still refuses to commit to maintaining high standards in a meaningful way.

On State aid, despite the clear wording of the Political Declaration, we have made no progress at all.

This is all the more worrying because we have no visibility on the UK's intention on its future domestic subsidy control regime. We respect the UK political debate but the time for answers is quickly running out.

On important areas such as climate, environment, labour or social law, the UK refuses effective means to avoid undercutting by lowering standards.

The UK wants to regain its regulatory autonomy. We respect that.

But can the UK use this new regulatory autonomy to distort competition with us?

We have to answer this question as we commit to a new economic partnership.

We want to trade with the UK free from tariffs, free from quotas, but also free from unfair competition. And I am sure UK businesses want that too.

The UK tells us it needs certainty for its businesses.

But that cannot be at the price of long term uncertainty and disadvantage for our businesses in the EU.

We respect the UK government's political choice and we are ready to work on solutions. But the EU cannot and will not accept to foot the bill for the UK's political choices.

And let me be very clear: A less ambitious agreement on goods and services will not lead the EU to drop its demands for a robust level playing field.

2/ On fisheries, the UK is effectively asking for a near total exclusion of EU fishing vessels from UK waters.

That is simply unacceptable.

The UK will be an independent coastal state, and the EU fully respects that. We also recognise that, under the future agreement, there may be change to the benefit of UK fishermen.

But common stocks need to be managed jointly – according to international law and the principle of responsible and sustainable management of resources.

And any agreement cannot lead to the partial destruction of the EU fishing industry.

I repeat: we have to agree on a balanced, sustainable and long-term solution for fisheries protecting the many men and women whose livelihoods depend on it.

The EU has always insisted that an economic partnership with the UK must include robust level playing field rules and an equitable agreement on fisheries.

This means that, by its current refusal to commit to conditions of open and fair competition and to a balanced agreement on fisheries, the UK makes a trade agreement at this point unlikely.

Ladies and gentlemen,

Until the very last day of this negotiation and despite the current difficulties, the EU will remain engaged, constructive and respectful.

In any case, the UK has chosen to leave the Single Market and the Customs Union on 1 January 2021 – in little more than five months.

This will bring inevitable changes.

On our side, we are getting ready.

- We have published a Communication to help EU citizens, businesses and public administrations prepare for the end of the transition period.
- EU leaders have agreed this week on a 5 billion euro special instrument – the “Brexid Adjustment Reserve” – to counter unforeseen and adverse consequences in Member States and sectors that are worst affected by Brexit.
- In parallel, we have so far published over 70 sector specific notices: they explain in detail what actions must be taken in each sector to be ready for the end of the transition period. These notices are mandatory reading for stakeholders. They are available on our UK task force webpage.

But if we do not reach an agreement on our future partnership, there will be far more friction.

For instance, on trade in goods, in addition to new customs formalities, there will be tariffs and quotas.

This is the truth of Brexit. And I will continue to tell the truth.

If we want to avoid this additional friction, we must come to an agreement in October at the latest, so that our new treaty can enter into force on 1 January next year.

This means that we only have a few weeks left, and that we should not waste them.

Let me also remind you that we only have little time left to properly implement the Withdrawal Agreement.

Together with Vice-President Maroš Šefčovič, we continue to follow closely the implementation by the UK of its commitments under the Protocol on Ireland and Northern Ireland.

In this context, EU leaders have also agreed on Monday to allocate 120 million euro to the PEACE PLUS programme in support of peace and reconciliation and of the continuation of North-South cross border cooperation.

The recent Specialised Committee on the Protocol was a useful occasion to take stock of progress. I would like to thank Michael Gove and his team for their engagement.

But we remain concerned that the necessary measures will not be in place on 1 January.

Let me remind you that there is no grace period for the proper implementation of this Protocol.

We also remain vigilant, together with the 27 EU governments and the European Parliament, to guarantee the rights of British nationals covered by the Withdrawal Agreement. In the same way, we expect the rights of EU citizens here in the UK to be safeguarded.

Ladies and gentlemen,

Today in London, I want to reaffirm the EU's willingness to reach an ambitious partnership agreement in all areas including, even later on, in

external security and defense. This is also the wish of Presidents Ursula von der Leyen and Charles Michel, the European Parliament and the 27 Heads of State or government.

I continue to believe that Prime Minister Boris Johnson and the UK government want to find an agreement with the EU.

Because it is in our common interest to cooperate and to address the many and serious challenges of today: climate change and biodiversity, health and security, research and innovation, democracy and fundamental rights, the fight against poverty and financial stability.

If I may borrow a famous line from Saint-Exupéry, negotiation is not just to look or to speak at one another. It is to look together in the same direction.

I will be back in London with my team next week as planned.

A new round is foreseen mid-August.

Work continues. Our resolve remains unchanged.

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