

## EU-UK relations

### Introductory remarks:

- **Dear Professor Fabbrini, dear Federico. Thank you for inviting me here to the Brexit Institute.** It is important to have fora for debate such as this, where all sides can meet and discuss Brexit from both an academic and a policy perspective.
- As you know, the commitment of the European Union to peace, stability and prosperity on the island of Ireland is unequivocal. That was at the front of our minds when we were negotiating the Protocol on Ireland/Northern Ireland with the UK.

#### *[Benefits of the Protocol]*

The Protocol allows us to meet that commitment:

- It protects the Good Friday (Belfast) Agreement in all its parts;
  - It avoids a hard border on the island of Ireland;
  - It preserves the integrity of the EU's Single Market.
- In addition, Northern Ireland can benefit immensely from having **unparalleled access to two of the world's largest markets with more than 500 million consumers.**
  - And its place in the Common Travel Area means it can make use of a talented workforce from within the UK and Ireland.

- With this dual market access, as well as an advanced legal system, some of the best universities in Europe, advanced telecoms infrastructure, a pro-business environment, competitive operating costs and proximity to major markets, **Northern Ireland is a unique place to invest – and should be a powerful magnet for foreign investment.**

*[Issues faced by businesses and people in Northern Ireland]*

- We also know, however, that there are a series of **unintended consequences from the application of the Protocol in Northern Ireland.** Many of the challenges faced by people and businesses on the ground stem from the kind of Brexit that was chosen by the UK.
- But we are **attentive to all issues that impact everyday life in Northern Ireland. And we are working hard to find solutions.** We have been, and will continue to be, as flexible as legally possible to ensure that the legitimate concerns of the Northern Ireland business community are properly addressed.
- **When I went to Northern Ireland in September, I** wanted to hear first-hand about the impact of the implementation of the Protocol on the ground.
- I talked to many people from all backgrounds, and they repeatedly underlined the importance of stability and predictability. I heard about the needs in terms of sanitary and phyto-sanitary measures, the continuous supply of medicines, and the further facilitation of trade in the customs area. And I heard that stakeholders want to have their voices better heard.

*[proposed solutions]*

- I promised that we would do our very best to find ways to solve these issues.
- Our response came in the form of the **package of solutions proposed by the European Commission on 13 October**. It is also our response to the UK Government, which has been requesting significant changes when it comes to the Protocol. Our focus is on practical solutions that can deliver a **real difference** for people and businesses in Northern Ireland, and strengthen their opportunities.
- The EU put forward ideas for **bespoke arrangements** to benefit Northern Ireland, by further facilitating the movement of goods between Great Britain and Northern Ireland, namely:
  - A long-term solution that would ensure the **continued supply of medicines** from Great Britain to Northern Ireland.
  - Proposals to strengthen the **role of Northern Ireland stakeholders and authorities in the dealings of the Protocol**.
  - A comprehensive long-term solution in the **sanitary and phyto-sanitary** area resulting, inter alia, in the **removal of up to 80% of the checks** currently needed.
  - Further **facilitation and simplification for East/West Trade** in the customs field – for example a **50% permanent reduction in existing paperwork**.
- These measures would create a type of “**express lane**” which would substantially **facilitate trade between all parties** . A win-win situation for all.

- **It is a unique and completely new model for how goods can be moved from Great Britain to Northern Ireland,** one that would strengthen opportunities for people and businesses alike.

*[Civil Society]*

- But for businesses to flourish there needs to be a stable environment. Here **civil society has an important role to play within the protocol.**
- We have closely listened to the points of view of many of the key civil society actors in Northern Ireland. We subsequently proposed in October what we believe are workable solutions in the framework of the Protocol **for the engagement with Northern Ireland's stakeholders and authorities.**
- These proposals aim to improve the exchange of information with regard to the implementation of the Protocol and relevant EU measures. It would make the application of the Protocol more transparent, while at the same time respecting the UK's constitutional order.
- **A website will also be set up to show in a clear and comprehensive way the EU legislation applicable in Northern Ireland.**
- We also stand ready to establish dialogue between Northern Ireland stakeholders (authorities, civic society and businesses) and the Commission. This would **involve the creation of structured groups with the participation of experts to discuss relevant EU measures that are important for the implementation of the Protocol.**

- We are also willing to invite relevant Northern Irish stakeholders to attend some meetings of the Specialised Committees, if this is agreeable to the UK.

*[Our approach]*

- Our solutions can become reality **if the UK plays its part.**
- That is why we have **engaged constructively with the UK** in order to agree **joint solutions.**
- But we also made it clear – with the full support of the European Parliament and Member States – that we **will not renegotiate the Protocol.**
  - To do so would mean to put at risk the stability in **Northern Ireland.**
  - And it would be unnecessary, because **solutions are available within the framework of the Protocol.**
- Right now, we **need the UK government to reciprocate the significant move the EU has made.**
- I noticed and welcomed a recent **change of tone from the UK government** and we **hope that actions will follow words.**
- Technical meetings have taken place between our teams this week **with a particular focus on medicines and customs.** I will meet David Frost straight after my remarks to you this morning.
- And let me add that throughout this period, my team and I have maintained our **dialogue with stakeholders,** because we need to keep our finger on the pulse.

- We have looked to meet as many stakeholders as possible – on all sides of the issue – from businesses to civil society. To inform our action and to follow-up.

### *[Trade and Cooperation Agreement]*

- I want to touch briefly on the Trade and Cooperation Agreement.
- Concluding an orderly UK withdrawal from the EU has been the EU's priority ever since the British people voted to leave in the 2016 referendum.
- We have always respected that decision.
- Just as we are respecting the signature of the ratified Withdrawal Agreement.
- Settling the divorce has always been, and remains, a precondition for our future relationship.
- It was on this basis that we negotiated, concluded and ratified the Trade and Cooperation Agreement on Christmas Eve last year.
- **The two agreements are intrinsically linked – one cannot exist without the other.**
- By the end of this year, we will reach the first anniversary of the operation of the Trade and Cooperation Agreement. We will have held inaugural meetings of its joint bodies, which include the Partnership Council and committees in the different areas covered by the agreement such as trade.
- While we are closely following the implementation of the entire Agreement, these last few months have been especially busy on the **fisheries front**, as we work to ensure that the UK delivers the necessary licenses. In addition, we continue to negotiate with the UK on fishing

opportunities for 2022, hoping to conclude on time and in a satisfactory manner.

- We also remain vigilant across all level playing field areas, from subsidies to labour and regulatory matters.
- In addition, the EU remains committed to supporting the Member States and sectors most affected by Brexit, through the **Brexit Adjustment Reserve**, which amounts to more than 5 billion euros.
- We expect money to begin being disbursed before the end of the year, so it will soon flow to the regions and sectors where it is most needed, helping businesses, workers and local communities.
- Ireland is the Member State most affected by Brexit – it is therefore only right that it receives the highest allocation of any Member State from the Brexit Adjustment Reserve. This amounts to more than 1.165 billion euros in current prices, and is yet another example of the EU’s unwavering commitment to, and solidarity with, Ireland.

### *[Conclusion]*

- Before I finish, let me assure you that our engagement with the UK on the Ireland/Northern Ireland Protocol will continue, to ensure a positive outcome in the interest of people across the island of Ireland.
- We will remain **constructive, firm and responsible** in our relations with the UK – as we always have.
- **We are united as one EU**; we will protect and preserve every Member State’s rightful place in the EU’s single market.

- But finding solutions to the challenges at hand is in everybody's interest. And I hope we can soon jointly demonstrate that these solutions can be delivered.
- With this, let me conclude and wish you a fruitful exchange of views on this important issue today.