<u>Speech by Michel Barnier at the EU</u> <u>Institute for Security Studies</u> <u>conference</u>

"The future of the EU Foreign, Security and Defence Policy post Brexit"

Dear Federica, Ladies and gentlemen, General, dear Jorge, Ambassadors,

Our future partnership with the UK must go beyond trade. The European Union has said this many times before.

It should, in particular, include a strong pillar in foreign, security and defence policy.

So, let me thank the EU Institute for Security Studies for this opportunity today to discuss this future cooperation, together with Federica Mogherini.

Gustav, your institute is the place for creative thinking in foreign policy and security – exactly what we need for this discussion.

Back in April 2017, the European Council expressed its readiness to establish a close partnership with the UK in foreign, security and defence policy.

What unites us here is stronger - much stronger - than what divides us.

This was demonstrated after the attack in Salisbury. The EU reacted with a great sense of unity and solidarity with the UK.

10 months from the day of Brexit, our clear sign to the UK and the international community is that the security of the European Union and the UK is bound together.

There is still a lot of uncertainty. Negotiations on the future with the UK have not started yet. We have had a first exploratory discussion.
But there should be no uncertainty about our commitment to a future security partnership: security challenges are, by their nature, cross-border.

Solidarity is not to be negotiated. Any trade-off between security and trade would lead to an historic failure – and it would be a strategic mistake, benefiting those who want to weaken us.

We therefore welcome the UK's commitment to Europe's security, as restated in the recently published UK paper "Framework for the UK-EU Security Partnership". In the future, the EU will take decisions on the basis of the interests of the EU27. And it will respect the UK's sovereignty.

But the EU and the UK's interests are likely to overlap in foreign, security and defence policy.

As a consequence, I firmly believe that a close partnership is in our mutual interest.

We should join forces and protect our citizens against global threats, such as terrorism — which struck again in Paris this weekend — cyber-attacks or hybrid-threats.

We should join forces and shape the global order:

We must continue to secure the nuclear deal in Iran together.We must work towards a political process to bring an end to the conflict in

Syria.

• We will need to work with our African partners to combat poverty and address the root causes of migration.

• We will need to continue our work towards peace in the Middle East and continue to defend a two-state solution in Israel and Palestine. I say this with today's tragic events in mind.

On these and other foreign policy challenges, the EU must continue to be at the forefront. As a credible but frank partner to the US. And in honest discussions in particular with China and Russia. The EU is a global actor and will remain so after Brexit: it will continue honouring its responsibilities worldwide.

The EU does not act in isolation. It has always favoured multilateral and international cooperation.

And the UK will be one of our most important partners. Not least because of its permanent membership in the UN Security Council.

Ladies and gentlemen,

Prime Minister Theresa May said in Munich that the UK as a third country will pursue an independent foreign policy in the future.

But it is also clear that it will be in the UK's interest to remain close to the values and objectives of the EU's foreign and security policy. That is why we will keep the door open for close cooperation.

Obviously, post-Brexit, our solidarity will be organised on a different basis. We respect the sovereign decision of the UK to leave the Union.

Yet, being a third country does not mean that the UK cannot have an ambitious

partnership with the EU.

This applies in particular to Common Foreign and Security Policy and Common Security and Defence Policy, which are subject to specific rules and procedures.

These EU policies have developed over time in a flexible manner. And we cooperate with many partners.

• More than 25 third countries have participated in EU-led operations.

• The European Defence Agency, dear Jorge, cooperates today with 4 third country partners.

• And Federica has just mentioned a new partnership framework to enhance cooperation with third countries in the field of defence.

While more work is needed to prepare for the UK's orderly withdrawal, we have begun discussions on our future partnership.

These discussions are based on the guidelines adopted by the European Council in March and include a part on foreign, security and defence policy.

I just showed the Ministers for Foreign Affairs what the architecture could be of the discussions with the UK, based on four pillars: Trade, specific cooperation, internal security and external security. Following the European Council Guidelines, we have to begin now, on an operational basis, this discussion with the UK.

I will work in close cooperation with Federica and her services. And I will, of course, consider the close relationship we already have with partners, such as Norway.

The UK has decided to leave the Union and become a third country. As a consequence, the UK will not have the same rights as EU Member States.

- It will no longer participate in the decision-making of the EU.
- It will no longer have the ability to shape and lead the EU's collective actions.
- British entities will no longer have the same rights as EU entities.

These are the legal mechanic consequences of Brexit.

And the reality is that political and legal arrangements with a third country cannot be a substitute for all the benefits of EU membership.

But our future partnership could be underpinned by a set of mechanisms – dialogue, consultation, coordination, cooperation, exchange of information.

It could include five dimensions:

1) First, close and regular consultations with the UK on foreign policy.

• A shared assessment of geopolitical challenges will facilitate the

convergence and consistency of our external action.

• This will notably be the case for restrictive measures. Dialogue and information-sharing regarding EU sanctions will facilitate the UK's alignment with the EU.

2) Second, when projecting the EU's support worldwide, we will be open to the UK's contribution.

• In development aid, the EU and its Member States are the world's leading donors.

We are open to contributions from third countries and to local joint programming. We hope that the UK will make use of these possibilities.

• In EU-led operations, it is no secret that the UK's contribution has been rather marginal so far.

We would of course welcome its participation in EU-led operations in the future, considering that the UK has strategic military assets.

3) Third, in defence matters, the UK should have the possibility – where it will add value – to actively take part in a number of the European Defence Agency's Research and Technology projects.

• We should, however, keep in mind that industrial cooperation, also in the field of defence, is intertwined with EU rules underpinning the Single Market. This will in particular apply to the European Defence Fund.

4) Fourth, exchanging information on incidents will make us collectively more effective in fighting cyber-attacks.

5) Finally, this future relationship should be underpinned by a Security of Information Agreement between the EU and the United Kingdom. It will provide for the exchange and protection of classified information. It will facilitate the exchange of intelligence, as mentioned today in Berlin by Andrew Parker, the Chief of MI5.

Ladies and gentlemen,

One word on Galileo. There have recently been many press articles – and many misunderstandings.

The UK decided unilaterally and autonomously to withdraw from the EU. This implies leaving its programmes as well.

So, we need to put the cooperation on Galileo between the EU and the UK on a new basis.

In doing so, our responsibility is to maintain the autonomy of the EU and to protect our essential security interests.

The EU's rules on Galileo have been in place for a long time, and are well known to the UK.

In particular, third countries (and their companies) cannot participate in the development of security sensitive matters, such as the manufacturing of PRS-security modules.

Those rules were adopted together by unanimity with the UK as a member, and they have not changed.

Those rules do not prevent the UK, as a third country, from using the encrypted signal of Galileo, provided that the relevant agreements between the EU and the UK are in place.

Ladies and gentlemen,

The level of ambition of our future partnership will very much depend on the UK's readiness to commit.

The more the UK converges with EU foreign policy and substantially engages alongside the EU, the closer the cooperation is likely to be.

Of course, some defence and intelligence actions take place outside the framework of the EU, such as in NATO. Bilateral relationships will also continue to develop. And the UK will continue to operate with partners in ad hoc groupings, such as recently in Syria.

Yet, the EU is more than a coalition of the willing.

It is a Union.

• A Union at 27 Member States and of 440 million citizens that provides for stability and certainty in a volatile environment.

A Union that roots its action in multilateralism, defends and projects values globally and deploys a vast set of instruments.
A Union that is strong enough to best address current and future challenges.

It seems natural, therefore, that we should build our cooperation together, rather than build it piecemeal. This cooperation should be based on an alignment of foreign policy objectives, rather than short term and ad hoc interests.

Ladies and gentlemen,

We will keep the door open to the UK as a third country.

At the same time, our priority is to continue deepening our policies in defence and security.

President Juncker has called for a European Defence Union. President Macron for European sovereignty. Chancellor Merkel for a Union that shapes its own

destiny.

The Union is enhancing its ability to act globally, with for example the European Defence Fund, EU space programmes, EU cyber-security centre of excellence. And the Union will continue to develop its partnership with NATO, in the spirit of the joint declaration signed in Warsaw in July 2016.

There is no ideology on the EU's side. No emotion. No willingness to punish. Never.

But ambition and respect for our rules.

As I said in Berlin last November, our future relationship in the field of foreign, defence and security policy should not be designed through the lens of the past.

Rather it should take into account the geopolitical challenges of tomorrow.

This is the spirit in which we will prepare, for October, the political declaration on the framework for the future relationship— provided that the Withdrawal Agreement is finalised.

Allow me to repeat myself: we are not there yet.

To be clear, if you look at the draft Withdrawal Agreement, 75% of it is in green. This is a good point. The last 25%, which remain, in particular the Irish and Northern Ireland case, are very serious. We are not there yet, but are now working on this future framework, which must be ambitious.

Thank you very much for your attention.