



HM Government

---

# THE FUTURE UK-EU RELATIONSHIP

---

The Government has published a White Paper setting out a detailed proposal for a **future relationship that works for both the UK and the EU**.

This proposal **builds on the vision for our future relationship set out by the Prime Minister at Mansion House and in Munich**, and is comprised of four parts.

**ECONOMIC  
PARTNERSHIP**

**SECURITY  
PARTNERSHIP**

**CROSS-CUTTING &  
OTHER  
COOPERATION**

**INSTITUTIONAL  
ARRANGEMENTS**

It **addresses questions raised by the EU in the intervening months** – explaining how the relationship will work, what benefits it will deliver, and why it will respect the autonomy of the EU as well as the sovereignty of the UK.

It is a package that **strikes a new and fair balance** of rights and obligations. One that the Government hopes will yield a **redoubling of effort in the negotiations by both sides**, as the UK and the EU work to develop and agree the framework for our future relationship this autumn.

---

<b>PART I</b>	<b>CONTEXT</b>
<b>PART II</b>	<b>ECONOMIC PARTNERSHIP</b>
<b>PART III</b>	<b>SECURITY PARTNERSHIP</b>
<b>PART IV</b>	<b>CROSS-CUTTING COOPERATION</b>
<b>PART V</b>	<b>INSTITUTIONAL ARRANGEMENTS</b>
<b>PART VI</b>	<b>NO DEAL PLANNING</b>
<b>PART VII</b>	<b>CONCLUSION</b>

---

We are negotiating two things at the same time that should be seen as a package - the **Withdrawal Agreement and the Future Framework**, which will need to refer to each other.

### WITHDRAWAL AGREEMENT

This will be an **international treaty** between the UK and the EU setting out the terms of the UK's withdrawal.

It will include **chapters** on citizens' rights, the financial settlement, separation issues and the implementation period, as well as a Protocol on Northern Ireland.

### FUTURE FRAMEWORK

This will be a **political declaration** between the UK and the EU, setting out the terms of the future relationship in its entirety.

It will constitute **instructions** for concluding the binding agreements required to give the future relationship effect in international law.

The UK and the EU have made **good progress on the Withdrawal Agreement**. But we need to intensify talks on the future relationship.

## The outcomes that were available

Based on the EU's stated position, **there were only two outcomes on the table that were available to the UK.**



A standard Free Trade Agreement, with Northern Ireland in the Customs Union and part of the Single Market.

This would result in a border between Northern Ireland and Great Britain.



The UK a member of the EEA, plus a common rulebook on agri-food and part of a customs union with the EU.

This would mean a common rulebook for the whole economy and free movement.

The Cabinet agreed at Chequers that neither of these two outcomes would work for the UK.

It is **not possible** for a standard Free Trade Agreement (FTA) to provide for frictionless trade in goods at the border.

This is what is **required to avoid a hard border between Northern Ireland and Ireland.**

And a standard FTA would also have **significant economic costs** compared with what we have now, creating new frictions and disrupting supply chains for manufactured goods and agricultural, food and fisheries products.

As a Government committed to the Union, and to protecting people's jobs and livelihoods, it would therefore **not be acceptable to agree to a standard FTA.**

The EU has also made clear it will not agree to a standard FTA, **without a 'backstop' solution in the Protocol to the Withdrawal Agreement** which would create a border within the UK.



**STANDARD  
FTA**

We therefore have to persuade the EU to be **more flexible and consider a third outcome**.

But to do so, we needed to evolve our position, and set it out with sufficient precision such that Member States and the EU institutions found it credible. **And we had to act quickly.**

### EVOLVING OUR POSITION NOW MEANS THAT...

...we can **answer questions raised by Parliament** as it considers legislation related to our withdrawal from the EU.

...we can **develop a Future Framework** detailed enough to be presented to Parliament alongside the Withdrawal Agreement.

...we can **provide greater certainty to citizens and businesses** about the relationship we envisage.

**As a package, the third outcome has to provide for frictionless trade in goods at the border – because that is the only way to avoid the Northern Ireland Protocol coming into effect.**

---

<b>PART I</b>	<b>CONTEXT</b>
<b>PART II</b>	<b>ECONOMIC PARTNERSHIP</b>
<b>PART III</b>	<b>SECURITY PARTNERSHIP</b>
<b>PART IV</b>	<b>CROSS-CUTTING COOPERATION</b>
<b>PART V</b>	<b>INSTITUTIONAL ARRANGEMENTS</b>
<b>PART VI</b>	<b>NO DEAL PLANNING</b>
<b>PART VII</b>	<b>CONCLUSION</b>

---



# A proposal for a free trade area for goods

The Government is proposing a free trade area for goods, underpinned by a common rulebook and a Facilitated Customs Arrangement, **to enable frictionless trade in goods at the border.**



**Avoiding the need for customs and regulatory checks at the border**, and ensuring that our businesses will not need to complete costly customs declarations



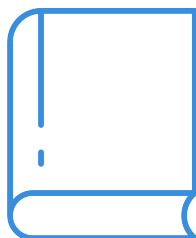
**Protecting the uniquely integrated supply chains** and just-in-time processes that have developed across the UK and the EU, and the jobs that depend on them



**Enabling products to only undergo one set of approvals and authorisations** in either the UK or EU market, before being placed on both markets

A core element of the free trade area for goods is a **common rulebook for goods including agricultural, food and fisheries products**.

This means that the UK will make an **upfront choice to commit by treaty to ongoing harmonisation with EU rules on goods**. For manufactured goods, this encompasses all rules that could be checked at the border. For agricultural, food and fisheries products, this encompasses those rules that must be checked at the border.



The reason the Government believes this is sensible is that the **rulebook is stable**, the UK would have a sufficient level of technical influence over it, and businesses would likely follow these rules regardless.

**Parliament will incorporate any changes into UK law.** Or it could choose to ultimately not make a change – but in the knowledge that it would breach the UK’s international obligations, with consequences for the relationship.



## Introducing a facilitated customs arrangement

Another core element is the UK and the EU working together on the **phased introduction of a new Facilitated Customs Arrangement**, avoiding customs checks and controls between us.



This will enable the UK to **control its own tariffs for trade with the rest of the world and ensure businesses pay the right or no tariff** – in the majority of cases this is likely to be upfront, and otherwise through a repayment mechanism.

On services, the UK's proposal will **ensure regulatory freedom to chart its own path in the areas that matter most for its economy.**

### SERVICES & DIGITAL

New arrangements on services and digital, gaining regulatory freedom **where it matters most for the UK's services-based economy.**

This will ensure the UK is best placed to capitalise on the industries of the future in line with the modern Industrial Strategy, while **recognising that the UK and the EU will not have current levels of access to each other's markets.**

### FINANCIAL SERVICES

A new economic and regulatory arrangement for financial services, **preserving the mutual benefits of integrated markets and protecting financial stability.**

This will respect the right of the UK and the EU to control access to their own markets - **noting that these arrangements will not replicate the EU's passporting regimes.**

**Free movement will end** in the UK. It will be for the UK Government and Parliament to determine the immigration rules that will apply to people coming to the UK from the EU.

The Government is proposing a new framework that **respects the UK's control of its borders** and enables UK and EU citizens to continue to travel to each other's countries, and businesses and professionals to provide services.

This framework will be **in line with the arrangements that the UK might want to offer to other close trading partners in the future.**

Respects the **UK's control of its borders**

Enables UK and EU **citizens to continue to travel** to each other's countries

Enables **businesses and professionals to provide services**

The future relationship will guarantee a fair trading environment by incorporating **reciprocal commitments related to open and fair trade** into the legal agreements between the UK and EU.



The UK will commit to apply a **common rulebook on state aid** – where the UK has driven much of the policy...

...the UK and the EU will establish **cooperative arrangements between regulators on competition...**



...and there will be **reciprocal commitments to maintain current high standards** through non-regression provisions in other areas such as environmental and employment rules.



## Maintaining socio-economic cooperation

There are a number of other areas where the UK's and the EU's **economies are closely linked**, and where the Government is proposing to draw on precedents to maintain cooperation.



An Air Transport Agreement for **aviation**



Explore options for **road transport**



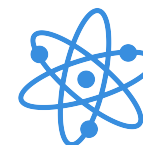
Close cooperation on **maritime**



Bilateral **rail** agreements with Member States



Explore options for the future **energy** relationship



A new civil **nuclear** relationship



Explore a new agreement on **civil judicial cooperation**



Explore options for **intellectual property**



Equivalence and adequacy for **audit and accounting**

# Securing a meaningful independent trade policy

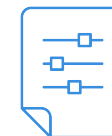
This new relationship with the EU will provide considerable opportunities for UK businesses through potentially **ambitious new trade arrangements** and meaningful trade deals.



Ability to set  
tariff rates



Ability to set  
tariff rate quotas



Regulatory equivalence  
outside common rulebook



Agree mutual recognition  
of conformity assessments



Sign bilateral  
investment treaties



Reach agreements on  
public procurement



Negotiate Mode IV  
provisions



Independent trade  
remedies regime



Own seat at  
the WTO

Where there is a common rulebook, the UK will not have flexibility, but these are **relatively stable rules that are in the UK's interest**.



## Delivering on commitments related to Northern Ireland

The Government's evolved position will **deliver its commitments to Northern Ireland** through the UK-EU relationship, protecting the constitutional and economic integrity of the UK.



**FREE TRADE AREA FOR  
GOODS**



**FRICTIONLESS  
TRADE AT  
THE BORDER**



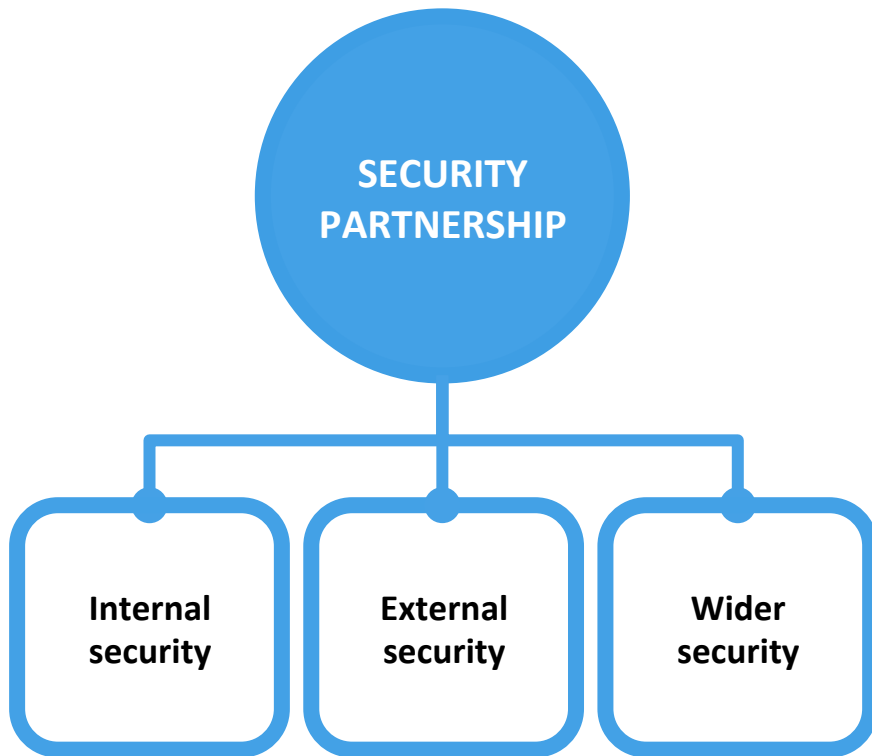
**NO HARD BORDER  
BETWEEN NI AND  
IRELAND, OR NI AND GB**

The Withdrawal Agreement will still need to include a **Northern Ireland Protocol**, outlining how the UK will meet the commitments made in the Joint Report, but because of the proposal set out the regulatory elements of it will not need to come into effect.

---

<b>PART I</b>	<b>CONTEXT</b>
<b>PART II</b>	<b>ECONOMIC PARTNERSHIP</b>
<b>PART III</b>	<b>SECURITY PARTNERSHIP</b>
<b>PART IV</b>	<b>CROSS-CUTTING COOPERATION</b>
<b>PART V</b>	<b>INSTITUTIONAL ARRANGEMENTS</b>
<b>PART VI</b>	<b>NO DEAL PLANNING</b>
<b>PART VII</b>	<b>CONCLUSION</b>

---



**Europe's security has been and will remain the UK's security**, which is why the Government has made an unconditional commitment to maintain it.

During the UK's membership of the EU, it has worked with all Member States to develop a significant suite of tools that **supports the UK's and the EU's combined operational capabilities**, and helps keep citizens safe. It is important that the UK and the EU continue that cooperation, avoiding gaps in operational capability after the UK's withdrawal.

The UK will **no longer be part of the EU's common policies on foreign, defence, security, justice and home affairs**. Instead, the Government is proposing a new security partnership that maintains close cooperation - because as the world continues to change, so too do the threats the UK and the EU both face.

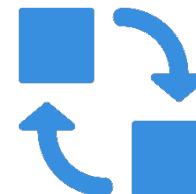
On internal security, the partnership should encompass **three key areas of cooperation**, to ensure security within Europe.



**Practical cooperation**  
facilitating the swift conviction of serious criminals, through measures based on the European Arrest Warrant and European Investigation Order



**Participation by the UK in key agencies**  
providing an effective and efficient way to share expertise and information – specifically participating in both Europol and Eurojust

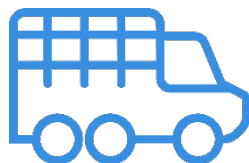


**Exchange of data**  
enabling the sharing of real-time information on wanted criminals, missing persons and suspected terrorists – for instance, potentially through databases such as SIS II

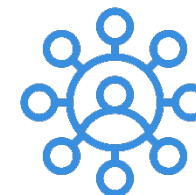
On external security, the partnership should give the EU and the UK the **ability to combine our efforts to the greatest effect**, where this is in our shared interests.



**Diplomatic cooperation**  
consulting regularly on the global challenges we face, and coordinating how we use the levers we hold where our interests align, including on sanctions



**Operational cooperation**  
continuing to work alongside one another, including through EU mechanisms where these deliver the best effect, be this on defence or on foreign aid



**Capability development**  
working together - on defence, cyber and space - to most effectively tackle our current and future threats, and promote the prosperity of UK and EU industry

There are **a number of other issues** that should fall under a wider security cooperation strand of the security partnership.



### **Cyber security**

facilitating collaboration between law enforcement agencies and sharing cyber threat information to help protect the UK and EU from this common threat



### **Counter-terrorism and Countering Violent Extremism**

collaborating on emerging threats and new opportunities where mutually beneficial



### **Asylum and illegal Migration**

agreeing a framework to return illegal migrants and take a 'whole of route' approach to tackle the causes of illegal migration

We also want to **continue collaboration on other security areas** which affect our joint security, including **health security and civil protection.**

---

PART I	CONTEXT
PART II	ECONOMIC PARTNERSHIP
PART III	SECURITY PARTNERSHIP
<b>PART IV</b>	<b>CROSS-CUTTING COOPERATION</b>
PART V	INSTITUTIONAL ARRANGEMENTS
PART VI	NO DEAL PLANNING
PART VII	CONCLUSION

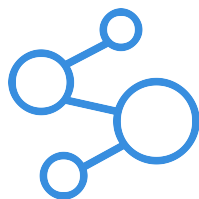
---

The Government believes the future relationship should include areas of cooperation that sit **outside of the two core partnerships.**



### **Personal data**

ensuring the future relationship facilitates the continued free flow of data to support business activity and security collaboration, and maximises certainty for business



### **Cooperative accords**

covering science and innovation, culture and education, development and international action, defence research and development, and space



### **Fishing opportunities**

putting in place new arrangements for annual negotiations on access to waters and the sharing of opportunities based on fairer and more scientific methods – with the UK an independent coastal state



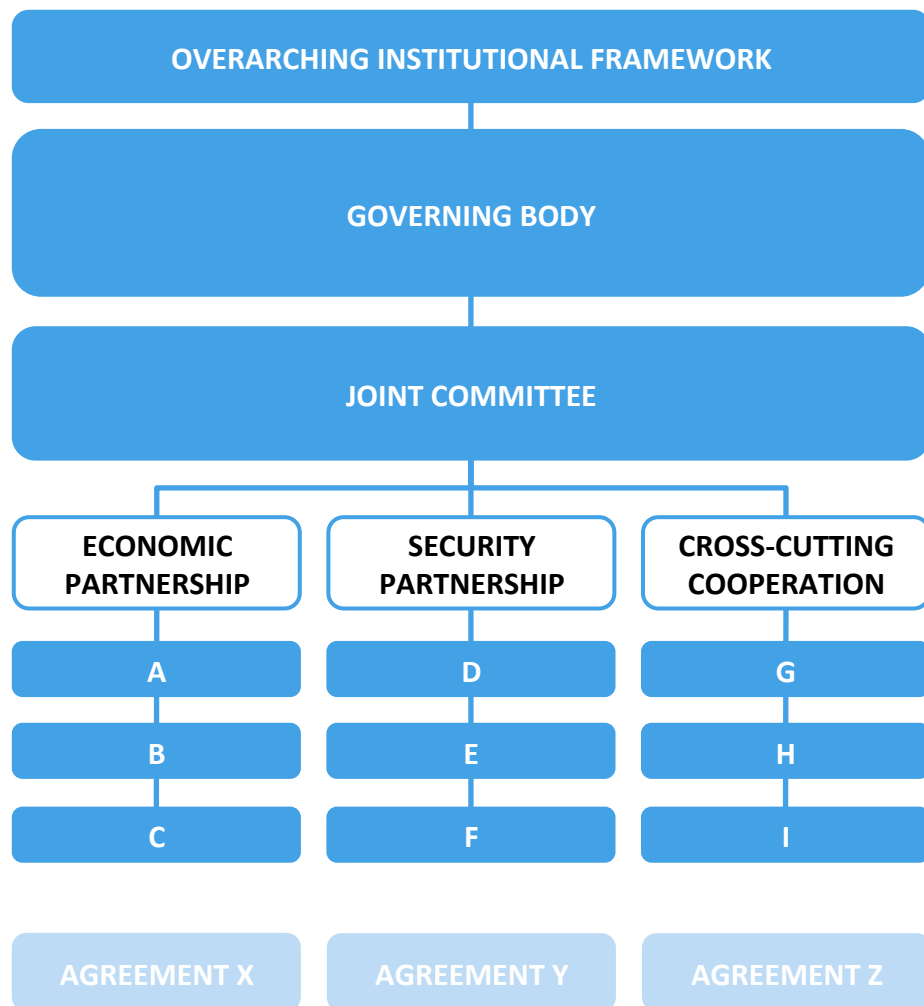
---

<b>PART I</b>	<b>CONTEXT</b>
<b>PART II</b>	<b>ECONOMIC PARTNERSHIP</b>
<b>PART III</b>	<b>SECURITY PARTNERSHIP</b>
<b>PART IV</b>	<b>CROSS-CUTTING COOPERATION</b>
<b>PART V</b>	<b>INSTITUTIONAL ARRANGEMENTS</b>
<b>PART VI</b>	<b>NO DEAL PLANNING</b>
<b>PART VII</b>	<b>CONCLUSION</b>

---

# Agreeing an overarching framework

The Government is proposing an **overarching institutional framework**, through which the future relationship will be governed and evolved – which could be an Association Agreement.



The **overarching institutional framework** would cover the majority of the future partnership, but some agreements would sit outside of it.

**The Governing Body** would provide for leaders and ministers from the UK and EU to give direction to the development of the future relationship - making decisions about how and when changes to the relationship were necessary, and ensuring accountability to our Parliaments.

The **Joint Committee** would be accountable to the Governing Body and ensure that the agreements operate effectively, manage the processes for legislative changes, and propose new cooperation as necessary.

The **Economic Partnership, Security Partnership and Cross-Cutting Cooperation** would each consist of a number of different chapters or agreements, covering a broad range of issues. The majority of these chapters or agreements would fall under the overarching institutional structure...

... but some agreements would sit **outside of the overarching framework** with their own governance arrangements, where this made sense.

The joint institutional arrangements will provide for the **consistent interpretation and application of UK-EU agreements**, and the resolution of disputes.



Rights under the agreement will be **enforced in the UK by UK courts, and in the EU by EU courts** – with due regard paid to EU case law in areas where the UK continued to apply a common rulebook.



There will also be **robust and appropriate means for the resolution of disputes**, including through a Joint Committee and in many areas independent arbitration.

Where the UK and the EU have a common rulebook, there will be a joint reference procedure to the Court of Justice of the European Union as the interpreter of EU rules - but consistent with the **principle that the court of one party cannot resolve disputes between the two**. The jurisdiction of the CJEU in the UK will end.

---

<b>PART I</b>	<b>CONTEXT</b>
<b>PART II</b>	<b>ECONOMIC PARTNERSHIP</b>
<b>PART III</b>	<b>SECURITY PARTNERSHIP</b>
<b>PART IV</b>	<b>CROSS-CUTTING COOPERATION</b>
<b>PART V</b>	<b>INSTITUTIONAL ARRANGEMENTS</b>
<b>PART VI</b>	<b>NO DEAL PLANNING</b>
<b>PART VII</b>	<b>CONCLUSION</b>

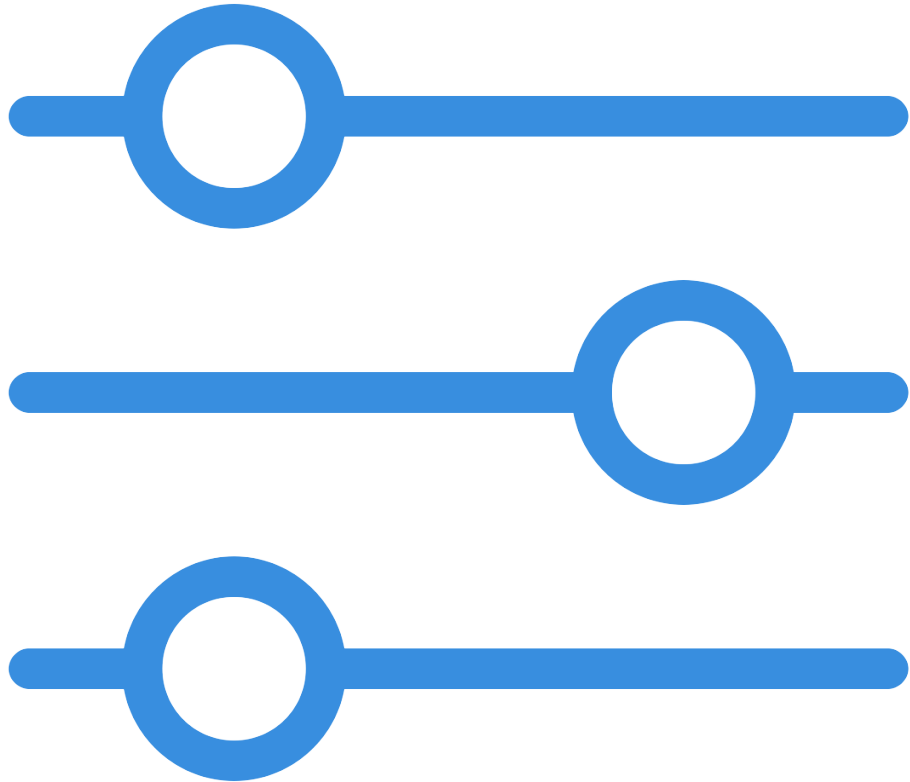
---

# The Government's preparations for no deal

It remains the Government's firm view that it is in the **best interests of both sides to find a good and sustainable future relationship**, which this proposal should make possible.

But it is responsible to **continue preparations for a range of possible outcomes**, including for a 'no deal' scenario.

Given the short period remaining before the necessary conclusion of negotiations this autumn, **the Government has agreed that preparations should be stepped up.**



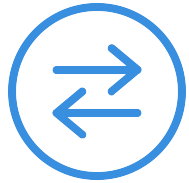
---

<b>PART I</b>	<b>CONTEXT</b>
<b>PART II</b>	<b>ECONOMIC PARTNERSHIP</b>
<b>PART III</b>	<b>SECURITY PARTNERSHIP</b>
<b>PART IV</b>	<b>CROSS-CUTTING COOPERATION</b>
<b>PART V</b>	<b>INSTITUTIONAL ARRANGEMENTS</b>
<b>PART VI</b>	<b>NO DEAL PLANNING</b>
<b>PART VII</b>	<b>CONCLUSION</b>

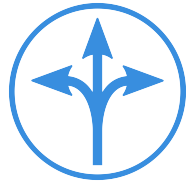
---

# The resultant benefits

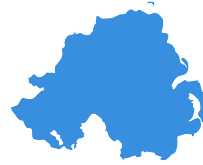
Taken together, the Government's proposal for the future relationship will **deliver benefits across a range of areas.**



Frictionless trade at the border in goods



Flexibility on services and digital



No border NI / Ireland or NI / GB



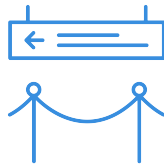
Out of EU agri and fisheries policies



End to the jurisdiction of CJEU in the UK



Freedom to sign trade deals with others



End to free movement of people in UK



No more vast contributions to the EU budget



Continued security cooperation



An end to the direct effect of EU law

The UK's negotiating team will engage at pace with the EU's **to conclude the Article 50 negotiations**, finalising the Withdrawal Agreement and the Future Framework.

**WITHDRAWAL AGREEMENT**

**FUTURE FRAMEWORK**

The UK and the EU have been clear that **the Withdrawal Agreement and the Future Framework form a package.**

The UK and the EU have both said that **'nothing is agreed until everything is agreed'** - meaning that neither document can be considered final until this is true of both.