

# EU-UK Trade and Cooperation Agreement: Council adopts decision on the signing



The Council has today adopted, by written procedure, the decision on the signing of the EU-UK Trade and Cooperation Agreement and its provisional application as of 1 January 2021, pending the consent of the European Parliament and conclusion by the Council decision next year.

The agreement will now be signed by the two parties on 30 December 2020. European Council President Charles Michel and European Commission President Ursula von der Leyen will sign in Brussels on behalf of the European Union while Prime Minister Boris Johnson will sign in London on behalf of the United Kingdom.

After the formal signing, the decision adopted today on the signature and provisional application and the agreement itself will be published in the Official Journal of the EU in all languages and will be provisionally applied from 1 January 2021.

## **Next steps**

Next year, the Council will adopt the decision on the conclusion of the EU-UK Trade and Cooperation Agreement, once the European Parliament has given its consent and once all procedures necessary for the entry into force have been completed.

## **Background**

On 23 June 2016, UK citizens voted to leave the EU. On 29 March 2017, the UK formally notified the European Council of its intention to leave the EU. On 17 October 2019, the European Council (Article 50) endorsed the Withdrawal Agreement as agreed by the negotiators of both sides. It also endorsed the revised Political Declaration on the framework of the future EU-UK relationship.

The United Kingdom left the European Union on 31 January 2020 at midnight (CET) and the withdrawal agreement entered into force on 1 February 2020.

Negotiations on the future partnership between the EU and the UK started on 2 March 2020.

In June 2020, the UK decided not to seek an extension to the transition period. The transition period will therefore end on 31 December 2020.

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## Bosnia and Herzegovina: EIB provides €340 million to advance works on northern part of Corridor Vc



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- **€340 million to accelerate the construction works on Corridor Vc and boost socioeconomic recovery in Bosnia and Herzegovina.**
- **The EIB has committed more than €1 billion for the construction of Corridor Vc.**
- **Modern motorway will improve road safety, functionality and mobility for 1.5 million people.**

The European Investment Bank (EIB) has unlocked €340 million for the construction of the 36-kilometre section of road between Poprikuše and Medakovo on Corridor Vc, key connectivity infrastructure in the country that is also supported by European Union grants and the European Bank for Reconstruction and Development (EBRD). This investment creates new employment and business opportunities in Bosnia and Herzegovina and contributes to regional integration.

With €340 million of new financing allocated to Corridor Vc, the EIB continues to support this pivotal route on the pan-European network connecting the port of Ploče in Croatia with Hungary via Bosnia and Herzegovina. To date, the EU bank has provided €1 billion for the construction of a 155-kilometre motorway along the Bosnia and Herzegovina section of the corridor. This modern transport network is expected to ease commuting for 1.5 million people, contribute to road safety and promote regional cooperation.

As part of exceptional measures adopted in response to COVID-19, the EIB will increase its financing to cover 90% of the total costs to advance project implementation.

**EIB Vice-President Lilyana Pavlova, who is responsible for the Western Balkans, said:** “The EIB provides continuous support for the development of modern motorways on Corridor Vc in Bosnia and Herzegovina. Modern, safer roads and better transport connections are vital for economic development, fluent trade and regional cohesion and can help attract new foreign investments. This transaction will help create new job opportunities and support Bosnia and Herzegovina’s post-COVID-19 recovery and integration with the regional and EU market.”

**Head of the EU Delegation and EU Special Representative in Bosnia and Herzegovina Ambassador Johann Sattler said:** “I am glad that a new section of Corridor Vc is now financially secured thanks to the efforts of Bosnia and Herzegovina and the EIB, the investment bank of the European Union. The EIB’s investment will help to bring us closer to the objective of the Western Balkans Economic Investment Plan to complete 75% of Corridor Vc by 2024. As the largest donor for Corridor Vc, the European Union has allocated over €200 million for the construction of 11 sub-sections of Corridor Vc in Bosnia and Herzegovina to complement the EIB loans. As a result, BiH citizens will be better connected not only within the country but to the rest of Europe as well.”

**The Minister of Finance and Treasury of Bosnia and Herzegovina Vjekoslav Bevanda** emphasised the importance of this agreement for the Federation of Bosnia and Herzegovina and its state and regional significance in terms of development of modern infrastructure, increased safety and motorway capacity. “Each project related to construction of the motorway on Corridor Vc is of great importance and each kilometre represents a step closer to Europe for us. This is why this agreement, in addition to its financial value, will have a positive impact for the public, who will have access to 35 kilometres of new motorway on the Poprikuše-Medakovo section,” said Minister Bevanda.

## **Background information**

### **About the [EIB in Bosnia and Herzegovina](#):**

The EU bank has been active in Bosnia and Herzegovina since 1977.

### **About the [EIB in the Balkans](#):**

The EIB is one of the leading international financiers in the Western Balkans. Since 2009, the Bank has financed projects totalling over €8 billion in the region.

The [Western Balkans Investment Framework \(WBIF\)](#) provides financing and technical assistance to strategic investments in the energy, environment, social, transport, and digital infrastructure sectors. It also supports private sector development initiatives.

## Egypt: The EU Bank supports urban transport



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- **€1.128 billion of financing to invest in metro and tram systems in Cairo and Alexandria**
- **The first tranche of €600 million is signed**
- **The urban transport schemes will contribute to reducing emissions in the two large cities**

The European Investment Bank (EIB) and the [Arab Republic of Egypt](#) have signed a €1.128 billion agreement to support investments in the rehabilitation and expansion of metro and tram systems in Alexandria and Cairo. The EIB financing will contribute to increasing the availability and improving the quality of public transport systems in the two cities, where 30-35% of the country's population live and work. This new operation is in line with the EU bank's climate action objectives and comes in support of the government's national priorities.

The EIB financing will support three large-scale projects in the sector. The first investment will support the rehabilitation and extension of the existing 13.8 km-long El-Raml tram in Alexandria. The second will support the rehabilitation and upgrade of an underused 22 km-long urban railway in

Alexandria into a high frequency metro (the Abu Qir Metro), adding metro stops and improving road safety by removing at-grade crossings. The third project will support the rehabilitation of the 23 km-long metro line 2 in Cairo that has been in operation for 23 years and requires urgent upgrades of its electrical and mechanical systems.

The EIB financing contract will be signed in two tranches. The first tranche of €600 million is being signed today and the second tranche of €528 million will be signed early next year. The structure of the EIB facility allows the Egyptian government to secure the funding necessary for large-scale urban transport projects on competitive financial conditions provided under the European Union External Lending Mandate (2014-2020).

In addition to the EIB's financing, the EIB [Economic Resilience Initiative](#) and the [EU Neighbourhood Investment Programme](#) (EU NIP) provided grants for technical assistance and advisory supporting the preparation of the three projects.

These investments will lead to a greenhouse gas emissions reduction due to the expected modal shift, and will therefore contribute to the [Bank's climate action objective](#), as well as to the implementation of Egypt's Intended Nationally Determined Contributions (INDCs), as defined in the Paris Agreement on Climate Change of December 2015.

"Understanding the value of transport infrastructure is at the heart of informed policy-making. Benefiting more than half a million passengers a day, we are not only reshaping Egypt's economic geography but also meeting social and environmental targets to drive sustainable growth. We value our partnership with the EIB, which has been instrumental in pushing the frontiers of ESG standards that push international cooperation across various sectors to varying projects, including the private sector," said **H.E. Dr. Rania A. Al-Mashat, Minister of International Cooperation.**

For his part, **H.E. Lieutenant-General Kamel Al-Wazir, Minister of Transport,** confirmed that the projects that will be financed by the European Investment Bank are: the project of rehabilitation of El-Raml tram in Alexandria with a value of €138 million, the project of converting the Abu Qir/Alexandria railway line to a metro line with a value of €750 million, and the project of rehabilitating the second line with a value of €240 million. These projects have great importance in strengthening the mass transit system, which the political leadership has directed to be comprehensively developed in order to provide distinctive services to citizens. His excellency also added that the two projects of developing the Abu Qir line, converting it into a metro line and the rehabilitation of the El-Raml tram will represent a paradigm shift in the means of transportation within the Alexandria governorate, pointing to the fact that the pre-qualification works for the Abu Qir line and its conversion to a metro line have been tendered, and the tender documents for the El-Raml tram project are being finalised.

The Minister of Transport explained that the plan to rehabilitate the second line of the metro comes within the framework of the comprehensive plan implemented by the Ministry of Transport to modernise the infrastructure of

the first and second lines of the metro, by modernising signal electrification systems, communication systems and central control systems, renewing rails and electromechanical works, and purchasing new air-conditioned trains to make all the trains of the current fleet air-conditioned, pointing out that the ministry seeks to provide all distinct services to all passengers.

**Flavia Palanza** made the following comment on the signature: “As the EU climate bank, we give high priority to clean urban transport projects such as trams and metros. Today, we signed the €1.128 billion government agreement supporting this important goal for our joint cooperation. This large-scale financing responds to the ambitious objectives of the Egyptian government to improve people’s lives by building sustainable transport infrastructure and reducing CO<sub>2</sub> emissions. The €600 million first tranche of the EIB support is being signed today and we expect to sign the second tranche early next year. We are looking forward implementing these key investment projects with our Egyptian partners and the other IFIs.”

For his part, **European Union Ambassador to Egypt Christian Berger** stated: “Sustainable urban mobility will contribute to our well-being and quality of life. The Egyptian Government and our EIB partners have put great efforts into bringing green, affordable and safe transport to Egyptian citizens, to facilitate commuting in dynamically developing urban areas. The EU is committed to supporting green growth in Egypt in line with the spirit of the European Green Deal. Green, clean and sustainable transportation will reduce environmental impact and socioeconomic costs and has strong job-creation potential.”

This EIB facility is part of the Bank’s wider engagement in the urban transport sector in Egypt, which has been gradually increasing over recent years. In 2012, the EIB approved a loan of €600 million for Cairo Metro Line 3, which was signed in three tranches of €200 million each respectively in 2012, 2015 and 2016. In 2019, further financing of €350 million was signed for the Cairo Metro Line 1 Rehabilitation.

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## [Read out of the phone call between President Charles Michel and UK Prime Minister Boris Johnson](#)



Both leaders welcomed the fair and balanced agreement reached on the future relationship between the United Kingdom and the European Union with a view to the upcoming signature, which is scheduled for 30 December. The agreement is essential as it creates stability and predictability for citizens and companies.

In the fight against climate change, both leaders agreed to intensify the future cooperation between the UK and the EU. They agreed to take work forward with a view to the COP 26 in Glasgow. The recent EU decision to adapt its 2030 target was welcomed.

Both leaders agreed to intensify work on the global response to pandemics.

In this regard, the idea of a possible treaty on pandemics, which could help to strengthen global preparedness and response was discussed, notably in the framework of the UK presidency of the G7.

On foreign affairs, President Michel and Prime Minister Johnson stated their common interest to continue exchanging views and seek cooperation on specific issues based on shared values and interests.

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## [Weekly schedule of President Charles Michel](#)



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