

# Speech: PM statement on EU negotiations: 11 December 2017

With permission Mr Speaker, I would like to update the House on the negotiations for our departure from the European Union.

On Friday morning the government and the European Commission published a [Joint Report on progress during the first phase](#).

On the basis of this report – and following the discussions I held throughout last week – President Juncker is recommending to the European Council that sufficient progress has now been made to move to the next stage and begin talks on the future relationship between the UK and the EU.

And President Tusk has responded positively by proposing guidelines for the next phase of the negotiations.

I want to pay tribute to my Rt Hon Friend the Secretary of State for Exiting the European Union and our whole negotiating team for their calm and professional approach to these negotiations.

We have argued robustly and clearly for the outcomes we seek.

A fair and reciprocal deal that will guarantee the rights of more than three million EU citizens living in the UK and a million UK nationals living in the EU – so they can carry on living their lives as before.

A fair settlement of the accounts, meeting our rights and obligations as a departing member state – in the spirit of our future partnership.

And a commitment to maintain the Common Travel Area with Ireland; to uphold the Belfast Agreement in full; and to avoid a hard border between Northern Ireland and Ireland while upholding the constitutional and economic integrity of the whole United Kingdom.

Let me set out for the House the agreements we have now reached in each of these areas.

## **Citizen's rights**

Mr Speaker, more than 3 million EU citizens make an extraordinary contribution to every part of our economy, our society, our culture and our national life.

And I know that EU Member States similarly value the contribution of the 1 million UK nationals living in their communities.

So from the outset I have made protecting citizens' rights my first priority.

But for these rights to be truly reciprocal, they need to be interpreted

consistently in both the UK and the EU.

The European Union started by wanting all EU citizens' rights to be preserved in the UK by a prolongation of EU law.

They said these rights should not require any UK process to implement them.

And that they should be supervised by the Commission and enforced by the European Court of Justice.

Those proposals were not acceptable.

Mr Speaker, when we leave the European Union our laws will be made and enforced here in Britain not in Luxembourg.

So the EU has accepted that we will incorporate the Withdrawal Agreement into UK law.

And citizens' rights will then be enforced by our courts – where appropriate, paying due regard to relevant ECJ case law, just as they already decide other matters with reference to international law when it's relevant.

In the interests of consistent interpretation of citizens' rights, we have agreed that where existing law is not clear, our courts – and only our courts – will be able to choose to ask the ECJ for an interpretation prior to reaching their own decision.

But this will be a very narrow remit and a very small number of cases.

And unlike now, they will not be obliged to do so. This will be voluntary.

The case itself will always be determined by the UK courts, not the ECJ. And there will also be a sunset clause so, after eight years, even this voluntary mechanism will end.

Mr Speaker, the end point of this process is very clear.

EU Citizens living in the UK will have their rights enshrined in UK law and enforced by British courts.

And UK citizens living in the EU will also have their rights protected.

The jurisdiction of the ECJ in the UK is coming to an end.

We are taking control our own laws once again. And that is exactly how it should be.

## **Financial settlement**

Let me turn to the financial settlement.

Following some tough conversations – we have agreed the scope of our commitments and the principles for their valuation.

We will continue to pay our net contributions under the current EU Budget plan. During this time our proposed implementation period will see us continuing to trade on current terms.

And we will pay our fair share of the outstanding commitments and liabilities to which we committed during our membership.

However, this is conditional upon a number of principles we have negotiated over how we will ultimately arrive at a fair valuation of these commitments, which will bring the actual financial settlement down by a substantial amount.

This part of the report we agreed on Friday, like the rest of it, is also subject to the general reservation that nothing is agreed until everything is agreed. This means we want to see the whole deal now coming together, including the terms of our future deep and special partnership, as I said in Florence.

Mr Speaker, these are the actions of a responsible nation honouring the commitments that it has made to its allies having gone through those commitments line by line as we said we would.

It is a fair settlement for the British taxpayer who will soon see significant savings compared with remaining in the European Union.

It means we will be able to use that money to invest in our priorities at home – such as housing, schools and the NHS.

And it means the days of paying vast sums to the European Union every year are coming to an end.

## **Northern Ireland**

Mr Speaker, our departure from the European Union presents a significant and unique challenge for Northern Ireland and Ireland.

So it is absolutely right that the Joint Report makes clear we will uphold the Belfast Agreement in full. This Agreement, including its subsequent implementation agreements and arrangements, has been critical to the progress made in Northern Ireland over recent decades.

Our commitments to those agreements, the principles that underpin them, the institutions they establish and the rights and opportunities they guarantee, remain steadfast.

Mr Speaker, the Joint Report reaffirms our guarantee that there will be no hard border between Northern Ireland and Ireland. So much of daily life in Northern Ireland depends on being able to cross the border freely, so it is right that we ensure no new barriers are put in place.

We have also been absolutely clear that nothing in this process will alter our determination to uphold the constitutional and economic integrity of the

whole United Kingdom. And it was right that we took time last week to strengthen and clarify the Joint Report in this regard, listening to unionists across the country, including the DUP.

On Friday I reinforced this further by making [six principled commitments to Northern Ireland](#).

First, we will always uphold and support Northern Ireland's status as an integral part of the United Kingdom, consistent with the principle of consent.

As our Northern Ireland manifesto at the last election made clear, the government I lead will never be neutral when it comes to expressing our support for the Union.

Second, we will fully protect and maintain Northern Ireland's position within the single market of the United Kingdom. This is by far the most important market for Northern Ireland's goods and services and Northern Ireland will continue to have full and unfettered access to it.

Third, there will be no new borders within the United Kingdom. In addition to no hard border between Northern Ireland and Ireland, we will maintain the Common Travel Area throughout these islands.

Fourth, the whole of the United Kingdom, including Northern Ireland, will leave the EU customs union and the EU single market. Nothing in the agreement I have reached alters that fundamental fact.

Fifth, we will uphold the commitments and safeguards set out in the Belfast Agreement regarding North-South Co-operation. This will continue to require cross-community support.

And sixth, the whole of the United Kingdom, including Northern Ireland, will no longer be subject to the jurisdiction of the European Court of Justice.

Mr Speaker, as the Joint Report makes clear, our intention is to deliver against these commitments through the new, deep and special partnership that we are going to build with the European Union.

Should this not prove possible, we have also been clear that we will seek specific solutions to address the unique circumstances of the island of Ireland.

And because we recognise the concerns felt by either side of the border and we want to guarantee that we will honour the commitments we have made, we have also agreed one further fall back option of last resort.

So if we cannot find specific solutions then the UK will maintain full alignment with those rules of the Internal Market and the Customs Union which, now or in the future, support North-South co-operation, economic co-operation across the island of Ireland and the protection of the Belfast Agreement.

The Joint Report clearly sets out that cross community safeguards and consent are required from the Northern Ireland Executive and Assembly for distinct arrangements in this scenario. And that in all circumstances Northern Irish businesses must continue to have full and unfettered access to the markets in the rest of the United Kingdom on which they rely.

So, Mr Speaker, there can be no question about our commitment to avoiding barriers both North-South and East-West.

We will continue to work with all Northern Irish parties and the Irish government in the second phase of the talks – and continue to encourage the re-establishment of the Northern Ireland Executive so that Northern Ireland's voice is fully heard throughout this process.

## **Implementation period**

Finally, Mr Speaker, in my Florence speech I proposed an implementation period to give governments, businesses and families the time they need to implement the changes required for our future partnership.

The precise terms of this period will be for discussion in the next phase of negotiations. And I very much welcome President Tusk's recommendation that talks on the implementation period should start immediately and that it should be agreed as soon as possible.

## **Conclusion**

Mr Speaker, this is not about a hard or a soft Brexit.

The arrangements we have agreed to reach the second phase of the talks are entirely consistent with the principles and objectives that I set out in my speeches in Florence and at Lancaster House.

I know that some doubted we would reach this stage.

The process ahead will not be easy. The progress so far has required give and take for the UK and the EU to move forwards together. And that is what we have done.

Of course, nothing is agreed until everything is agreed.

But there is, I believe, a new sense of optimism now in the talks and I fully hope and expect that we will confirm the arrangements I have set out today in the European Council later this week.

This is good news for people who voted Leave, who were worried we were so bogged down in tortuous negotiations it was never going to happen.

And it is good news for people who voted Remain, who were worried we were going to crash out without a deal.

We are going to leave but we are going to do so in a smooth and orderly way,

securing a new deep and special partnership with our friends while taking back control of our borders, money and laws once again.

That is my mission. That is this government's mission.

And on Friday we took a big step towards achieving it.

And I commend this Statement to the House