



Remarks by Michel Barnier following Round 3 of negotiations for a new partnership between the European Union and the United Kingdom

Brussels, 15 May 2020

Ladies and gentlemen,

I am happy to be with you again, even if still only virtually.

I hope that you and your friends and families are as well as can be, in these times that remain difficult and continue to require our individual and collective mobilisation.

Three weeks ago, at the end of our second negotiation round on our future partnership with the United Kingdom, I told you that the EU's objective was to move forward – in parallel – on all topics of negotiation, including the most difficult ones.

This week, we continued to work with David Frost and the two negotiating teams that I wish to thank.

These discussions were underpinned by new text proposals sent by the UK that now cover nearly all of the topics covered by our own draft legal text published on 18 March.

We continue to hope that the UK will make its own texts public shortly so that we can share them with the Member States and the European Parliament.

Our discussions enabled us to clarify a number of issues in areas such as trade in goods, transport or the UK's participation in future programmes of the Union.

We were also, at last, able to initiate the beginnings of a dialogue on fisheries, even if our positions remain very far apart.

That said, with the exception of some modest overtures, we failed to make any progress on any of the other more difficult topics.

- Despite its claims, the United Kingdom did not engage in a real discussion on the question of the level playing field – those economic and commercial “fair play” rules that we agreed to, with Boris Johnson, in the Political Declaration.
- o On this topic, this was a round of divergence, with no progress.
 - With regard to the governance of our future relationship, the few useful discussions we had were limited to sectorial questions.
- o We were unable to make progress on the issue of the single governance framework that we believe is necessary to build a close and comprehensive partnership with this great neighbouring country, and thus guarantee its efficient and transparent implementation.
- o We were also disappointed by the UK's lack of ambition in a number of areas that may not be central to the negotiation, but which are nonetheless important and symbolic.

I'm thinking, for instance of the fight against money laundering.

I'm also talking about its lack of ambition on the respective roles of the European Parliament, the British Parliament and civil society in the implementation of our future relationship.

- Why does the UK refuse to include consultation mechanisms with our European and British parliaments and with civil society in our future agreement?
- This is what we have foreseen in our modern association agreements to ensure the greatest democratic legitimacy and enable parliamentarians, NGOs and social partners to make their voices heard. I know that the European Economic and Social Committee is very attentive to this issue.
- Finally, on police and judicial cooperation in criminal matters, although we have broad agreement on the objectives, we continue to face two fundamental obstacles that must be resolved before we can put in place any new tools for cooperation:
 - o The UK refuses to commit, in an agreement with us, to guarantees protecting fundamental rights and individual freedoms resulting from the European Convention on Human Rights, as agreed in the Political Declaration;

o It insists on lowering current standards and deviating from agreed mechanisms of data protection – to the point that it is even asking the Union to ignore its own law and the jurisprudence of the European Court of Justice on passenger data (“PNR rules”). That is of course impossible.

The question of reciprocity of data exchanges between the British and Member State is also important. The European Parliament recalled this, the day before yesterday, in its plenary session, by calling for all exchanges of biometrical data – known as the Prüm programme – with the UK to be reciprocal and subject to very firm safeguards.

Ladies and gentlemen,

That was a lucid, sincere – and, as you may well have understood, disappointing – summary of this round.

But despite this, we remain determined to build a new and ambitious partnership with the United Kingdom, in the very short time that is available if the United Kingdom is to confirm its decision not to request an extension of this negotiation – as an extension of one or two years remains possible by joint agreement.

To achieve this, I would like to come back to three important points, which are central to the mandate that the Member States have given me, and on which I have the full support of the European Parliament and its President David Sassoli, as well as the personal support of the President of the European Council, Charles Michel, and of the President of the Commission Ursula von der Leyen.

1/ First, our ambition is still to achieve a free trade agreement, with no tariffs or quotas on any goods.

This would be a first in the history of EU FTAs.

Of course, our trade relationship will never be as fluid as within the Single Market or a Customs Union. So everyone must prepare for the changes that will happen in any case at the end of the transition.

But our proposal testifies to our level of ambition – and this, with a neighbouring country that is highly interconnected with our Union; a former member with which it would be totally artificial to copy-paste a “best-of” from our existing free trade agreements with Canada, South Korea or Japan.

In this negotiation, the Union is looking to the future, not to the precedents of the past.

2/ Secondly, looking to the future also means taking into account that trade policy has evolved.

We are no longer in the 1970s, when the main purpose of trade agreements was to take down tariff walls.

EU trade policy must and, under the impulse of our President but also of Commissioner Hogan, aims to serve sustainable development.

Our trade policy must be at the service of a new, modern and demanding vision, given the big changes underway – and climate change in particular.

It must protect social and environmental standards, and even help to raise them, in the general interest of citizens and consumers.

- It must be underpinned by fair competition conditions, namely when it comes to state aid, social standards, or taxation.
- It must also contribute to achieving common goals. The agreement between the EU and the United Kingdom must bring about positive change when it comes to protecting our environment and combatting climate change.

The UK has set itself an objective of carbon neutrality.

It tells us it wants to maintain high social and environmental standards – even higher than ours.

That should make it possible to engage in detailed discussions on these points, to give ourselves concrete, mutual and reciprocal guarantees, and to identify appropriate instruments.

Yet, the UK refuses this discussion.

I have even heard Michael Gove suggest that the UK might renounce to the objective of ‘zero tariffs, zero quotas’, in the hope of being freed from level playing field obligations.

This proposal would amount to reinstating tariffs and quotas between us – something that hasn't been seen in decades. The Union does not want such an anachronism.

What's more, this approach would entail a detailed – and highly sensitive – negotiation of each tariff line. We saw recently, with Japan and with Canada, that this takes years.

- Such a negotiation would only be possible with extension of the transition period. *Is this what we are to understand from Mr Gove's statement?*

But more than this, even if we were to eliminate on 98% or 99% of tariffs, the EU would still demand the same strong Level Playing Field guarantees.

- Because it is a core part of our modern trade policy;
- because it is part of our requirements to address the big challenges that lie ahead, to protect certain common goods and to protect consumers;
- and because we refuse to compromise on our European values to benefit the British economy.

Economic and commercial fair play is not for sale!

Open and fair competition is not a "nice-to-have". It is a "must-have".

Our Member States have been very clear that, without a level playing field, and without an agreement on fisheries, there will be no economic and trade partnership agreement.

And of course, some areas of our future relationship will demand specific level playing field conditions.

For instance, reaching an agreement on road transport will require us to agree on drivers' working conditions, including driving and rest times, as well as on guarantees relating to the businesses that employ them.

3/ Thirdly: we want a very broad partnership that goes well beyond trade in goods and services.

To achieve this, we must absolutely find joint solutions now, on all topics in parallel, and I insist on 'in parallel':

- Why would we seek to give favourable market access conditions to certain British professionals when our European fishermen would be excluded from British waters and risk losing their livelihoods?
- Why would we help British enterprises to provide their services in the EU without any guarantees of economic fair play?
- And, beyond our economic partnership, why would we be ambitious on questions of extradition or the exchange of personal data if we have no firm commitments from the UK on the protection of European citizens' fundamental rights?
- And lastly, how would we guarantee that our future partnership would be coherent on all of these important topics in the absence of a single institutional framework? We need this to enable the United Kingdom and the EU to jointly implement the full range of our commitments.

The United Kingdom frequently refers to precedents.

It tells us it would be content with a "Canada-style" deal.

But at the same time – and this is the real paradox of this negotiation – in many areas, it is demanding a lot more than Canada!

It is even looking to maintain the benefits of being a Member State, without the obligations.

I'm thinking, for example, of the UK's demands:

- To maintain for UK service providers almost complete freedom of movement for short-term stays;
- To obtain electricity interconnection mechanisms equivalent to the Single Market – "existing arrangements" as the UK says.
- To continue to assimilate British auditors to European ones for the purpose of controls on audit firms;
- To maintain a system for the recognition of professional qualifications that is as complete and broad as the one we have in the European Union;
- To be able to co-decide with the Union on decisions relating to the withdrawal of equivalences for financial services – another British request that goes far beyond the "Canada model".

We are negotiating a trade agreement with a third country here – one that chose to become a third country. This is not an opportunity for the United Kingdom to "pick and choose" the most attractive elements of the Single Market.

This makes me believe that there is still a real lack of understanding in the United Kingdom about the objective, and sometimes mechanical, consequences of the British choice to leave the Single Market and the Customs Union.

To make progress in this negotiation – if it is still the United Kingdom's intention to strike a deal with the EU – the United Kingdom will have to be more realistic; it will have to overcome this incomprehension and, no doubt, it will have to change strategy.

You cannot have the best of both worlds!

Ladies and gentlemen,

In parallel to these negotiations, both the UK and the EU have a legal commitment to implement the Withdrawal Agreement.

Here, citizens' rights are a priority for both sides.

- The UK tells us it has some concerns about the treatment of British nationals in the EU. Yesterday, we received a letter from Michael Gove.
- o The Commission is very attentive to this issue,
- o and we have just published guidelines to support all 27 Member States to live up to their commitments of the Withdrawal Agreement.
- But we will also be watching closely to make sure that EU citizens residing in the UK do not face unfair treatment or discrimination.
- o The European Parliament is particularly attentive to this.

Similarly, we have both committed to correctly implement the Protocol on Ireland and Northern Ireland.

The UK has not yet laid out its approach for fulfilling its obligations under the Protocol.

- I would like to recall that the solution we agreed with the UK:
 - o ensures continued peace and stability on the island of Ireland, and upholds the Good Friday (Belfast) Agreement in all its dimensions,
 - o and it preserves the EU Single Market by ensuring all the necessary checks and controls for goods entering Northern Ireland from Great Britain,
 - So all those who pursue these objectives must now also correctly implement the Protocol. The system needs to be fully operational as of 1 January 2021.

This is a stable and lasting solution, subject to a process of ensuring democratic consent from the majority of the elected representatives of Northern Ireland's Legislative Assembly.

- I explained all of this very clearly and very transparently during my last visit to Belfast in January. So, together with Maroš Šefčovič, our Vice-President, who co-chairs the Joint Committee with Michael Gove for the UK, we are awaiting, with confidence, but also with vigilance, the approach that will be taken by the UK authorities.

Ladies and gentlemen,

The agreement we are negotiating will structure our relationship for years to come – decades even.

The EU wants a modern, unprecedented, forward-looking agreement. Not a narrow one rooted in past precedents and sliced up sector by sector.

Our future partnership will be shaped by the choices we make this year, together.

The EU will not act in haste on such an important matter.

Our negotiation mandate was not written in haste. It is the reflection of three years of work, starting as early as April 2017 with the first guidelines adopted by the European Council.

The next round must bring new dynamism in order to avoid a stalemate between us.

Let us make a success of round 4, in the first week of June – by making the tangible progress we need across the board, at last.

Until the very end, the EU and I will remain calm, firm on our principles and respectful.

Thank you very much.

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