

[29.03.2017]

DRAFT MOTION FOR A RESOLUTION

to wind up the debate on negotiations with the United Kingdom following its notification that it intends to withdraw from the European Union

pursuant to Rule 123(2) of the Rules of Procedure

on negotiations with the United Kingdom following its notification that it intends to withdraw from the European Union

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United in diversity

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B8-XXXX/2017

European Parliament resolution on negotiations with the United Kingdom following its notification that it intends to withdraw from the European Union

The European Parliament,

- having regard to Article 50 of the Treaty on the European Union (TEU),
 - having regard to Articles 3(5), 4(3) and 8 TEU,
 - having regard to Article 217 and 218 TFEU,
 - having regard to the notification given by the UK Prime Minister on 29 March 2017 in accordance with Article 50(2) TEU,
 - having regard to its resolution of 28 June 2016 on the decision to leave the EU resulting from the UK referendum,
 - having regard to its resolutions of 16 February on possible evolution; of and adjustments to the current institutional set-up of the European Union, on improving the functioning of the European Union building on the potential of the Lisbon Treaty, on the budgetary capacity for the Eurozone,
 - having regard to Rule 123(2) of its Rules of Procedure,
- A. Whereas the notification by the United Kingdom Government begins the process by which the United Kingdom will cease to be a Member State of the European Union and the Treaties no longer to apply to it;
- B. Whereas this will be an unprecedented and regrettable event as a Member State has never left the European Union before; whereas this exit 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 it is the sovereign right of a Member State to leave 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 European Commission on behalf of the European Union and its 27 Member States 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 Parliament's position for these guidelines and will also form the basis of the 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 set out in Article 4(3) TEU;
- G. Whereas the United Kingdom has stated in its notification of 29 March 2017 its intention to remain outside the jurisdiction of the Court of Justice of the European Union;
- H. Whereas the UK government has indicated in the same notification that its future relationship with the European Union will not include membership of the Single Market nor membership of the Customs Union;
- I. Whereas nevertheless a continued membership by the UK of the Single Market, the European Economic Area and, or the Custom Union would have been the optimal solution for both the UK and the EU-27; whereas this is not possible as long as the UK government maintains its objections to the four freedoms and the jurisdiction of the Court of Justice of the European Union, refuses to make a general contribution to the EU budget and wants to conduct its own trade policy;
- J. Whereas following the result of the referendum to leave the European Union the "United Kingdom Settlement" of February 2016 is in any case null and void in all its provisions;
- K. Whereas the negotiations must be conducted with the aim of providing legal stability and limiting 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 they cannot be used as a procedural device or abused in an attempt to improve the actual terms of the United Kingdom's membership;
- M. Whereas without a withdrawal agreement, the United Kingdom would exit automatically the Union on 30 March 2019 and this 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 EU;
- O. Whereas it is especially concerned by the consequence of the UK's withdrawal from EU on Northern Ireland and its future relations with Ireland; whereas in this respect it is crucial to safeguard peace and therefore to preserve the Good Friday Agreement in all its parts, as Parliament emphasized in its resolution of 13 November 2014, that has been brokered with the active participation of the Union;
- P. Whereas the withdrawal of the United Kingdom should compel the remaining 27 Member States of the European Union, and its institutions to better address the current challenges and to reflect on their future on their efforts to make the European project more effective, more democratic, and closer to their citizens; recalls the Bratislava roadmap as well as the resolutions of the European Parliament concerning this, the European Commission's White Paper on the Future of Europe, the Rome Declaration of 25 March 2017 and the proposals of the High Level Group on Own Resources, which may serve as a basis for this reflection;

1. Acknowledges the notification by the United Kingdom Government to the European Council which formalises its decision to withdraw from the European Union;
2. Calls for the negotiations between the European Union and the United Kingdom, foreseen in Article 50(2) TEU, to begin as soon as possible;
3. Reiterates the importance that the withdrawal agreement and any possible transitional arrangement(s) enter(s) into force well before the May 2019 European elections;
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 duties and commitments arising therefrom;
6. Recalls that in this respect it would be contrary to EU 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) TEU and should have consequences among which the UK's exclusion from the procedures for trade negotiations laid out in Article 218 TFEU; emphasizes that the same must apply in other policy areas where the United Kingdom would continue shaping EU 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 EU and of its Member States;
7. Warns that any bilateral arrangement between one or several remaining Member States and the United Kingdom, that has not been agreed by the EU-27, on the issues included in the scope of the withdrawal agreement and/or impinging on the future relationship of the Union with the United Kingdom, would also be in contradiction with the Treaties; 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 Single Market for UK based financial institutions at the expense of the EU's regulatory framework or to the status of EU citizens in the United Kingdom or vice versa;
8. Believes that the mandate and the negotiation directives given throughout the whole negotiation process must fully reflect the positions and interests of the citizens and the Member States of the EU 27, including those of Ireland which will be particularly affected by the withdrawal of the United Kingdom from the EU;
9. Hopes that under these conditions the EU 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 Single Market, the European Economic Area or the Customs Union; considers that a State leaving the Union cannot enjoy similar benefits as an EU Member State and announces therefore that it will not consent to any agreement that would contradict this;

10. Reaffirms that membership of the Single Market and the Customs Union comprises acceptance of the four freedoms, jurisdiction of the European Court of Justice, general budgetary contributions and adherence to the EU's common trade 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 down in the statement by the 27 Heads of State and Governments of the European Union 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 Parliament to give its consent to any agreement reached between the European Union and the United Kingdom;

Sequencing of the negotiations

13. Underlines that, according to Article 50(2) TEU, negotiations shall concern the arrangements for the United Kingdom's withdrawal while taking account of the framework of the United Kingdom's future relationship with the 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 EU;
15. Notes that a future relationship agreement between the European Union and United Kingdom as a third country can only be concluded once the United Kingdom has withdrawn from the EU;

Withdrawal agreement

16. States that the withdrawal agreement must be in conformity with the Treaties and the Charter of Fundamental Rights, failing which it shall not obtain the consent of the European Parliament;
17. Is of the opinion that the agreement should address the following elements:
 - The legal status of European Union citizens living or having lived in the United Kingdom and of UK citizens living or having lived in other Member States as well as other provisions as to their rights;
 - The settlement of financial obligations between the United Kingdom and the European Union;
 - The Union's external border;
 - The clarification of the status of the United Kingdom's international commitments taken as a Member of the European Union, given that the Union at 27 will be the legal successor of the Union at 28;

- The 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 the UK citizens living or having lived in the EU-27 and is of the opinion that their respective interests must be given full priority in the negotiations; demands, therefore that the status and rights of European Union citizens residing in the United Kingdom and United Kingdom nationals residing in the European Union, be subject to the principles of reciprocity, equity, symmetry, non-discrimination, and the protection of the integrity of Union law, including the Charter of Fundamental Rights, and its enforcement framework; stresses that any degradation of the right of residency before the date of withdrawal from the EU by the UK is against EU law;
 19. Stresses that a single financial settlement with the United Kingdom on the basis of the EU's annual accounts as audited by the Court of Auditors, must include all its legal liabilities arising from outstanding commitments as well as make provision for off-balance sheet items, contingent liabilities and other financial costs that arise directly as a result of its withdrawal;
 20. Recognizes that the unique position 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 United Kingdom withdrawal on the border between Ireland and Northern Ireland; insists in this context on the absolute need to ensure continuity and stability of the Northern Ireland Peace Process and avoid the re-establishment of a hard border;

Future EU-United Kingdom relationship

21. Acknowledges the notification of 29 March 2017 and the White Paper 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, comprehensive and 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 interests while respecting the integrity of EU's legal order and the fundamental principles and values of the Union, including the integrity of the Single Market as well as decision making capacity and autonomy of the Union; notes that Article 8 TEU and Article 217 TFEU '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 EU-UK 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 the Union's legislation and policies, in among others the fields of

environment, climate change, the fight against tax evasion and avoidance, fair competition, trade and social policy;

25. Opposes any agreement between the EU and the United Kingdom that would contain piecemeal or sectorial provisions, including with respect to financial services, providing UK-based undertakings preferential access to the Single Market and, or the Customs Union; underlines that after its withdrawal the UK will fall into the third country regime foreseen in EU legislation;
26. Notes that if the United Kingdom requests to participate in certain EU programmes it will be as a third country including appropriate budgetary contributions and oversight by the existing jurisdiction; would welcome in this context its continued participation in a number of programmes, such as Erasmus;
27. Takes note that many citizens in the United Kingdom have expressed strong opposition to losing the rights they currently enjoy pursuant to Article 20 TFEU; proposes that the EU-27 examine how to mitigate this within the limits of EU 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, preserve the integrity of European Union legal order, with the European Court of Justice responsible for settling any legal challenges; they must also be strictly limited in time, and should not exceed three years, and in scope as they can never be a substitute for Union membership;

Issues for the EU-27 and EU 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 the process of relocation to begin as soon as practicable;
30. Points out that a review and adjustment of EU 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 UK withdrawal be dealt with by means of the annual budgetary procedure; underlines that the work on a multiannual financial framework, including the question of own resources, should begin immediately among EU institutions and the EU-27;
32. Commits itself to finalise in time the legislative procedures on the seats within the European Parliament and on the electoral procedure on the basis of its proposal under Article 223 TFEU; furthermore, and taking into account Recital P of this resolution, believes that during the negotiations on the withdrawal of, and on the establishing of a new relationship with the United Kingdom, the 27 Member States of the European Union, together with its institutions, need to strengthen the present Union and to start an in-depth interinstitutional reflection on its future;

Final provisions

33. Reserves the right to clarify its position on EU-UK negotiations, and, where appropriate, to adopt further resolutions, also on specific matters or sectorial issues, in light of the progress or otherwise of these 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 EU 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 and any subsequent resolutions;
36. Instructs its President to forward this resolution to the European Council, the Council, the Commission, the European Central Bank, the national parliaments and the Government of the United Kingdom.