Procedure file

Basic information

NLE - Non-legislative enactments	2018/0427(NLE)	Procedure completed
Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community Subject 8 State and evolution of the Union Geographical area United Kingdom		

Key players

European Parliament			
	Committee responsible	Rapporteur	Appointed
	AFCO Constitutional Affairs		23/01/2020
		renew europe. VERHOFSTADT Guy	
		Shadow rapporteur	
		epp HÜBNER Danuta Maria	
	Former committee responsible		
	AFCO Constitutional Affairs		
	Committee for opinion	Rapporteur for opinion	Appointed
	IMCO Internal Market and Consumer Protection	Chair on behalf of committee	06/11/2019
		DE SUTTER Petra	
	AGRI Agriculture and Rural Development		28/10/2019
		epp MCGUINNESS Mairead	
	PETI Petitions	Chair on behalf of committee	12/11/2019
		epp MONTSERRAT Dolors	
	AFET Foreign Affairs	Chair on behalf of committee	04/12/2019
		epp MCALLISTER David	
	INTA International Trade	Chair on behalf of committee	17/12/2019
		S&D LANGE Bernd	
	EMPL Employment and Social Affairs	Chair on behalf of committee	24/10/2019
		ECR ĎURIŠ NICHOLSONOVÁ Lucia	
	ENVI Environment, Public Health and Food Safety	Chair on behalf of committee	06/11/2019

		renew europe. CANFIN Pascal	
	TRAN Transport and Tourism	Chair on behalf of committee DELLI Karima	24/10/2019
	JURI Legal Affairs	renew europe. NETHSINGHA Lucy	03/12/2019
	LIBE Civil Liberties, Justice and Home Affairs	Chair on behalf of committee S&D LÓPEZ AGUILAR Juan Fernando	20/01/2020
	Former committee for opinion		
	AFET Foreign Affairs		
	INTA International Trade		
	EMPL Employment and Social Affairs		
	ENVI Environment, Public Health and Food Safety		
	TRAN Transport and Tourism		
	JURI Legal Affairs		
	LIBE Civil Liberties, Justice and Home Affairs		
Council of the European Union			
European Commission	Commission DG	Commissioner	
	Secretariat-General	JUNCKER Jean-Claude	

Key events

05/12/2018	Preparatory document	COM(2018)0834	Summary
09/01/2019	Initial legislative proposal published	21105/1/2018	
30/01/2019	Committee referral announced in Parliament		
18/10/2019	Legislative proposal published	21105/3/2018	
21/10/2019	Committee referral announced in Parliament		
23/01/2020	Vote in committee		
23/01/2020	Committee report tabled for plenary, 1st reading/single reading	A9-0004/2020	
29/01/2020	Results of vote in Parliament		
29/01/2020	Debate in Parliament		
29/01/2020	Decision by Parliament	T9-0018/2020	Summary
30/01/2020	Act adopted by Council after consultation of Parliament		
30/01/2020	End of procedure in Parliament		

31/01/2020	Final act published in Official Journal		

Technical information

Procedure reference	2018/0427(NLE)
Procedure type	NLE - Non-legislative enactments
Procedure subtype	Consent by Parliament
Legal basis	Euratom Treaty A 106a-pa; Treaty on the Functioning of the EU TFEU 050-p2
Stage reached in procedure	Procedure completed
Committee dossier	AFCO/9/00395

Documentation gateway

Document attached to the procedure		COM(2018)0833	05/12/2018	EC	
Document attached to the procedure		COM(2018)0841	05/12/2018	EC	
Preparatory document		COM(2018)0834	05/12/2018	EC	Summary
Document attached to the procedure		21106/2018	07/01/2019	CSL	
Document attached to the procedure		21116/2018	07/01/2019	CSL	
Initial legislative proposal		21105/1/2018	09/01/2019	CSL	
Document attached to the procedure		21107/2018	11/01/2019	CSL	
Document attached to the procedure		21014/2019	20/03/2019	CSL	Summary
Document attached to the procedure		21018/2019	20/03/2019	CSL	Summary
Document attached to the procedure		21027/2019	11/04/2019	CSL	Summary
Document attached to the procedure		21028/2019	11/04/2019	CSL	Summary
Document attached to the procedure		COM(2019)0194	11/04/2019	EC	Summary
Document attached to the procedure		21050/2019	17/10/2019	CSL	
Legislative proposal		21105/3/2018	18/10/2019	CSL	Summary
Document attached to the procedure		21053/2019	18/10/2019	CSL	
Document attached to the procedure		21054/2019	18/10/2019	CSL	Summary
Document attached to the procedure		COM(2019)0880	18/10/2019	EC	
Specific opinion	IMCO	PE644.752	17/12/2019	EP	
Specific opinion	INTA	PE645.037	18/12/2019	EP	
Committee draft report		PE645.036	14/01/2020	EP	
Specific opinion	LIBE	PE646.763	14/01/2020	EP	
Specific opinion	JURI	PE645.079	16/01/2020	EP	
Document attached to the procedure		COM(2020)0028	17/01/2020	EC	
Specific opinion	TRAN	PE643.001	21/01/2020	EP	
Specific opinion	PETI	PE643.213	21/01/2020	EP	

Specific opinion	ENVI	PE644.992	21/01/2020	EP	
Specific opinion	AFET	PE643.055	22/01/2020	EP	
Specific opinion	AGRI	PE645.078	22/01/2020	EP	
Specific opinion	EMPL	PE646.841	22/01/2020	EP	
Committee report tabled for plenary, 1st reading/single reading		A9-0004/2020	23/01/2020	EP	
Text adopted by Parliament, 1st reading/single reading		T9-0018/2020	29/01/2020	EP	Summary

Final act

Decision 2020/135
OJ L 029 31.01.2020, p. 0001 Summary

Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community

PURPOSE: to approve the conclusion of the agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community.

PROPOSED ACT: Council decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: on 29 March 2017, the United Kingdom notified the European Council of its intention to withdraw from the European Union and the European Atomic Energy Community in accordance with Article 50 of the Treaty on European Union. On 22 May 2017, the Council authorised the Commission to open negotiations with the United Kingdom with a view to concluding an agreement laying down the arrangements for its withdrawal, taking into account the framework of its future relations with the Union.

The agreement was negotiated in the light of the European Council's guidelines and in accordance with the Council's negotiating directives and with the European Parliament's resolutions of 5 April 2017, 3 October 2017, 13 December 2017 and 14 March 2018. On 14 November 2018, negotiators for the European Commission and the United Kingdom reached agreement on the full withdrawal agreement and on the broad lines of the political declaration on future relations between the EU and the United Kingdom.

An agreement on future relations between the Union and the United Kingdom can only be concluded after the United Kingdom has become a third country. However, Article 50 of the Treaty on European Union requires that the framework for future relations with the Union be taken into account in the agreement setting out the arrangements for withdrawal.

The withdrawal agreement sets out the terms and conditions for the United Kingdom's withdrawal from the EU. It ensures that the withdrawal shall be carried out in an orderly manner, and provides legal certainty once the Treaties and Union law have ceased to apply in the United Kingdom.

The withdrawal agreement is necessary to mitigate any negative effects on the European economy and the Union budget, protect the rights of the European citizens living and working in the United Kingdom, as well as safeguard the goal of peace and reconciliation in the island of Ireland.

CONTENT: the Commission proposes that the Council decide to approve, on behalf of the European Union and the European Atomic Energy Community, the agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community.

The Commission's draft text proposal for the withdrawal agreement consists of 185 articles structured in six parts, three protocols and nine annexes. The areas concerned are as follows:

Part 1: Common Provisions

The agreement sets out the clauses necessary to ensure the correct understanding, operation and interpretation of the withdrawal agreement. The provisions of the withdrawal agreement were clearly to have the same legal effects in the United Kingdom as in the EU and its Member States. The agreement expressly provides for this obligation, which means that both parties must ensure, in their respective legal systems, primacy and direct effect, as well as a consistent interpretation with the case law of the Court of Justice of the European Union (ECJ) prior to the end of the transitional period.

Part 2: Citizens' Rights

The agreement lays down provisions to safeguard the status and rights derived from Union law of EU and UK citizens, and their families, affected by the United Kingdom withdrawal. The basic conditions for residence are and will remain the same as those currently provided for under EU law on free movement. Persons covered by the withdrawal agreement will have the right to take up paid employment or engage in economic activity as self-employed workers. They will also retain all the rights they enjoy as workers under Union law. The withdrawal agreement will also protect the rights of employed or self-employed frontier workers in the countries where they work.

As regards the rules on the coordination of social security systems, persons benefiting from the part of the withdrawal agreement devoted to citizens' rights will retain their rights to health care, a pension and other social security benefits.

Part 3: Separation Provisions

These provisions are intended to ensure a smooth termination of the current arrangements and to ensure an orderly withdrawal (for example, to allow goods placed on the market before the end of the transitional period to reach their destination, to protect existing intellectual property rights, to put an end to ongoing police and judicial cooperation in criminal matters, to regulate the use of data and information exchanged before the end of the transitional period).

Part 4 - Transition Period

The withdrawal agreement provides for a transition period until the end of 2020. During this period, the full acquis of the Union will continue to apply to the United Kingdom as if it were a Member State. The United Kingdom will thus continue to be part of the EU's customs union and single market (with the four freedoms) and to participate in the Union's policies. From the date of withdrawal (i.e. including during the transitional period), the United Kingdom will no longer be represented in the Union's institutions and will no longer participate in the Union's decision-making process.

During the transition period, the United Kingdom will have to comply with the EU's trade policy and will continue to be bound by the Union's exclusive competence, in particular with regard to the common trade policy. It will not be able to conclude new agreements on its own in areas of exclusive Union competence, unless it is authorised to do so by the Union.

The withdrawal agreement provides for the possibility of extending the transition period. This possibility may only be used once, the decision to this effect having to be taken before 1 July 2020.

Part 5: Financial Provisions

Under the withdrawal agreement, the United Kingdom will honour its share of the financing of all obligations incurred during its membership of the Union relating to the EU budget (and in particular the multiannual financial framework 2014-2020, including payments made after the end of the transitional period linked to the closure of programmes).

Part 6: Institutional Provisions

The agreement sets out rules for the consistent interpretation and application of the agreement and establishes a Joint Committee as well as a dispute settlement mechanism. The withdrawal agreement also provides for:

- a protocol on Ireland/Northern Ireland including the provisions necessary for the so-called backstop solution for avoiding a hard border between Ireland and Northern Ireland. This will apply unless and until it is superseded, in whole or in part, by any subsequent agreement. The Protocol creates a single EU-UK customs territory. It also provides for a range of measures to ensure a level playing field between the EU and the United Kingdom. In this protocol, the United Kingdom undertakes not to reduce the rights set out in the Good Friday Agreement (Belfast Agreement) of 1998, and to protect North-South cooperation;

- a Protocol on Sovereign Base Areas in Cyprus, to protect the interests of Cypriots living and working in the Sovereign Base Areas after the withdrawal of the United Kingdom from the Union;

- a Protocol on Gibraltar, which provides for close cooperation between Spain and the United Kingdom on Gibraltar, as regards the implementation of the provisions of the withdrawal agreement relating to citizens' rights, and which concerns administrative cooperation between the competent authorities in a number of policy areas.

BUDGETARY IMPLICATIONS: the only budgetary impact of the withdrawal agreement (EUR 288 million per year over 4 years) stems from the establishment of the Joint Committee which will supervise and facilitate the implementation and application of the withdrawal agreement.

Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community

Subject: Joint Statement supplementing the Political Declaration setting out the framework for the future relationship between the European Union and the United Kingdom of Great Britain and Northern Ireland.

This text has been agreed at negotiators' level, agreed between Prime Minister May and the President of the European Commission Juncker on 11 March 2019 in Strasbourg, and has been endorsed by the European Commission on the same day.

The statement declares that:

(1) There is a shared and solemn regard for the vision for the future relationship detailed in the Political Declaration. The Union and the United Kingdom have committed to use best endeavours, in good faith and in full respect of the respective legal orders, to take necessary steps to negotiate expeditiously the agreements governing their future relationship referred to in the Political Declaration;

(2) The Union and the United Kingdom have the shared ambition to have the future relationship in place by the end of the transition period. To this end, the Union and the United Kingdom have confirmed that immediately following the United Kingdoms withdrawal, they will take the steps necessary to begin formal negotiations;

(3) The Union and the United Kingdom will expeditiously: (a) identify those areas which are likely to require the greatest consideration, and the associated technical and legal issues that will need to be addressed, in order that the necessary technical preparations can be made on both sides; and (b) draw up a full schedule for the negotiations;

(4) In the context of open and fair competition, the Union notes the United Kingdoms intention to ensure that its social and employment standards and its environmental standards do not regress from those in place at the end of the transition period, and to provide its Parliament the opportunity to consider future changes in Union law in these areas;

(5) Given the Unions and the United Kingdoms firm commitment to work at speed on a subsequent agreement that establishes by 31 December 2020 alternative arrangements such that the backstop solution in the Protocol on Ireland/Northern Ireland will not need to be applied, a specific negotiating track will be established at the outset and as part of the negotiations to lead the analysis and development of these alternative arrangements.

In support of their work on alternative arrangements, both the Union and the United Kingdom will consult with private sector experts, businesses, trade unions, the institutions established under the Good Friday or Belfast Agreement, and appropriate involvement of parliaments.

Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community

Subject: Instrument relating to the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community.

The instrument was approved at negotiator level, agreed between Prime Minister May and European Commission President Juncker on 11 March 2019 in Strasbourg, and approved by the European Commission on the same day.

The instrument sets out what the two parties to the withdrawal agreement have agreed on in a number of provisions of the withdrawal agreement, including the Protocol on Ireland and Northern Ireland. It constitutes a document of reference that will have to be made use of if any issue arises in the implementation of the Withdrawal Agreement. To this effect, it has legal force and a binding character.

In this instrument, the Parties:

- reiterated the parties wish to establish a future partnership that is as close and strong as possible, given the global challenges they share, and underline their commitment to embark on preparations immediately after the signature of the Withdrawal Agreement to ensure that negotiations on the future relationship can start as soon as possible after the United Kingdoms withdrawal;

- recalled that the parties do not wish the backstop solution in the Protocol on Ireland/Northern Ireland to become applicable, that were it to do so it would represent a suboptimal trading arrangement for both sides, and that both parties are therefore determined to replace the backstop solution for Northern Ireland by a subsequent agreement that would ensure, on a permanent footing, the absence of a hard border on the island of Ireland, in full respect of the integrity of the Unions internal market and of the territorial integrity of the United Kingdom;

- stressed that the Protocol on Ireland/Northern Ireland will be subject to regular reviews in order for the Parties to consider whether that Protocol is still necessary or could cease to apply in whole or in part.

Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community

Following the decision of EU leaders on 10 April 2019 to extend the deadline provided for in Article 50, the Council (article 50) approved an amended draft decision on the conclusion of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community and decided to forward it to the European Parliament for its request for approval launched by the Council on 11 January 2019.

At the special summit on 10 April EU leaders agreed an extension of Article 50 until the end of October 2019. If the withdrawal agreement is ratified by both sides earlier, the UK will leave on the first day of the following month, leaders said. The decision was taken in agreement with the UK.

The date of entry into force of the withdrawal agreement is therefore adjusted to correspond to the deadline provided for in Article 50(3) of the TEU, as extended by the European Council in agreement with the United Kingdom.

Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community

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Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community

PURPOSE: amend Decision (EU) 2019/274 on the signing, on behalf of the European Union and of the European Atomic Energy Community, of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community.

BACKGROUND: on 11 January 2019, the Council adopted Decision (EU) 2019/274 authorising the signature of the Withdrawal Agreement and transmitted the draft Council Decision on the conclusion of the Withdrawal Agreement to the European Parliament for its consent. The Withdrawal Agreement provides 30 March 2019 as date of entry into force of the agreement.

However, the Government of the United Kingdom did not obtain the necessary support from its Parliament to proceed with the signature and ratification of the Withdrawal Agreement.

Following the meeting between President Juncker and Prime Minister May of 20 February 2019, discussions resumed and on 11 March 2019, they resulted in an agreement between Prime Minister May and the President of the European Commission Juncker on the Instrument relating to the Withdrawal Agreement and the Joint Statement supplementing the Political Declaration. On 21 March 2019, the European Council approved those two texts.

On 5 April 2019, the United Kingdom submitted another request to the European Council for an extension of the period provided for in Article 50(3) of the Treaty on European Union. On 11 April 2019, the European Council, in agreement with the United Kingdom, decided to further extend that period until 31 October 2019.

The European Council recalled that, under Article 50(3) TEU, the Withdrawal Agreement may enter into force on an earlier date, should the Parties complete their respective ratification procedures before 31 October 2019. Consequently, the withdrawal should take place on the first day of the month following the completion of the ratification procedures or on 1 November 2019, whichever is the earliest.

Furthermore, the Decision will cease to apply on 31 May 2019 in the event that the United Kingdom has not held elections to the European Parliament in accordance with applicable Union law and has not ratified the Withdrawal Agreement by 22 May 2019.

As a consequence, the date of entry into force of the Withdrawal Agreement has to be brought in line with the European Council Decision referred above.

CONTENT: the Commission proposes to amend Decision (EU) 2019/274 in order to adapt the date of entry into force of the withdrawal agreement to correspond to the deadline provided for in Article 50(3) of the TEU, as extended by the European Council in agreement with the United Kingdom.

Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community

Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community.

The revised Withdrawal Agreement reached on 17 October 2019 follows intensive negotiations between the European Commission and British negotiators. The European Council, meeting in an EU-27 configuration, approved a revised Protocol on Ireland and Northern Ireland and a revised Political Declaration setting out the framework for future relations between the European Union and the United Kingdom.

All other elements of the Withdrawal Agreement remain unchanged in substance, as per the agreement reached on 14 November 2018. The Withdrawal Agreement brings legal certainty where the UK's withdrawal from the EU created uncertainty: citizens' rights, the financial settlement, a transition period at least until the end of 2020, governance, Protocols on Gibraltar and Cyprus, as well as a range of other separation issues.

The revised Withdrawal Agreement and revised Political Declaration agreed at the level of negotiators on both sides would allow for an orderly exit of the United Kingdom from the European Union.

Revised Protocol on Ireland/Northern Ireland

The revised Protocol provides a legally operational solution that avoids a hard border on the island of Ireland, protects the all-island economy and the Good Friday (Belfast) Agreement in all its dimensions and safeguards the integrity of the Single Market. This solution responds to the unique circumstances on the island of Ireland with the aim of protecting peace and stability.

In terms of regulations, Northern Ireland will remain aligned to a limited set of rules related to the EU's Single Market in order to avoid a hard border: legislation on goods, sanitary rules for veterinary controls (SPS rules), rules on agricultural production/marketing, VAT and excise in respect of goods, and state aid rules.

The revised Protocol will also avoid any customs borders on the island of Ireland, while ensuring that Northern Ireland remains part of the United Kingdom's customs territory. Northern Ireland will therefore be able to benefit from any future free trade agreements (FTAs) that the United Kingdom may conclude with third countries. The agreement fully protects the integrity of the EU's single market and customs union. The EU Customs Code will apply to all goods entering Northern Ireland. This will avoid customs controls and checks on the island of Ireland.

The necessary checks and controls will be carried out on goods entering Northern Ireland from the rest of the United Kingdom. The United Kingdom authorities will apply the provisions of Union law which the Protocol makes applicable to the United Kingdom in respect of Northern Ireland. Thus, all controls will be carried out by the UK authorities with appropriate monitoring and enforcement mechanisms for the EU.

The customs duties in respect of a good being moved by direct transport to Northern Ireland other than from the Union or from another part of the United Kingdom shall be the duties applicable in the United Kingdom, unless that good is at risk of subsequently being moved into the Union, whether by itself or forming part of another good following processing.

Consent mechanism

The EU and the UK have agreed to create a new mechanism on consent', which will give the Members of the Northern Ireland Assembly a decisive voice on the long-term application of relevant EU law in Northern Ireland. The Northern Ireland Assembly will be asked to provide

continued support for the Protocol 4 years after the end of the transition period and every 4 years thereafter.

The revised Political Declaration

The main change in the Political Declaration relates to the future EU-UK economic relationship where the current UK government has opted for a model based on a Free Trade Agreement (FTA). The Political Declaration provides for an ambitious FTA with zero tariffs and quotas between the EU and the UK. It states that robust commitments on a level playing field should ensure open and fair competition.

Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community

The European Parliament adopted by 621 votes to 49, with 13 abstentions, a legislative resolution on the draft Council decision on the conclusion of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community.

Parliament gave its consent to the conclusion of the withdrawal agreement.

The Agreement provides for an orderly withdrawal which is the goal the EU and the UK negotiators have pursued over the past three years. It contains a section on citizens' rights, a section on financial obligations and a Protocol on Ireland and Northern Ireland with annexes. As regards the issue of the role of the Court of Justice, the withdrawal agreement provides for its jurisdiction at different levels.

Through its resolutions of 5 April 2017, 3 October 2017, 13 December 2017, 14 March 2018 and 18 September 2019, Parliament has gradually established its interpretation of the provisions of Article 50 of the EU Treaty, including a number of fundamental requirements with regard to the scope and timing of the negotiations.

Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community

PURPOSE: conclusion of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community.

NON-LEGISLATIVE ACT: Council Decision (EU) 2020/135 on the conclusion of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community.

CONTENT: the Council adopted the decision on the conclusion of the withdrawal agreement on behalf of the EU. The Agreement sets out the arrangements for the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community and ensures an orderly withdrawal of the United Kingdom from the Union. It covers citizens' rights, the Financial Regulation, a transitional period, the protocols on Ireland and Northern Ireland, Cyprus and Gibraltar, governance and other separation issues.

The Withdrawal Agreement also contains a number of provisions on intellectual property, trademarks and designations of origin.

Withdrawal of the United Kingdom and transition period

The Withdrawal Agreement enters into force on the exit of the United Kingdom from the EU on 31 January 2020 at midnight CET. From that moment, the UK shall lose its status as an EU Member State and shall be considered as a third country. It shall mark the end of the period referred to in Article 50 of the TEU and the beginning of a transitional period until 31 December 2020. During the transition period, the United Kingdom shall continue to apply Union law, but shall no longer participate in the EU decision-making process and shall no longer be represented in the EU institutions. The transition period may be extended once for a maximum period of one or two years, if both parties agree before 1 July 2020.

Citizens' rights

The Withdrawal Agreement protects Union citizens who were resident in the United Kingdom and United Kingdom nationals who were resident in one of the 27 EU Member States at the end of the transitional period, where such residence is in accordance with Union law on freedom of movement.

Union citizens and United Kingdom nationals and their respective family members may continue to live, work or study as they do at present, under the same substantive conditions as under Union law, fully benefiting from the prohibition of discrimination on grounds of nationality and the right to equal treatment with nationals of the host State.

The substantive conditions of residence are and shall remain the same as those currently provided for under EU law on free movement. Persons covered by the withdrawal agreement shall have the right to take up paid employment or to exercise an economic activity as a self-employed person. They shall also retain all the rights they enjoy as workers under EU law.

As regards the rules on the coordination of social security systems, persons benefiting from the part of the Withdrawal Agreement dealing with citizens' rights shall retain their rights to health care, pension and other social security benefits.

Northern Ireland, Cyprus, Gibraltar

The Northern Ireland Protocol provides a legally operational solution to avoid a hard border on the island of Ireland, to protect the economy of the whole island and the Good Friday Agreement (or Belfast Agreement) in all its dimensions. The Agreement fully protects the integrity of the EU's single market and customs union and avoids regulatory and customs controls at the border between Ireland and Northern Ireland.

In the Ireland/Northern Ireland Protocol, the UK also commits itself not to reduce the duties set out in the 1998 Good Friday Agreement (Belfast Agreement) and to protect North-South cooperation. The Protocol provides for the possibility of maintaining the arrangements for the Common Travel Area between Ireland and the United Kingdom and safeguards the single market in electricity on the island of Ireland.

A so-called consent mechanism will allow members of the Northern Ireland Assembly to have a decisive vote on the long-term application of relevant EU legislation in Northern Ireland.

The Agreement also contains:

- a Protocol on the Sovereign Base Areas in Cyprus, to protect the interests of Cypriots living and working in the Sovereign Base Areas following the withdrawal of the United Kingdom from the Union;

- a Protocol on Gibraltar, which provides for close cooperation between Spain and the United Kingdom on Gibraltar, as regards the implementation of the provisions of the withdrawal agreement relating to citizens' rights, and which covers administrative cooperation between the competent authorities in a number of policy areas.

Financial Regulations

The provisions of the Agreement ensure that the UK and the EU shall honour all financial obligations entered into while the UK was a member of the Union. Both parties have agreed on an objective method for meeting all joint commitments to the EU budget (2014-2020), including outstanding commitments at the end of 2020 and liabilities not covered by assets.

Trade policy

During the transition period, the United Kingdom shall comply with EU trade policy and shall continue to be bound by the exclusive competence of the Union, in particular as regards the common commercial policy. It shall conclude new agreements on its own in areas of exclusive competence of the Union, unless authorised to do so by the Union.

Governance

The Agreement shall include institutional arrangements to ensure the effective management, implementation and enforcement of the Agreement, including appropriate dispute settlement mechanisms.

In the event of a dispute over the interpretation of the withdrawal agreement, a first political consultation shall take place within a Joint Committee. If no solution is found, either Party may submit the dispute to binding arbitration. Where the dispute involves a question of Union law, the arbitration panel shall be obliged to refer the matter to the Court of Justice of the EU (CJEU) for binding ruling.

The CJEU shall remain the final authority on issues relating to Union law or concepts of Union law.

Future relations

In parallel to this Agreement, the Parties have drawn up a Political Declaration setting out the framework for future relations between the European Union and the United Kingdom of Great Britain and Northern Ireland. The Political Declaration provides for an ambitious duty-free and quota-free free trade agreement between the EU and the United Kingdom. It states that firm commitments respecting fair competition rules shall ensure open and fair competition.