

# News story: Secretary of State: Statement following negotiation round Thursday 26 July

Thank you Michel for hosting us again.

It's good to be back here in Brussels for a second time this month.

This meeting comes at a crucial moment in our negotiations.

A lot has been achieved to date, thanks to the hard work of teams on both sides.

We have reached agreement, as Michel says, on the rights of the four million citizens that have chosen to make their home in either the UK or the EU.

We have provided certainty for businesses through an implementation period that gives both sides the time they need to prepare for our new relationship.

We have reached agreement on the financial settlement.

And we are stepping up our efforts on our joint commitment, as Michel again has said, to respect the Belfast Agreement in all its parts, safeguarding the historic progress it has fostered over the past two decades in Northern Ireland.

Our job now – one that Michel and I share together – is to do three things.

First, we must complete the Withdrawal Agreement, concluding those remaining issues.

Discussions this week have moved us closer again to an agreement on the last few remaining remaining areas, including governance, data protection and administrative procedures.

Second, we need to complete the Protocol on Northern Ireland and Ireland.

We must meet our joint commitments through the overall future relationship between the UK and the EU, which will provide a substantive lasting solution.

But in keeping with our commitment to include legal text detailing the 'backstop' solution in the Withdrawal Agreement, we advanced in June a detailed proposal for the customs element of the backstop.

We believe this proposal represents a practical way forward. And it is an answer that respects the integrity of the EU, and the constitutional and economic integrity of the United Kingdom.

Our teams have been discussing this issue in detail and at length, and while

of course more work needs to be done, our teams are approaching this issue in the right spirit.

With pragmatism on both sides I am confident we can find a way to resolve it into a workable solution.

That will be easier to achieve if it is clear that the backstop, if it were to be exercised at all, could only be for a time-limited period before the permanent future arrangements would become operational.

And would not give rise to an extended limbo.

Last but by no means least, we need to work up a clear and precise vision for our future relationship, and set this out in a political declaration to be signed alongside the Withdrawal Agreement.

And on the basis that there is no deal until we have the whole deal, there will need to be a clear timeframe and obligation, written into the Withdrawal Agreement, to move expeditiously from this declaration to the conclusion of the binding agreements that will give it effect during the course of the implementation period.

Today Michel and I have discussed some of the key proposals set out in the UK's White Paper on the future relationship.

Our approach is designed to strike a new and fair balance of rights and obligations for the UK and the EU.

One which respects the EU's autonomy just as it does the UK's sovereignty.

The contours of our proposal are now well known, but allow me just to recap.

On the economic side, a free trade area for goods that avoids either party imposing additional checks at the border, protecting integrated supply chains and the jobs and livelihoods dependent on them, and meeting our commitments to Northern Ireland and Ireland.

This free trade area would be underpinned by a common rulebook and a new facilitated customs arrangement, with an institutional framework that I'll return to shortly.

Alongside this free trade area for goods, there will be new arrangements for services.

While recognising our access will be different in future, we seek to minimise barriers to trade between the UK and the EU, with specific arrangements for financial services, tailored to our close and interdependent relationship in this particular sector.

We have proposed robust commitments to ensure trade is open and fair, and while I understand the EU's underlying concern, the commitment to open and fair trade must of course be met on both sides.

We also want to see cooperation on energy and transport.

And we propose a framework for mobility that enables UK and EU citizens to continue to travel to each other's countries, businesses and professionals to provide services, and our young people to enjoy the educational opportunities and the rich tapestry of cultural life right across Europe.

On the security side, our proposal is for arrangements that maintain existing operational capabilities the UK and the EU deploy to protect our citizens.

And it's already clear from the discussions we have had this week that the White Paper has brought a new dynamic to this particular part of our wider conversation.

Next, we want to see continued coordination on foreign policy, defence and development issues – acting together to tackle some of the most pressing global challenges where it is more effective to work side-by-side.

Beyond trade and security, we propose a new arrangement to ensure the continued free flow of data.

Cooperative accords to strengthen joint work from science and innovation to international development.

And a new approach to our annual negotiations on access to waters and the sharing of fishing opportunities.

Underpinning all of this, we propose a joint institutional framework that respects our democratic prerogatives on both sides, ensures clear and consistent interpretation including of common rules, provides a clear and balanced approach to ending disputes through arbitration, and ultimately allows for the de-politicisation of our future relationship, which will need to be nurtured and reinforced over time.

Finally, I appreciate the questions that were posed by the Commission to my team on the Temporary Customs Arrangement.

We have addressed each one in detail and we will continue to address any outstanding concerns.

And we have published two White Papers, detailing comprehensively how we will incorporate in law the majority of the Withdrawal Agreement that has been agreed to date, and setting out our proposals as I have already outlined, for the future relationship.

We have designed our proposals both to respect the result of the referendum, and the core principles of the EU.

We have considered the innovative approaches the EU has taken in the past with other third countries – when the political will has been there.

In sum, the UK has set out our plans in detail.

Those plans are ambitious, principled and pragmatic.

I am committed to injecting new energy into these talks, along with Michel.

We have agreed to meet again in mid-August.

And then to continue weekly discussions to clear away all the obstacles that line our path, to a strong deal in October – one that works for both sides.

Michel, we've got work to do.