



Comparison of the UK Government, European Council and European Parliament's positions on future UK-EU relations (5 June 2018)

Key: **G Green**=broad agreement both on the desired outcome and the means of achieving it; **Y Yellow**=agreement on the outcome but disagreement on the means; **R Red**=clear disagreements have emerged, either on outcomes or means; **W White**=insufficient evidence to assess the prospects for agreement

Issue	UK Government position		European Council position		European Parliament position		
Cross-cutting issues							
R	Dispute resolution/enforcement	R	The jurisdiction of the CJEU in the UK must end: instead an independent arbitration mechanism, resolving disagreements fairly and promptly. 'Respect the remit' of the CJEU in some, limited, spheres.	R	Governance to address management and supervision, dispute settlement and enforcement, including sanctions. Must respect the autonomy of the EU legal order, including the role of the CJEU.	R	A robust dispute settlement mechanism and governance structures. Must fully preserve the autonomy of the EU's decision-making and legal order, including the role of the CJEU.
Y	Regulatory cooperation	Y	Cooperation between regulators.	Y	A framework for voluntary regulatory cooperation.	Y	Regulatory cooperation should have a specific focus on SMEs, and be voluntary.
Y	Data protection	Y	Data protection arrangement with more depth than an adequacy arrangement, and with an appropriate ongoing role for UK Information Commissioner's Office.	Y	Data protection should be governed by EU rules on adequacy, ensuring a level of protection equivalent to that of EU.	Y	An adequacy decision is the preferred and most secure option. The UK must provide a level of data protection that is as robust as Union data protection rules.
Y	Free movement	Y	End to free movement, but maintenance of opportunities for UK and EU citizens to work and study in each other's territories.	Y	Movement of natural persons, based on full reciprocity and non-discrimination.	Y	Specific provisions on the movement of persons.
Y	Social and employment rights	Y	The UK will not engage in a race to the bottom in workers' rights; employment rights will keep pace with the changing labour market.	Y	A level playing field in the provision of social protection.	Y	A level playing field in provision of social and workers' rights.
R	EU agencies	R	UK to remain part of some EU agencies (including Medicines, Chemicals and Aviation Safety) through associate membership, abiding by their rules, respecting the remit of the CJEU where relevant, and making an appropriate financial contribution.	R	Autonomy of EU decision-making excludes participation of the UK in the decision-making of EU bodies, offices and agencies.	R	As a general rule the UK cannot as a third country participate in or have access to EU agencies, though this does not exclude cooperation in specific cases.

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Economic relations							
Y	Future economic relationship	Y	Economic partnership, covering more sectors and co-operating more fully than any FTA.	Y	A balanced, ambitious and wide-ranging FTA. This cannot offer the same benefits as EU Membership.	Y	UK membership of the internal market and the customs union is the best option, but current UK position is only compatible with a trade agreement.
Trade in goods							
G	Trade in goods	G	Zero tariffs or quotas, and one set of regulatory approvals (through associate membership of some regulatory agencies).	G	FTA should cover all sectors and seek to maintain zero tariffs and no quotas, with appropriate rules of origin.	G	UK position is only compatible with a trade agreement.
Y	Product standards	Y	Reciprocal binding commitments (including to keep standards as high as EU) to ensure fair and open competition. Equivalence of regulatory outcomes, overseen by an independent mechanism. Comprehensive system of mutual recognition.	Y	A combination of rules and mechanisms to ensure effective implementation domestically, enforcement and dispute settlement mechanisms, to preserve 'level playing field'.	Y	A level playing field in relation to international standards and EU policies, together with a clear enforcement mechanism and governance structure, access to justice and a proper complaints mechanism for citizens and NGOs.
R	Customs	R	Customs agreement through either a UK-EU customs partnership, or a highly streamlined customs arrangement.	R	Appropriate customs cooperation, preserving the regulatory and jurisdictional autonomy of the parties and integrity of the EU customs union.	R	The UK's position will lead to customs checks and verification, even if tariff barriers can be avoided.
W	Agriculture	W	The UK will leave the CAP, but environmental standards will remain at least as high as the EU's. Maintenance of open markets for each other's produce.	W	Disciplines on sanitary and phytosanitary measures.	W	Access to the EU market in food and agricultural products is conditional on strict compliance with all EU law and standards.
W	Environment/ climate change	W	Environmental standards will remain at least as high as the EU's.	W	The future partnership should address climate change and sustainable development, as well as cross-border pollution.	W	The UK should remain fully aligned with current and future EU legislation; if not, there should be safeguards and mechanisms to ensure close cooperation and high standards.
Y	Fisheries	Y	The UK will leave the CFP, but will work with the EU to manage shared stocks and to agree reciprocal access, while ensuring a fairer allocation of fish to the UK fishing industry. Maintenance of open markets for each other's produce.	Y	Existing reciprocal access to fishing waters and resources should be maintained.	Y	A 'novel bilateral partnership' covering access to waters and resources and sustainable management of shared stocks. Access to the EU domestic market must be conditional on access for EU vessels to UK fishing grounds, and cooperation in management of shared stocks.

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Trade in services							
W	Trade in services	W	New barriers should only be introduced where absolutely necessary.	W	FTA to cover trade in services, to the extent consistent with the UK becoming a third country.	W	Under a FTA market access for services is limited and subject to exclusions, reservations and exceptions.
Y	Cross-border service provision	Y	Enable UK firms to set up in the EU and vice versa, and agree an appropriate labour mobility framework.	Y	Allow market access to provide services under host state rules, consistent with the UK becoming a third country.	Y	Reciprocal market access in full compliance with WTO rules and with EU rules on equal treatment.
G	Qualifications	G	Mutual recognition of qualifications.	G	Mutual recognition of qualifications.	W	No specific reference.
R	Financial services	R	Include financial services in a FTA, based on maintenance of the same regulatory outcomes over time, alongside an enforcement mechanism.	R	Safeguard financial stability in the EU and respect its regulatory and supervisory regime and standards.	R	UK will lose passporting rights for financial services. Prudential carve-out and limitations in the cross-border provisions of financial services are normal in FTAs.
W	Corporate taxation	W	No specific reference.	W	No specific reference.	W	The UK (and its dependent territories) should adhere to EU laws on taxation and anti-money laundering.
Y	Energy	Y	Protect the single electricity market in Ireland/Northern Ireland; explore UK participation in EU internal energy market (IEM); close association with Euratom.	W	No specific reference.	Y	Possible third-country arrangement, respecting the integrity of the IEM and contributing to energy security. UK to comply with nuclear safety standards.
W	Transport	W	Continuity of maritime and rail services, and mutual access for road hauliers.	W	Agreements on transport, ensuring a level playing field.	W	Market access conditional on regulatory convergence and alignment. Possible cooperation on transport projects.
Y	Aviation	Y	Continuity of air services. Membership of the European Aviation Safety Agency.	Y	Air transport agreement, with aviation safety and security arrangements.	Y	Agreements on air transport and aviation safety.
W	Digital	W	The UK will not be part of the Digital Single Market but will seek domestic flexibility to respond to new developments.	W	No specific reference.	W	No specific reference.
R	Civil justice cooperation	R	A broader agreement going beyond the Lugano Convention, covering company law and intellectual property.	R	Options for judicial cooperation in matrimonial, parental responsibility and other related matters, and protection of intellectual property rights, including geographical indications.	W	No specific reference.

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Y	Competition/ State aid	Y	UK may remain in step with EU regulations on State aid and competition.	Y	A level playing field, including in competition and State aid.	Y	A level playing field, including in competition and State aid.
G	Science and innovation	G	UK to participate in EU programmes and make an ongoing financial contribution	G	Participation of the UK in programmes subject to third country rules.	G	UK participation as a third country; no net transfers from the EU budget to the UK; no decision-making role for the UK.
G	Education and culture	G	UK to participate in EU programmes and make an ongoing financial contribution.	G	Participation of the UK in programmes, subject to third country rules.	G	Cooperation, including through programmes such as Erasmus or Creative Europe.
Security							
Y	Internal security	Y	A new security treaty that preserves operational capabilities, respects the sovereignty of the UK and EU legal orders, includes a dispute resolution mechanism and data protection arrangements. It should retain the benefits of the European Arrest Warrant, Europol, the Schengen Information System II and the processing of passenger data.	Y	Law enforcement and judicial cooperation in criminal matters, taking into account that the UK will be a non-Schengen third country, covering information exchange, operational cooperation between law enforcement authorities, and judicial cooperation in criminal matters. Safeguards to protect fundamental rights and enforcement and dispute settlement mechanisms.	Y	Continued security cooperation, avoiding disruption of information flows. Third-country arrangements on judicial cooperation on criminal matters, extradition and mutual legal assistance. Non-Schengen third-country arrangements on exchange of security-relevant data and operational cooperation with EU bodies and mechanisms such as Europol and Eurojust. Safeguards for fundamental rights, data protection standards, and effective enforcement and dispute settlement.
Y	External security	Y	Foreign and defence policy cooperation, including consultation and coordination, in particular on sanctions; continued coordination and operational delivery on the ground; possibility of UK contributions (including financially) to EU development programmes and instruments. In return, the UK to play an appropriate role in shaping collective actions.	Y	Cooperation in foreign, security and defence policy, respecting the autonomy of the EU's decision-making, and that the UK will be a third country. Should include appropriate dialogue, consultation, coordination, exchange of information, and cooperation mechanisms. Security of Information Agreement to allow for the exchange of information.	Y	As a third country UK will not be able to participate in the EU's decision-making. Consultation mechanisms to allow the UK to align with EU actions and positions. Support for sanctions coordination. UK could participate in EU missions etc (but with no lead role), the sharing of intelligence, training and exchange of military personnel, and collaboration on armaments policy. Security of Information Agreement to allow for the exchange of information.
Y	Defence	Y	A future relationship with the European Defence Fund and European Defence Agency.	W	No specific reference.	Y	UK third country participation in defence and external security programmes, including the European Defence Fund.

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Y	Cybersecurity	Y	UK to participate in European capability development in cyber.	W	No specific reference.	Y	Third-country arrangements in electronic communications, cybersecurity and ICT.
R	Space	R	UK to participate in European capability development in space. Continued collaboration, including in the development of the Galileo programme.	R	No specific reference by the European Council, but Commission has said that third countries “cannot participate” in security-sensitive matters.	R	Third country participation in the EU space programmes, including Galileo, without any net transfers from the EU budget to the UK, or any decision-making role for the UK.
W	Development and aid	W	No specific reference.	W	No specific reference.	W	Cooperation in development and aid would be mutually beneficial.