

Speech: PM's statement on the Special European Council: 26 November 2018

With permission, Mr Speaker, I would like to make a Statement on the conclusion of our negotiations to leave the European Union.

At yesterday's Special European Council in Brussels, I reached a deal with the leaders of the other 27 EU Member States on a Withdrawal Agreement that will ensure our smooth and orderly departure on 29th March next year; and, tied to this Agreement, a Political Declaration on an ambitious future partnership that is in our national interest.

Mr Speaker, this is the right deal for Britain because it delivers on the democratic decision of the British people.

It takes back control of our borders. It ends the free movement of people in full once and for all, allowing the government to introduce a new skills-based immigration system.

It takes back control of our laws. It ends the jurisdiction of the European Court of Justice in the UK and means instead our laws being made in our Parliaments, enforced by our courts.

And it takes back control of our money. It ends the vast annual payments we send to Brussels. So instead we can spend taxpayers' money on our own priorities, including the £394 million a week of extra investment into our long-term plan for the NHS.

By creating a new Free Trade Area with no tariffs, fees, charges, quantitative restrictions or rules of origin checks, this deal protects jobs, including those that rely on integrated supply chains.

It protects our security with a close relationship on defence and on tackling crime and terrorism, which will help to keep all our people safe.

And it protects the integrity of our United Kingdom, meeting our commitments in Northern Ireland and delivering for the whole UK family, including our Overseas Territories and the Crown Dependencies.

Mr Speaker, on Gibraltar, we have worked constructively with the governments of Spain and Gibraltar – and I want to pay tribute in particular to Gibraltar's Chief Minister Fabian Picardo for his statesmanship in these negotiations.

We have ensured that Gibraltar is covered by the whole Withdrawal Agreement and by the Implementation Period.

And for the future partnership, the UK government will be negotiating for the whole UK family, including Gibraltar.

As Fabian Picardo said this weekend:

Every aspect of the response of the United Kingdom was agreed with the Government of Gibraltar. We have worked seamlessly together in this as we have in all other aspects of this two year period of negotiation. Most importantly, the legal text of the draft Withdrawal Agreement has not been changed. That is what the Spanish Government repeatedly sought. But they have not achieved that. The United Kingdom has not let us down.

Mr Speaker, our message to the people of Gibraltar is clear: we will always stand by you. We are proud that Gibraltar is British and our position on sovereignty has not and will not change.

Mr Speaker, the Withdrawal Agreement will ensure that we leave the European Union on 29th March next year in a smooth and orderly way.

It protects the rights of EU citizens living in the UK and UK citizens living in the EU, so they can carry on living their lives as before.

It delivers a time-limited Implementation Period to give business time to prepare for the new arrangements. During the Implementation Period trade will continue on current terms so businesses only have to face one set of changes. It ensures a fair settlement of our financial obligations – less than half of what some originally expected and demanded.

And it meets our commitment to ensure there is no hard border between Northern Ireland and Ireland – and also no customs border in the Irish Sea – in the event that the future relationship is not ready by the end of the implementation period.

Mr Speaker, I know some Members remain concerned that we could find ourselves stuck in this backstop.

So let me address this directly.

First, this is an insurance policy that no-one wants to use.

Both the UK and the EU are fully committed to having our future relationship in place by 1st January 2021.

And the Withdrawal Agreement has a legal duty on both sides to use best endeavours to avoid the backstop ever coming into force.

If, despite this, the future relationship is not ready by the end of 2020, we would not be forced to use the backstop. We would have a clear choice between the backstop or a short extension to the Implementation Period.

If we did choose the backstop, the legal text is clear that it should be temporary and that the Article 50 legal base cannot provide for a permanent relationship.

And there is now more flexibility that it can be superseded either by the future relationship, or by alternative arrangements which include the potential for facilitative arrangements and technologies to avoid a hard border on the island of Ireland. There is also a termination clause, which allows the backstop to be turned off when we have fulfilled our commitments on the Northern Ireland border. And there is a unilateral right to trigger a review through the Joint Committee and the ability to seek independent arbitration if the EU does not use good faith in this process.

Furthermore, as a result of the changes we have negotiated, the legal text is now also clear that once the backstop has been superseded, it shall "cease to apply".

So if a future Parliament decided to then move from an initially deep trade relationship to a looser one, the backstop could not return.

Mr Speaker, I do not pretend that either we or the EU are entirely happy with these arrangements. And that's how it must be – were either party entirely happy, that party would have no incentive to move on to the future relationship.

But there is no alternative deal that honours our commitments to Northern Ireland which does not involve this insurance policy. And the EU would not have agreed any future partnership without it.

Put simply, there is no deal that comes without a backstop, and without a backstop there is no deal.

Mr Speaker, the Withdrawal Agreement is accompanied by a Political Declaration, which sets out the scope and terms of an ambitious future relationship between the UK and the EU.

It is a detailed set of instructions to negotiators that will be used to deliver a legal agreement on our future relationship after we have left.

The linkage clause between the Withdrawal Agreement and this declaration requires both sides to use best endeavours to get this legal text agreed and implemented by the end of 2020.

And both sides are committed to making preparations for an immediate start to the formal negotiations after our withdrawal.

The declaration contains specific detail on our future economic relationship.

This includes a new Free Trade Area with no tariffs, fees, quantitative restrictions or rules of origin checks – an unprecedented economic relationship that no other major economy has.

It includes liberalisation in trade in services well beyond WTO commitments and building on recent EU Free Trade Agreements.

It includes new arrangements for our financial services sector – ensuring market access cannot be withdrawn on a whim and providing stability and certainty for our world-leading industry.

And it ensures we will leave EU programmes that do not work in our interests: so we will be out of the Common Agricultural Policy that has failed our farmers and out of the Common Fisheries Policy that has failed our coastal communities.

Instead as the Political Declaration sets out, we will be “an independent coastal state” once again. We will take back full sovereign control over our waters. So we will be able to decide for ourselves who we allow to fish in our waters.

The EU have maintained throughout this process that they wanted to link overall access to markets to access to fisheries. They failed in the Withdrawal Agreement, and they failed again in the Political Declaration.

It is no surprise some are already trying to lay down markers again for the future relationship, but they should be getting used to the answer by now: it is not going to happen.

Finally, the declaration is clear that whatever is agreed in the future partnership must recognise the development of an independent UK trade policy beyond this economic partnership.

So for the first time in forty years, the UK will be able to strike new trade deals and open up new markets for our goods and services in the fastest growing economies around the world.

Mr Speaker, as I set out for the House last week, the future relationship also includes a comprehensive new security partnership with close reciprocal law enforcement and judicial co-operation to keep all our people safe.

At the outset we were told that being outside of free movement and outside of the Schengen area, we would be treated like any other non-EU state on security.

But this deal delivers the broadest security partnership in the EU’s history, including arrangements for effective data exchange on Passenger Name Records, DNA, fingerprints, and vehicle registration data, as well as extradition arrangements like those in the European Arrest Warrant.

And it opens the way to sharing the types of information included in the ECRIS and SIS II databases on wanted or missing persons and criminal records.

Mr Speaker, this has been a long and complex negotiation.

It has required give and take on both sides. That is the nature of a negotiation.

But this deal honours the result of the referendum while providing a close economic and security relationship with our nearest neighbours and in so doing offers a brighter future for the British people outside of the EU.

And I can say to the House with absolute certainty that there is not a better deal available. My fellow leaders were very clear on that themselves

yesterday.

Mr Speaker, our duty – as a Parliament over these coming weeks – is to examine this deal in detail, to debate it respectfully, to listen to our constituents and decide what is in our national interest.

There is a choice which this House will have to make.

We can back this deal, deliver on the vote of the referendum and move on to building a brighter future of opportunity and prosperity for all our people.

Or this House can choose to reject this deal and go back to square one. Because no-one knows what would happen if this deal doesn't pass. It would open the door to more division and more uncertainty, with all the risks that will entail.

Mr Speaker, I believe our national interest is clear.

The British people want us to get on with a deal that honours the referendum and allows us to come together again as a country, whichever way we voted.

This is that deal. A deal that delivers for the British people.

And I commend this Statement to the House.