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**Ex Cathedra:
A Review of the Key Ministerial
Policy Speeches on Brexit**

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Summary

- The Government's Brexit policy has been set out in a number of keynote speeches. Collective review of these allows us to understand the official position in detail.
- This paper groups the commitments and policy announcements thematically.
- HMG expressly rules out membership of a customs union or the Single Market ('Norway terms').
- The objective is a highly developed FTA that goes beyond 'Canada terms'.
- A 'Customs Partnership' would remove the need for red tape, by administrative cooperation and by both sides being committed to good conduct and high standards even where the laws themselves differ.
- The UK starts from being currently completely compatible with EU rules. The aim is to generate an agreement that manages gradual divergence.
- In a small number of sectors, where trade is heavily interconnected especially through supply chains, the UK will tend towards mirroring those rules ('third basket' approach).
- In other areas, the rules will diverge more over time; but an agreement allowing mutual recognition and equivalence would mean that trade obstacles do not need to be introduced ('second basket' approach).
- A trade panel would resolve disputes over whether standards had dropped or competitive advantage had been gained; and if so, what retaliatory action would then be applied elsewhere.
- We assess Eurosceptic observers will in particular be concerned about ambiguity over making a clean break in certain important policy areas, particularly around Fisheries, Justice and Home Affairs, and Defence.
- Eurosceptics should also be concerned about ambiguity over the administrative clean break, and the extent to which the UK will be closely bound to a number of EU agencies - even where 'second basket' issues are not involved.

Introduction

This paper reviews the key speeches made by Government Ministers defining official policy over Brexit. The list comprises those speeches that were presented by Downing Street or Conservative Party press officers as defining, policy-framing, and committing the UK's strategic direction. It excludes statements to Parliament, which have in fact tended to be much shorter and to tailgate these more ranging if more rhetorical statements of intent.¹

¹ For example, compare the PM's statement to the House on 5 March 2018 with the preceding Mansion House speech: <https://hansard.parliament.uk/commons/2018-03-05/debates/2F58E7E5-EEF6-4B6D-9C04-6DDF431F1D9F/UKEUFutureEconomicPartnership>, and below. This is not to endorse the longstanding practice.

Three are Prime Ministerial speeches made to help provide some form to public interpretations of policy; the remainder constitute the Government's recent batch of speeches set out under the rubric of the "Road to Brexit".

The list comprises the following;

- Speech by the Prime Minister at Conservative Party Conference, 2 October 2016²
- Speech by the Prime Minister at Lancaster House, 17 January 2017³
- Speech by the Prime Minister at Florence, 22 September 2017⁴
- Speech by the Foreign Secretary at Policy Exchange (PX), 14 February 2018⁵
- Speech by the Prime Minister at Munich, 17 February 2018⁶
- Speech by the Brexit Secretary at Vienna, 20 February 2018⁷
- Speech by the Chancellor of the Duchy of Lancaster at Broughton, 26 February 2018⁸
- Speech by the International Trade Secretary at Bloomberg, 27 February 2018⁹
- Speech by the Prime Minister at Mansion House, 2 March 2018¹⁰
- Speech by the Chancellor at Canary Wharf, 7 March 2018¹¹

The 'Road to Brexit' speeches might be summarised in the following terms;

- Policy Exchange: Brexit is a just cause;
- Munich: The UK is seeking a reliable security partnership;
- Vienna: A deal can be based on trusted equivalent standards;
- Broughton: It will deliver a fair deal for the four nations;
- Bloomberg: In defence of Free Trade;
- Mansion House: Five Tests for whether a deal is acceptable;
- Canary Wharf: the Vienna principles apply to the Financial Services deal.

The five tests themselves can be expressed, in summary, as follows;

- The deal must respect the result of the referendum, on taking control of our borders, laws and money. But it was not a vote for a distant relationship;
- The new agreement with the EU must endure;

² <https://www.politicshome.com/news/uk/political-parties/conservative-party/news/79517/read-full-theresa-mays-conservative>

³ <https://www.gov.uk/government/speeches/the-governments-negotiating-objectives-for-exiting-the-eu-pm-speech>

⁴ <https://www.gov.uk/government/speeches/pms-florence-speech-a-new-era-of-cooperation-and-partnership-between-the-uk-and-the-eu>: Tim Shipman (*Fall Out*, p501) humorously points out it was where Galileo was first accused from the pulpit of heresy

⁵ <https://www.gov.uk/government/speeches/foreign-secretary-speech-uniting-for-a-great-brexite>

⁶ <https://www.gov.uk/government/speeches/pm-speech-at-munich-security-conference-17-february-2018>

⁷ <https://www.gov.uk/government/news/david-davis-foundations-of-the-future-economic-partnership-speech>

⁸ <https://www.gov.uk/government/speeches/united-at-home-stronger-abroad>

⁹ <http://brexitcentral.com/full-text-liam-foxs-road-brexite-speech-britains-trading-future/>

¹⁰ <https://www.gov.uk/government/speeches/pm-speech-on-our-future-economic-partnership-with-the-european-union>

¹¹ <https://www.gov.uk/government/speeches/chancellors-hsbc-speech-financial-services>

- It must protect people's jobs and security;
- It must be consistent with the kind of country we want to be as we leave: a modern, open, outward-looking, tolerant, European democracy;
- It must strengthen our union of nations and our union of people.

Of these, it might be noted that;

- The first is a general commitment to adhere to the top lines of the Vote Leave campaign. This is not surprising, though by definition rules out the EEA and a Customs Union. At the same time it also rules out a super-minimalist Brexit as a strategic objective;
- The second does not rule out an arrangement based on gradual divergence (though it might be misinterpreted as such), but does mean the UK could walk away if the deal is a bad one (notwithstanding the constraints in point 3);
- The third is actually two points. It rejects a Hard Brexit as a deal, though in so doing does not expressly do so as a 'no-deal deal'¹² default. It also implies HMG could sign up to a number of JHA aspects and some Defence aspects (particularly over R&D) that Eurosceptics will be unhappy with;
- The fourth point is essentially vacuous;
- The fifth rules out a border in the Irish Sea. The wording also adds a level of dangerous ambivalence about a referendum on EEA terms, otherwise ruled out (see point one).¹³

In the course of this paper, we group key commitments from across the speeches together, and in each case add a brief summary and commentary to each section, thus generating a starting point for analysts to cross reference on emerging reporting over UK red lines.

In each instance, the speech is referenced by the shorthand of the location where it was made.

¹² The official designation for this appears to be a "Strongly Mitigated No Deal".

¹³ Quite apart from EEA terms (beyond the transitional) being explicitly contrary to the Leave vote, and the very prospect of such a vote encouraging EU negotiators to stop their work on the spot, the delivery of an EEA agreement could not be guaranteed even if voted for in a second referendum. It could only happen if potential vetoing states were bought off in a deal in which they could quite literally name their price.

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Vocabulary

Key points: The UK seeks a solution that allows it to be globally-orientated. The deal will be a middle way. It will facilitate continued trade links, but will also encompass a considerable range of wider strategic elements: whence a “deep and special partnership”.

there is no such thing as a choice between “soft Brexit” and “hard Brexit”. This line of argument – in which “soft Brexit” amounts to some form of continued EU membership and “hard Brexit” is a conscious decision to reject trade with Europe – is simply a false dichotomy. And it is one that is too often propagated by people who, I am afraid to say, have still not accepted the result of the referendum. (Conference)

I want us to be a truly Global Britain – the best friend and neighbour to our European partners, but a country that reaches beyond the borders of Europe too. (Lancaster House)

We will continue to be reliable partners, willing allies and close friends. We want to buy your goods and services, sell you ours, trade with you as freely as possible, and work with one another to make sure we are all safer, more secure and more prosperous through continued friendship. (Lancaster House)

And that is why we seek a new and equal partnership – between an independent, self-governing, Global Britain and our friends and allies in the EU. (Lancaster House)

Instead we seek the greatest possible access to it through a new, comprehensive, bold and ambitious free trade agreement. (Lancaster House)

I am confident that a deal – and a new strategic partnership between the UK and the EU – can be achieved. (Lancaster House)

in my speech at Lancaster House I said that the United Kingdom would seek to secure a new, deep and special partnership with the European Union.

And this should span both a new economic relationship and a new relationship on security.
(Florence)

First of all, the UK is the EU's largest trading partner, one of the largest economies in the world, and a market of considerable importance for many businesses and jobs across the continent. And the EU is our largest trading partner, so it is in all our interests to find a creative solution. (Florence)

So this new economic partnership, would be comprehensive and ambitious. It would be underpinned by high standards, and a practical approach to regulation that enables us to continue to work together in bringing shared prosperity to our peoples for generations to come. (Florence)

Taken as a whole, this bold new security partnership will not only reflect our history and the practical benefits of co-operation in tackling shared threats, but also demonstrate the UK's genuine commitment to promoting our shared values across the world and to maintaining a secure and prosperous Europe. (Florence)

this vision of a deep and special partnership (Florence)

A new partnership of values and interests. (Florence)

taking this opportunity to establish a new security partnership that can keep our people safe, now and in the years ahead. (Munich)

As we negotiate a new deep and special partnership with our friends and neighbours in Europe
(Broughton)

Motivation

Key points: The UK is *sui generis* and the EU doesn't suit it. Renegotiation failed. The UK wants more democracy and direct connectivity, and not to be part of the emerging European superstate. The UK can properly reorientate itself globally once more.

Our political traditions are different. Unlike other European countries, we have no written constitution, but the principle of Parliamentary Sovereignty is the basis of our unwritten constitutional settlement. We have only a recent history of devolved governance – though it has rapidly embedded itself – and we have little history of coalition government.

The public expect to be able to hold their governments to account very directly, and as a result supranational institutions as strong as those created by the European Union sit very uneasily in relation to our political history and way of life.

And, while I know Britain might at times have been seen as an awkward member state, the European Union has struggled to deal with the diversity of its member countries and their interests. It bends towards uniformity, not flexibility. (Lancaster House)

David Cameron's negotiation was a valiant final attempt to make it work for Britain – and I want to thank all those elsewhere in Europe who helped him reach an agreement – but the blunt truth, as we know, is that there was not enough flexibility on many important matters for a majority of British voters. (Lancaster House)

They want more direct control of decisions that affect their daily lives; and that means those decisions being made in Britain by people directly accountable to them. (Florence)

It is a matter of choices. The profound pooling of sovereignty that is a crucial feature of the European Union permits unprecedentedly deep cooperation, which brings benefits.

But it also means that when countries are in the minority they must sometimes accept decisions they do not want, even affecting domestic matters with no market implications beyond their borders. And when such decisions are taken, they can be very hard to change.

So the British electorate made a choice. They chose the power of domestic democratic control over pooling that control, (Florence)

It's not about shutting ourselves off; it's about going global.

It's not about returning to some autarkic 1950s menu of spam and cabbage and liver. It's about continuing the astonishing revolution in tastes and styles – in the arts, music, restaurants, sports – that has taken place in this country, in my lifetime, not so much because of our EU membership (that is to commit the fallacy known in the FCO as post hoc ergo propter hoc) but as a result of our history and global links, our openness to people and ideas that has brought 300 languages on to the streets of London, probably the most diverse capital on earth.

In that sense Brexit is about re-engaging this country with its global identity, and all the energy that can flow from that. (PX)

It is the expression of a legitimate and natural desire for self-government of the people, by the people, for the people. (PX)

If we are going to accept laws, then we need to know who is making them, and with what motives, and we need to be able to interrogate them in our own language, and we must know how they came to be in authority over us and how we can remove them.

And the trouble with the EU is that for all its idealism, which I acknowledge, and for all the good intentions of those who run the EU institutions, there is no demos – or at least we have never felt part of such a demos – however others in the EU may feel. (PX)

To understand why EU regulation is not always suited to the economic needs of the UK, it is vital to understand that EU law is a special type of law, unlike anything else on earth. It is not just about business convenience. It is expressly teleological. It is there to achieve a political goal.

The aim is to create an overarching European state as the basis for a new sense of European political identity. British politicians, Labour and Tory, have always found that ambition very difficult. It is hard to make it cohere with our particular traditions of independent parliamentary and legal systems that go back centuries.

And in spite of many sheep-like coughs of protest from the UK, the process of integration has deepened, and the corpus of EU law has grown ever vaster and more intricate, and ever more powers and competences were handed to EU institutions, culminating in the Treaty of Lisbon. (PX)

We will decide on laws not according to whether they help to build a united states of Europe, noble goal that that may be, but because we want to create the best platform for the economy to grow and to help people to live their lives (PX)

And the crucial thing is that when we are running ourselves – when all these freedoms open before us – we will no longer be able to blame Brussels for our woes, because our problems will be our responsibility and no-one else's.

And indeed no one should think that Brexit is some economic panacea, any more than it is right to treat it as an economic pandemic. On the contrary, the success of Brexit will depend on what we make of it (PX)

So when my colleagues and I take decisions around the Cabinet table about Brexit...

It's with the intention of ensuring choices about Britain's future are taken by Britain's parliament, directly accountable to the British people. (Vienna)

And when you talk to people on the doorstep, it's clear that that vote expressed not just a rejection of membership of the European Union, but a demand to bring decision making and accountability closer to home, to restore a sense of belonging in communities, a feeling of connection between the elector and the elected. (Broughton)

to renew that sense of connection between citizen and government, we need to press on too with our broader mission to devolve greater freedom, more power to act to cities, towns and counties in all parts of the United Kingdom. And I hope that the devolved governments will choose to take that approach too. After all, for someone in Broughton or Llandudno or Welshpool, Cardiff can seem as distant as London; from the perspective of Orkney, priorities may look very different from those of Central Scotland. (Broughton)

we can help forge the way on the liberalisation of those areas of global trade where the WTO and other bodies have yet to extend their reach; services, digital trade and the knowledge economy (Bloomberg)

There is a real opportunity for the UK to become a global leader in digital trade. (Bloomberg)

We have been given an historic opportunity to re-orientate our economy. (Bloomberg)

As we leave the European Union, we will forge a bold new positive role for ourselves in the world, and we will make Britain a country that works not for a privileged few, but for every one of us. (Mansion House)

EEA/Single Market Option

Key points: The UK wants to trade with the economies of the Single Market, but from the outside. It will expressly not join the EEA: the Norway Option is a bad fit. It limits Parliamentary sovereignty and doesn't address the failure to manage immigration. The UK should rather focus on working on and around global trading standards.

I want it to involve free trade, in goods and services. I want it to give British companies the maximum freedom to trade with and operate in the Single Market – and let European businesses do the same here. (Conference)

When the Great Repeal Bill is given Royal Assent, Parliament will be free – subject to international agreements and treaties with other countries and the EU on matters such as trade – to amend, repeal and improve any law it chooses. (Conference)

We are going to be a fully-independent, sovereign country, a country that is no longer part of a political union with supranational institutions that can override national parliaments and courts. And that means we are going, once more, to have the freedom to make our own decisions on a whole host of different matters, from how we label our food to the way in which we choose to control immigration. (Conference)

It is not, therefore, a negotiation to establish a relationship anything like the one we have had for the last forty years or more. So it is not going to a “Norway model”. It’s not going to be a “Switzerland model”. It is going to be an agreement between an independent, sovereign United Kingdom and the European Union. (Conference)

What I am proposing cannot mean membership of the single market.

European leaders have said many times that membership means accepting the '4 freedoms' of goods, capital, services and people. And being out of the EU but a member of the single market would mean complying with the EU's rules and regulations that implement those freedoms, without having a vote on what those rules and regulations are. It would mean accepting a role for the European Court of Justice that would see it still having direct legal authority in our country.

It would to all intents and purposes mean not leaving the EU at all.

And that is why both sides in the referendum campaign made it clear that a vote to leave the EU would be a vote to leave the single market.

So we do not seek membership of the single market. (Lancaster House)

our objectives include a proposed free trade agreement between Britain and the European Union, and explicitly rule out membership of the EU's single market. Because when the EU's leaders say they believe the 4 freedoms of the single market are indivisible, we respect that position. (Lancaster House)

The United Kingdom is leaving the European Union. We will no longer be members of its single market or its customs union. For we understand that the single market's four freedoms are indivisible for our European friends. (Florence)

We recognise that the single market is built on a balance of rights and obligations. And we do not pretend that you can have all the benefits of membership of the single market without its obligations. (Florence)

European Economic Area membership would mean the UK having to adopt at home - automatically and in their entirety - new EU rules. Rules over which, in future, we will have little influence and no vote.

Such a loss of democratic control could not work for the British people. I fear it would inevitably lead to friction and then a damaging re-opening of the nature of our relationship in the near future: the very last thing that anyone on either side of the Channel wants. (Florence)

As the PM said at Lancaster House remaining within the single market “would to all intents and purposes mean not leaving the EU at all.”

The British people should not have new laws affecting their everyday lives imposed from abroad, when they have no power to elect or remove those who make those laws. And there is no need for us to find ourselves in any such position. (PX)

In a world that demands flexibility and agility, we should be thinking not of EU standards but of global standards, and a regulatory framework to suit the particular needs of the UK, a country that already exports a higher share of its GDP outside the EU than any other EU country. (PX)

Of course we will need to comply with EU regulation in so far as we are exporting to the EU. (Though we should realise that the single market is not quite the Eden of uniformity that it is cracked up to be [...]) (PX)

the Norway model, where we would stay in the single market, would mean having to implement new EU legislation automatically and in its entirety – and would also mean continued free movement. (Mansion House)

We are leaving the single market. Life is going to be different. In certain ways, our access to each other’s markets will be less than it is now. How could the EU’s structure of rights and obligations be sustained, if the UK - or any country - were allowed to enjoy all the benefits without all of the obligations? (Mansion House)

The PM was clear in her speech that after we have left the EU, we’ll be outside the Single Market and the Customs Union (Canary Wharf)

Customs Union

Key points: The UK will be signing its own FTAs globally. It will set its own tariff rates. The intent is also to avoid introducing tariffs in the EU deal. The UK is categorically not signing up to the Common External Tariff, the Customs Union, or a customs union.

The intent is to minimise customs barriers by other ways. This may include signing up to customs management elements and sign a customs agreement, or to become an 'associate member'.

The language of the latter is very vague, but the choice is set out as on one hand between a Customs Partnership, shadowing EU rules, and a Customs Arrangement, seeking to minimise the administrative burdens.

We're going to talk about Britain in which we are close friends, allies and trading partners with our European neighbours. But a Britain in which we pass our own laws and govern ourselves. In which we look beyond our continent and to the opportunities in the wider world. In which we win trade agreements with old friends and new partners. (Conference)

A Global Britain must be free to strike trade agreements with countries from outside the European Union too. (Lancaster House)

Since joining the EU, trade as a percentage of GDP has broadly stagnated in the UK. That is why it is time for Britain to get out into the world and rediscover its role as a great, global, trading nation.

This is such a priority for me that when I became Prime Minister I established, for the first time, a Department for International Trade, led by Liam Fox. (Lancaster House)

I know my emphasis on striking trade agreements with countries outside Europe has led to questions about whether Britain seeks to remain a member of the EU's Customs Union. And it is true that full Customs Union membership prevents us from negotiating our own comprehensive trade deals. (Lancaster House)

Now, I want Britain to be able to negotiate its own trade agreements. But I also want tariff-free trade with Europe and cross-border trade there to be as frictionless as possible.

That means I do not want Britain to be part of the Common Commercial Policy and I do not want us to be bound by the Common External Tariff. These are the elements of the Customs Union that prevent us from striking our own comprehensive trade agreements with other countries. But I do want us to have a customs agreement with the EU.

Whether that means we must reach a completely new customs agreement, become an associate member of the Customs Union in some way, or remain a signatory to some elements of it, I hold no preconceived position. I have an open mind on how we do it. It is not the means that matter, but the ends.

And those ends are clear: I want to remove as many barriers to trade as possible. And I want Britain to be free to establish our own tariff schedules at the World Trade Organisation, meaning we can reach new trade agreements not just with the European Union but with old friends and new allies from outside Europe too. (Lancaster House)

The United Kingdom is leaving the European Union. We will no longer be members of its single market or its customs union. (Florence)

So there is no need to impose tariffs where we have none now, and I don't think anyone sensible is contemplating this. (Florence)

To those who worry about coming out of the customs union or the single market – please bear in mind that the economic benefits of membership are nothing like as conspicuous or irrefutable as is sometimes claimed. (PX)

It is only by taking back control of our regulatory framework and our tariff schedules that we can do these deals, and exploit the changes in the world economy. (PX)

Brexit will inevitably mean a change in the way British, Austrian and other European Union companies do business.

It has to, if we are to make good on the referendum result, and carve a path for Britain to strike its own trade deals, have its own immigration policy, and make our courts sovereign once more. (PX)

Currently, our direction and action within the WTO is determined by our membership of the EU. But soon, the UK will regain the full authority of independent membership. We will establish our own trading schedules. We are taking the necessary steps so that, on leaving the EU, we will accede to the Agreement on Government procurement. And we will begin to exercise our independent voice. (Bloomberg)

We should be able to offer better preferential agreements and work more closely with a range of developing countries. (Bloomberg)

There has been much debate in recent days about the EU's customs union. As we are leaving the European Union, necessarily, we cannot remain in the Customs Union which is open only to EU Member States. The alternative has been proposed that we enter a new customs union with the European Union. But what would this mean?

First of all, for goods, we would have to accept EU trade rules without any say in how they were made, handing Brussels considerable control of the UK's external trade policy. Secondly, it would limit our ability to reach new trade agreements with the world's fastest-growing economies. And thirdly, it would limit our ability to develop our trade and development policies that would offer new ways for the world's poorest nations to trade their way out of poverty. (Bloomberg)

And what would a customs union actually consist of? Which sectors would be covered? Would it be like Turkey which has a customs union but only for industrial goods and some agricultural products? Whatever it covered, should such a customs union be negotiated, we would be forced to allow goods from other countries into our market tariff-free, on terms set by Brussels, without any tariff-free access to the markets of other countries in return. And, if we were to disagree, Brussels could simply overrule us.

Those on the political left who opposed TTIP the agreement between the European Union and the United States might want to consider that in a customs union, they would have to implement any elements of TTIP, whether they like them or not, in any sectors covered by a customs union. As rule takers, without any say in how the rules were made, we would be in a worse position than we are today. It would be a complete sell out of Britain's national interests and a betrayal of the voters in the referendum.

Then there is the issue of constraints on the ability to negotiate independent trade arrangements. A customs union would remove the bulk of incentives for other countries to enter into comprehensive free trade agreements with the UK if we were unable to alter the rules in whole sectors of our economy, as Turkey has now discovered. The inevitable price of trying to negotiate with one arm

tied behind our back is that we would become less attractive to potential trade partners and forfeit many of the opportunities that would otherwise be available to us. (Bloomberg)

And then there is a question of our ability to help developing countries in a way that we would like. Not only does the EU have a high average external tariff – 5.1% compared to the US 3.5% – but it continues to operate tariffs in a way that particularly disadvantage countries who want to add value to their primary commodities and move up value chains.

As we leave the EU we are committed to maintaining preferential access for developing countries. Outside the Customs Union, we would have the freedom to expand access and tackle barriers to trade to enable poorer countries genuinely to trade their way out of poverty and become less dependent on our aid budgets. Many NGOs who look to Britain to take the lead in this area would find their aims frustrated by membership of a customs union. (Bloomberg)

Remaining in a customs union of any type would only make sense if we were to abandon our global ambitions and limit our abilities to shape our trade policy to the changes in the global environment that I have outlined. Tomorrow's choices would be constrained by today's status quo. We would deny ourselves the opportunity to shape Britain's place in the future world economy and our ability to influence the direction of that economy itself. (Bloomberg)

Of course, the Government's aim is to ensure that UK companies, as well as those from abroad, retain the maximum freedom to trade with and operate within European Markets. We want European businesses to do the same in the UK. That is why we want to develop customs arrangements which lead to trade being as frictionless as possible at our borders, in a tariff-free environment, with as few non-tariff barriers as possible. (Bloomberg)

The UK must regain the ability to negotiate our own trade arrangements with our own partners. To surrender this would be to endanger not only our long-term prosperity and the innovation and dynamism that will ensure that Britain remains a leading economic power, but also our ability to influence this new trading landscape in a way that reflects UK values and interests. (Bloomberg)

We want the freedom to negotiate trade agreements with other countries around the world. (Mansion House)

The UK has been clear it is leaving the Customs Union.

The EU has also formed a customs union with some other countries.

But those arrangements, if applied to the UK, would mean the EU setting the UK's external tariffs, being able to let other countries sell more into the UK without making it any easier for us to sell more to them, or the UK signing up to the Common Commercial Policy. That would not be compatible with a meaningful independent trade policy. It would mean we had less control than we do now over our trade in the world. Neither Leave nor Remain voters would want that. (Mansion House)

last year, we set out two potential options for our customs arrangement. Option one is a customs partnership between the UK and the EU. At the border, the UK would mirror the EU's requirements for imports from the rest of the world, applying the same tariffs and the same rules of origin as the EU for those goods arriving in the UK and intended for the EU. By following this approach, we would know that all goods entering the EU via the UK pay the right EU duties, removing the need for customs processes at the UK-EU border.

But, importantly, we would put in place a mechanism so that the UK would also be able to apply its own tariffs and trade policy for goods intended for the UK market. As we have set out previously, this would require the means to ensure that both sides can trust the system and a robust enforcement mechanism.

Option two would be a highly streamlined customs arrangement, where we would jointly agree to implement a range of measures to minimise frictions to trade, together with specific provisions for Northern Ireland.

First, measures to ensure the requirements for moving goods across borders are as simple as possible.

This means we should continue to waive the requirement for entry and exit declarations for goods moving between the UK and the EU.

And we should allow goods moving between the UK and the rest of the world to travel through the EU without paying EU duties and vice versa.

Second, measures to reduce the risk of delays at ports and airports. For example, recognising each other's "trusted traders" schemes and drawing on the most advanced IT solutions so that vehicles do not need to stop at the border.

Third, we should continue our cooperation to mitigate customs duty and security risks.

And fourth, measures to reduce the cost and burden of complying with customs administrative requirements, including by maximising the use of automation.

And recognising the unique circumstances in Northern Ireland, and our shared commitments to avoiding a hard border, we should consider further specific measures.

80% of North-South trade is carried out by micro, small and medium sized businesses.

So for smaller traders – who as members of the community are most affected but whose economic role is not systemically significant for the EU market - we would allow them to continue to operate as they do currently, with no new restrictions.

And for larger traders we would introduce streamlined processes, including a trusted trader scheme that would be consistent with our commitments.

Both of these options for our future customs arrangement would leave the UK free to determine its own tariffs with third countries - which would simply not be possible in a customs union.

I recognise that some of these ideas depend on technology, robust systems to ensure trust and confidence, as well as goodwill – but they are serious and merit consideration by all sides. (Masnion House)

Form of New Deal

Key points: The UK is pursuing an ambitious bespoke deal. The objective as originally expressed sits somewhere between CETA and the EEA – an analogy which is unhelpful when one is intergovernmental and the other is effectively supergovernmental, and the end deal must be one or the other. The language as it has developed is now more one of an ambitious FTA with bolted-on bilaterals. However, as the UK starts from full EU regulatory compliance, the issue is one of managed divergence.

Not partial membership of the European Union, associate membership of the European Union, or anything that leaves us half-in, half-out. We do not seek to adopt a model already enjoyed by other countries. We do not seek to hold on to bits of membership as we leave. (Lancaster House)

as a priority, we will pursue a bold and ambitious free trade agreement with the European Union.

This agreement should allow for the freest possible trade in goods and services between Britain and the EU's member states. It should give British companies the maximum freedom to trade with and operate within European markets – and let European businesses do the same in Britain. (Lancaster House)

That agreement may take in elements of current single market arrangements in certain areas – on the export of cars and lorries for example, or the freedom to provide financial services across national borders – as it makes no sense to start again from scratch when Britain and the remaining Member States have adhered to the same rules for so many years.

But I respect the position taken by European leaders who have been clear about their position, just as I am clear about mine. So an important part of the new strategic partnership we seek with the EU will be the pursuit of the greatest possible access to the single market, on a fully reciprocal basis, through a comprehensive free trade agreement. (Lancaster House)

So our task is to find a new framework that allows for a close economic partnership but holds those rights and obligations in a new and different balance. (Florence)

One way of approaching this question is to put forward a stark and unimaginative choice between two models: either something based on European Economic Area membership; or a traditional Free Trade Agreement, such as that the EU has recently negotiated with Canada.

I don't believe either of these options would be best for the UK or best for the European Union. (Florence)

As for a Canadian style free trade agreement, we should recognise that this is the most advanced free trade agreement the EU has yet concluded and a breakthrough in trade between Canada and the EU.

But compared with what exists between Britain and the EU today, it would nevertheless represent such a restriction on our mutual market access that it would benefit neither of our economies.

Not only that, it would start from the false premise that there is no pre-existing regulatory relationship between us. And precedent suggests that it could take years to negotiate.

We can do so much better than this.

As I said at Lancaster House, let us not seek merely to adopt a model already enjoyed by other countries. Instead let us be creative as well as practical in designing an ambitious economic partnership which respects the freedoms and principles of the EU, and the wishes of the British people. (Florence)

The European Union has shown in the past that creative arrangements can be agreed in other areas. For example, it has developed a diverse array of arrangements with neighbouring countries outside the EU, both in economic relations and in justice and home affairs. (Florence)

For those firms that trade with the European Union, keeping all of the EU's regulations, the Customs Union, the Single Market and the external tariffs sounds like an easy option. But we cannot allow our future to be determined by our past. Instead, we should turn our sail and tack into the global trading winds of the future. (Bloomberg)

Britain has vigorously supported the trade agreements reached between the European Union and countries such as Canada and Japan. We have done so because we believe in the principle of free trade but also because we believe it is the best way to increase the prosperity of the people of Britain and the rest of Europe. We believe that the same principles should apply to the agreement between the UK and the EU itself as we move away from the political constraints of the union. (Bloomberg)

it will need a bespoke relationship. We are not Canada or Norway or Switzerland. We are Britain, and what's more we want to be a truly global Britain. (Bloomberg)

the agreement we reach with the EU must respect the referendum. It was a vote to take control of our borders, laws and money. (Mansion House)

Others have suggested we negotiate a free trade agreement similar to that which Canada has recently negotiated with the EU - or trade on World Trade Organisation terms.

But these options would mean a significant reduction in our access to each other's markets compared to that which we currently enjoy.

And this would mean customs and regulatory checks at the border that would damage the integrated supply chains that our industries depend on and be inconsistent with the commitments that both we and the EU have made in respect of Northern Ireland. (Mansion House)

we need to strike a new balance. But we will not accept the rights of Canada and the obligations of Norway. (Mansion House)

As with any trade agreement, we must accept the need for binding commitments – for example, we may choose to commit some areas of our regulations like state aid and competition to remaining in step with the EU's.

The UK drove much of the policy in this area and we have much to gain from maintaining proper disciplines on the use of subsidies and on anti-competitive practices.

Furthermore, as I said in Florence, we share the same set of fundamental beliefs; a belief in free trade, rigorous and fair competition, strong consumer rights, and that trying to beat other countries' industries by unfairly subsidising one's own is a serious mistake. (Mansion House)

the European Council's Guidelines aspire to a balanced, ambitious, and wide-ranging deal, with common rules in a number of areas to ensure fair and open competition.

This would not be delivered by a Canada-style deal – which would not give them the breadth or depth of market access that they want.

And it is hard to see how it would be in the EU's interests for the UK's regulatory standards to be as different as Canada's.

Finally, we both need to face the fact that this is a negotiation and neither of us can have exactly what we want. (Mansion House)

I want the broadest and deepest possible partnership – covering more sectors and co-operating more fully than any Free Trade Agreement anywhere in the world today. And as I will go on to describe we will also need agreements in a range of areas covering the breadth of our relationship. (Mansion House)

And we want to secure an agreement with the EU that provides the stability and confidence for EU and UK business and individuals to achieve our aims in maintaining and developing the UK's strong trading and economic links with the EU.

That is why we will be seeking more than just an adequacy arrangement and want to see an appropriate ongoing role for the UK's Information Commissioner's Office. This will ensure UK businesses are effectively represented under the EU's new 'one stop shop' mechanism for resolving data protection disputes. (Mansion House)

The EU's agreement with Ukraine sees it align with the EU in some areas but not others. The EU's agreement with South Korea contains provisions to recognise each others' approvals for new car models, whereas their agreement with Canada does not. Equally, the EU's agreement with Canada

contains provisions to recognise each others' testing on machinery; its agreement with South Korea does not. (Mansion House)

The fact is that every Free Trade Agreement has varying market access depending on the respective interests of the countries involved. If this is cherry-picking, then every trade arrangement is cherry-picking.

Moreover, with all its neighbours the EU has varying levels of access to the Single Market, depending on the obligations those neighbours are willing to undertake.

What would be cherry-picking would be if we were to seek a deal where our rights and obligations were not held in balance.

And I have been categorically clear that is not what we are going to do. (Mansion House)

Services

Key points: While pursuing an ambitious deal, some limits on access will be inevitable. Creative options are possible for the familiar key hurdles in FTAs.

Just as our partnership in goods needs to be deeper than any other Free Trade Agreement, so in services we have the opportunity to break new ground with a broader agreement than ever before. (Mansion House)

We recognise that certain aspects of trade in services are intrinsically linked to the single market and therefore our market access in these areas will need to be different.

But we should only allow new barriers to be introduced where absolutely necessary. We don't want to discriminate against EU service providers in the UK. And we wouldn't want the EU to discriminate against UK service providers. (Mansion House)

we want to limit the number of barriers that could prevent UK firms from setting up in the EU and vice versa, and agree an appropriate labour mobility framework that enables UK businesses and self-employed professionals to travel to the EU to provide services to clients in person and that allows UK businesses to provide services to the EU over the phone or the internet. And we want to do the same for EU firms providing services to the UK. (Mansion House)

And given that UK qualifications are already recognised across the EU and vice versa – it would make sense to continue to recognise each other’s qualifications in the future. (Mansion House)

On broadcasting, we recognise that we cannot have exactly the same arrangements with the EU as we do now. Currently, because of the “country of origin” principle, a company based in the UK can be licenced by Ofcom and broadcast into any EU member state and vice versa. The relevant directive will not apply to the UK, as we leave the EU, and relying solely on precedents will hurt consumers and businesses on both sides.

The UK’s creative hub leads to the development of products that European consumers want - the UK currently provides around 30% of the channels available in the EU. But equally, many UK companies have pan-European ownership, and there are 35 channels and on-demand services, which are offered in the UK but licensed in the EU.

So we should explore creative options with an open mind, including mutual recognition which would allow for continued transfrontier broadcasting - recognising the enriching role that British broadcasters and programme makers play, not only in British - but more broadly in our common European - culture. (Mansion House)

Financial Services

Key points: Passporting is ruled out. But a deep and comprehensive new deal is strongly in everyone’s interests. The UK will self regulate and not be a simple EU rule taker, though recognising UK banks have an impact in other countries particularly in Eurozone matters. A like-for-like deal, with WTO-style arrangements for reciprocity in disputes, should be pursued.

on financial services, the Chancellor will be setting out next week how financial services can and should be part of a deep and comprehensive partnership. We are not looking for passporting because we understand this is intrinsic to the single market of which we would no longer be a member. It would also require us to be subject to a single rule book, over which we would have no say. (Mansion House)

The UK has responsibility for the financial stability of the world’s most significant financial centre, and our taxpayers bear the risk, so it would be unrealistic for us to implement new EU legislation automatically and in its entirety.

But with UK located banks underwriting around half of the debt and equity issued by EU companies and providing more than £1.1 trillion of cross-border lending to the rest of the EU in 2015 alone, this is a clear example of where only looking at precedent would hurt both the UK and EU economies. (Mansion House)

As in other areas of the future economic partnership, our goal should be to establish the ability to access each others' markets, based on the UK and EU maintaining the same regulatory outcomes over time, with a mechanism for determining proportionate consequences where they are not maintained. But given the highly regulated nature of financial services, and our shared desire to manage financial stability risks, we would need a collaborative, objective framework that is reciprocal, mutually agreed, and permanent and therefore reliable for businesses. (Mansion House)

Financial services is such an area where we can, and should, collaborate closely.

...recognising that a future economic partnership will always need to ensure a fair balance of the rights and obligations associated with market access. (Canary Wharf)

So it is time to address the sceptics who say a trade deal including financial services cannot be done because it has never been done before:

...to them I say: "every trade deal the EU has ever done has been unique". (Canary Wharf)

The EU itself pursued ambitious financial services co-operation in its proposals for TTIP – which it described as a partnership that would be: "more than a traditional free trade agreement". And in its initial proposals for CETA.

We know because back then, British and French officials worked hand-in-hand on the proposals, with the Commission. (Canary Wharf)

No Deal Scenario

Key points: If there is no deal, the UK will completely disalign from the EU model and gain competitive advantage.

No deal is better than a bad deal. A deal that obviously can't last is a bad deal.

I am equally clear that no deal for Britain is better than a bad deal for Britain.

Because we would still be able to trade with Europe. We would be free to strike trade deals across the world. And we would have the freedom to set the competitive tax rates and embrace the policies that would attract the world's best companies and biggest investors to Britain. And – if we were excluded from accessing the single market – we would be free to change the basis of Britain's economic model. (Lancaster House)

But for the EU, it would mean new barriers to trade with one of the biggest economies in the world. It would jeopardise investments in Britain by EU companies worth more than half a trillion pounds. It would mean a loss of access for European firms to the financial services of the City of London. It would risk exports from the EU to Britain worth around £290 billion every year. And it would disrupt the sophisticated and integrated supply chains upon which many EU companies rely. (Lancaster House)

the new agreement we reach with the EU must endure. After Brexit both the UK and the EU want to forge ahead with building a better future for our people, not find ourselves back at the negotiating table because things have broken down. (Mansion House)

At first glance, this may appear to point to a solution based on the EU's established third-country equivalence regime.

But that regime would be wholly inadequate for the scale and complexity of UK-EU financial services trade. (Canary Wharf)

But the principle of mutual recognition and reciprocal regulatory equivalence, provided it is objectively assessed, with proper governance structures, dispute resolution mechanisms, and sensible notice periods to market participants clearly could provide an effective basis for such a partnership.

And although we will be separate jurisdictions, we would need to maintain a structured regulatory dialogue to discuss new rules proposed by either side...

...building on our current unparalleled regulatory relationships...

...to ensure we deliver equivalent regulatory outcomes...

...agreeing mutually acceptable rule-changes where possible. (Canary Wharf)

We recognise, also, that the supervision of major clearing houses conducting euro-denominated activity is a particularly important and sensitive subject for our EU partners...

...and we stand ready to discuss a mutually satisfactory way forward in this area. (Canary Wharf)

Managed Divergence

Key points: The UK will currently retain statutory compliance, diverging over time through Parliamentary oversight. In the interim, that means UK trade begins by already fulfilling EU criteria, which makes a comprehensive deal easier to reach. Divergence and deregulation in turn bring red tape cost cutting opportunities.

Any changes in the law will have to be subject to full scrutiny and proper Parliamentary debate. (Conference)

But as we work out together how to do so, we do not start with a blank sheet of paper, like other external partners negotiating a free trade deal from scratch have done.

In fact, we start from an unprecedented position. For we have the same rules and regulations as the EU - and our EU Withdrawal Bill will ensure they are carried over into our domestic law at the moment we leave the EU.

So the question for us now in building a new economic partnership is not how we bring our rules and regulations closer together, but what we do when one of us wants to make changes. (Florence)

When we differ from the EU in our regulatory choices, it won't be to try and attain an unfair competitive advantage, it will be because we want rules that are right for Britain's particular situation. (Florence)

And for those of us within the stockade, the cost of EU regulation was estimated at 4% of GDP by Peter Mandelson and 7% by Gordon Brown. Authorities which for the purposes of this argument I do not propose to dispute.

It is only by taking back control of our laws that UK firms and entrepreneurs will have the freedom to innovate, without the risk of having to comply with some directive devised by Brussels, at the

urgings of some lobby group, with the specific aim of holding back a UK competitor. That would be intolerable, undemocratic, and would make it all but impossible for us to do serious free trade deals. (PX)

The future trade talks will be a negotiation like no other.

We start from a position of total alignment, with unprecedented experience in working with one another's regulators and institutions.

The agreement we strike will not be about how to build convergence, but what we do when one of us chooses to make changes to our rules.

Neither side should put up unnecessary barriers during this process. (Vienna)

But for the Implementation Period to deliver the smooth transition we all want to see, it needs to be effective.

That means our regulators working together so that businesses – especially regulated businesses – are able to plan on the basis of it. (Canary Wharf)

[on Financial Services] the way forward must surely be to bank our Day 1 de facto equivalence.

...and shape a regime to manage future regulatory change that ensures that...

...while our rule systems may evolve separately...

...we deliver fully equivalent regulatory outcomes...

...maintaining commitments to support open-markets and fair competition. (Canary Wharf)

As the PM said on Friday, in certain circumstances we may choose not to maintain equivalent outcomes but we will know there may be consequences...

...we would have to address how this future partnership would work in such circumstances...

...with clear institutional processes to do so.

Our concern in a financial services partnership would be to ensure that any such consequences were reasonable and proportionate...

...applied in a predictable way that allows industry to plan with confidence...

...and that they were delivered through an independent arbitration mechanism that has the confidence of both parties.

Such mechanisms already exist within FTAs, including CETA. (Canary Wharf)

Three Baskets Approach

Key points: UK policy is to divide items into three baskets – areas that are irrelevant to EU cooperation; areas where the same results can be achieved through recognising the output of the other as of equivalent standing; and areas where output should be identical. Parliament could subsequently block something the EU demanded needed to be identical, though this would come at a trade access cost, which would be determined by an independent mechanism. (This applies the WTO dispute retaliation mechanism rather than the EEA one.)

So we will need to discuss with our European partners new ways of managing our interdependence and our differences, in the context of our shared values.

There will be areas of policy and regulation which are outside the scope of our trade and economic relations where this should be straightforward.

There will be areas which do affect our economic relations where we and our European friends may have different goals; or where we share the same goals but want to achieve them through different means.

And there will be areas where we want to achieve the same goals in the same ways, because it makes sense for our economies.

And because rights and obligations must be held in balance, the decisions we both take will have consequences for the UK's access to European markets and vice versa. (Florence)

As I said in my speech in Florence this could be achieved in different ways.

Our default is that UK law may not necessarily be identical to EU law, but it should achieve the same outcomes. In some cases Parliament might choose to pass an identical law – businesses who export to the EU tell us that it is strongly in their interest to have a single set of regulatory standards that mean they can sell into the UK and EU markets.

If the Parliament of the day decided not to achieve the same outcomes as EU law, it would be in the knowledge that there may be consequences for our market access.

And there will need to be an independent mechanism to oversee these arrangements. (Mansion House)

Transition

Key points: The end deal needs to be signed off before the transition period is over. A phased implementation period would then kick in. It might cover any number of a range of areas, over different time scales, as existing UK rights are phased out and replaced. The UK would be a rule taker over this time. There would be an absolute time cut off.

I do not mean that we will seek some form of unlimited transitional status, in which we find ourselves stuck forever in some kind of permanent political purgatory. That would not be good for Britain, but nor do I believe it would be good for the EU. (Lancaster House)

I want us to have reached an agreement about our future partnership by the time the 2-year Article 50 process has concluded. From that point onwards, we believe a phased process of implementation, in which both Britain and the EU institutions and member states prepare for the new arrangements that will exist between us will be in our mutual self-interest. This will give businesses enough time to plan and prepare for those new arrangements.

This might be about our immigration controls, customs systems or the way in which we co-operate on criminal justice matters. Or it might be about the future legal and regulatory framework for financial services. For each issue, the time we need to phase-in the new arrangements may differ. Some might be introduced very quickly, some might take longer. And the interim arrangements we rely upon are likely to be a matter of negotiation. (Lancaster House)

The United Kingdom will cease to be a member of the European Union on 29th March 2019.

We will no longer sit at the European Council table or in the Council of Ministers, and we will no longer have Members of the European Parliament.

Our relations with countries outside the EU can be developed in new ways, including through our own trade negotiations, because we will no longer be an EU country, and we will no longer directly benefit from the EU's future trade negotiations. (Florence)

Neither is the European Union legally able to conclude an agreement with the UK as an external partner while it is itself still part of the European Union.

And such an agreement on the future partnership will require the appropriate legal ratification, which would take time.

It is also the case that people and businesses – both in the UK and in the EU – would benefit from a period to adjust to the new arrangements in a smooth and orderly way. (Florence)

So during the implementation period access to one another's markets should continue on current terms and Britain also should continue to take part in existing security measures.

The framework for this strictly time-limited period, which can be agreed under Article 50, would be the existing structure of EU rules and regulations.

How long the period is should be determined simply by how long it will take to prepare and implement the new processes and new systems that will underpin that future partnership.

For example, it will take time to put in place the new immigration system required to re-take control of the UK's borders. (Florence)

As of today, these considerations point to an implementation period of around two years.

But because I don't believe that either the EU or the British people will want the UK to stay longer in the existing structures than is necessary, we could also agree to bring forward aspects of that future framework such as new dispute resolution mechanisms more quickly if this can be done smoothly. (Florence)

And at the heart of these arrangements, there should be a clear double lock: a guarantee that there will be a period of implementation giving businesses and people alike the certainty that they will be able to prepare for the change; and a guarantee that this implementation period will be time-limited, giving everyone the certainty that this will not go on for ever.

These arrangements will create valuable certainty. (Florence)

Mutual Recognition of Standards

Key points: This element is central to the “Road to Brexit” family of speeches. Brexit provides an opportunity to push the mutual recognition agenda, which will be a boost to international trade. It is forcefully underlined that the UK shares, and occasionally exceeds, EU principles and standards. The UK will obviously remain compliant with, and pursue the development of, common international standards. Inferred from this, the UK will not seek competitive advantage in those industries where there are cross-border supply chain issues, or in issues of safety or hygiene: correspondingly, the EU can agree to recognise UK standards in the future as equivalent.

The eyes of the world are on us, but if we can be imaginative and creative about the way we establish this new relationship, if we can proceed on the basis of trust in each other, I believe we can be optimistic about the future we can build for the United Kingdom and for the European Union. (Florence)

Furthermore, we share the same set of fundamental beliefs; a belief in free trade, rigorous and fair competition, strong consumer rights, and that trying to beat other countries’ industries by unfairly subsidising one’s own is a serious mistake. (Florence)

And as we have set out in a future partnership paper, when it comes to trade in goods, we will do everything we can to avoid friction at the border. But of course the regulatory issues are crucial.

We share a commitment to high regulatory standards.

People in Britain do not want shoddy goods, shoddy services, a poor environment or exploitative working practices and I can never imagine them thinking those things to be acceptable.

The government I lead is committed not only to protecting high standards, but strengthening them. (Florence)

Britain’s determination to lead a race to the top in global standards. (Vienna)

it is essential to keep in mind the reasons Britain voted to leave the European Union.

It was not, and never will be, a rejection of European ideals, our shared values and civilisation. (Vienna)

At home, we're delivering an ambitious environmental plan, that aims to leave the environment in a better state than that we found it in. (Vienna)

it is the choice of our country and the government of which I am a part — not, as some in continental Europe seem to fear, to lead a competitive race to the bottom...

But to lead a global race to the top. (Vienna)

Sustainable growth has to be supported by regulatory environments which deliver for consumers, passengers and wider society — without creating a crushing administrative burden for business.

So we are striving to set the global agenda for effective regulatory frameworks that keep consumers and passengers safe. (Vienna)

by leading from the front and setting standards, you can drive innovation and enable new technology to thrive. (Vienna)

This race to the top is essential to tackle our shared challenges.

Work to combat climate change, for example, has to be done at an international level.

Air pollution, rising sea levels greenhouse gases do not respect national or even continental boundaries.

So international collaboration, such as the Paris Climate Agreement, is vital if we are going to protect our environment for future generations.

And in consumer standards, we will play a full role in the push for global standards in car safety, supporting the work of the United Nations.

So we will build on the leading reputation we have, and take other countries with us, as new challenges emerge.

And yes — that will mean continuing to work with other European countries to drive new standards.

This is an area where we should be respectful partners, not suspicious competitors. (Vienna)

We have an unrivalled track record in promoting high standards, both at home and abroad.

Standards for products and services that originated from our own national bodies are adopted the world over, in a wide range of sectors.

Eight out of ten of the most used and implemented standards worldwide, ranging from product quality to environmental management, originated in the UK. (Vienna)

We will continue our track record of meeting high standards, after we leave the European Union. (Vienna)

Now, I know that for one reason or another there are some people who have sought to question that these are really our intentions.

They fear that Brexit could lead to an Anglo-Saxon race to the bottom.

With Britain plunged into a Mad Max style world borrowed from dystopian fiction.

These fears about a race to the bottom are based on nothing, not our history, not our intentions, nor our national interest.

Frankly, the competitive challenge we in the UK and the European Union will face from the rest of the world — where 90 percent of growth in markets will come from — will not be met by a reduction in standards.

We will never be cheaper than China, or have more resources than Brazil.

This challenge can only be met by an increase in quality, an increase in service levels, an increase in intellectual content. (Vienna)

So while I profoundly disagree with those who spread these fears — it does remind us all that we should provide reassurance.

And that's why it's a message delivered by every member of Britain's government as we meet our European counterparts.

Whether it's Theresa May's commitment to maintaining and enhancing workers rights.

The Chancellor's powerful advocacy for the stability of the European banking system.

Michael Gove's crusading zeal to improve animal welfare and environmental outcomes.

Or my friend the Foreign Secretary, who explained in an important speech last week how ending membership of the European Union institutions would not stop our shared European culture, values, civilisation. (Vienna)

Currently, that vehicle only has to undergo one series of approvals, in one country, to show that it meets the required regulatory standards.

And those approvals are accepted across the European Union.

That's exactly the sort of arrangement we want to see maintained even after we leave the European Union. (Vienna)

- On safety at work, our industrial workers are the safest in Europe. The fatality incidence rate, as it is delicately known, is the lowest in Europe, thanks, not to European legislation, but to British laws initially passed in the early and mid-70s
- Britain was one of the first Member States to introduce the right to flexible working hours for parents and carers in 2003
- In financial services we go well beyond the minimum European standards by ring-fencing retail banking from more risky investment activity, and we've taken the lead in pushing for higher capital ratio requirements
- We've spearheaded a change in culture in the banking and insurance industries, with new regimes to address mismanagement. There's nothing in European legislation which goes as far
- We have led the way in implementing measures to reduce multinational tax avoidance, and are one of only three European Union countries to operate a tax disclosure regime
- We pushed for — and have always defended — a rigorous state aid system with robust enforcement mechanisms within the European Union
- The United Kingdom was the first country in the world to set legally binding targets to reduce our greenhouse gas emissions. That saw us reduce our emissions by 40% since 1990 — faster than any G7 country or European country
- And after Brexit, plans are in the pipeline for a new, independent body that would continue to uphold environmental standards

(Vienna)

And while we will be seeking a bespoke agreement, reflecting our shared history and existing trade, there are already precedents outside the EU that we can look to.

The European Union itself has a number of mutual recognition agreements with a variety of countries from Switzerland to Canada to South Korea.

These cover a huge array of products — toys, automotives, electronics, medical devices — and many many more.

A crucial part of any such agreement is the ability for both sides to trust each other's regulations and the institutions that enforce them. With a robust and independent arbitration mechanism.

Such mutual recognition will naturally require close, even-handed cooperation between these authorities and a common set of principles to guide them.

And the certainty that Britain's plan — its blueprint for life outside of the European Union — is a race to the top in global standards.

And not a regression from the high standards we have now

It will provide the basis of trust that means that Britain's regulators and institutions can continue to be recognised. (Vienna)

We also want as frictionless a border as possible between us and the EU - so that we don't damage the integrated supply chains our industries depend on (Mansion House)

given the close relationship we envisage, we will need to have an ongoing dialogue with the EU, and to ensure we have the means to consult each other regularly.

In particular we will want to make sure our regulators continue to work together; as they do with regulators internationally. This will be essential for everything from getting new drugs to patients quickly to maintaining financial stability. We start from the place where our regulators already have deep and long-standing relationships. So the task is maintaining that trust; not building it in the first place. (Mansion House)

When it comes to goods, a fundamental principle in our negotiating strategy should be that trade at the UK-EU border should be as frictionless as possible.

That means we don't want to see the introduction of any tariffs or quotas. And – as the Secretary of State for Exiting the European Union set out in his speech in Vienna last week - we must ensure that, as now, products only need to undergo one series of approvals, in one country, to show that they meet the required regulatory standards.

To achieve this we will need a comprehensive system of mutual recognition. (Mansion House)

The UK will need to make a strong commitment that its regulatory standards will remain as high as the EU's. That commitment, in practice, will mean that UK and EU regulatory standards will remain substantially similar in the future. (Mansion House)

Many of these regulatory standards are themselves underpinned by international standards set by non-EU bodies of which we will remain a member – such as the UN Economic Commission for Europe, which sets vehicle safety standards. Countries around the world, including Turkey, South Africa, South Korea, Japan and Russia, are party to the agreement. (Mansion House)

As we leave the EU we will uphold environmental standards and go further to protect our shared natural heritage. And I fully expect that our standards will remain at least as high as the EU's. (Mansion House)

So, even as a member of the EU, we have chosen to go higher and faster on regulatory standards at times to protect our taxpayers.

And because we understand the risks we are taking, our commitment to rigorous and robust regulation will remain undimmed....

...¹⁴ David Davis was right in Vienna when he said that Britain's plan is for a race to the top in global standards.

And because those risks are so significant, it is vital that the citizens of any country bidding to take on a bigger share of Europe's financial services market have a full and transparent understanding of them. (Canary Wharf)

Because any trade deal between the UK and the EU must start from the reality of today:

That our economies, including in Financial Services, are deeply interconnected;

That our regulatory frameworks are effectively identical;

That our supervisors and regulators work hand in glove to maintain the stability of our financial systems and have developed high levels of mutual trust (Canary Wharf)

Both CETA and TTIP were intended to promote convergence between entirely separate markets...
...with different rules.

¹⁴ These diacritical marks (like others not bracketed in this paper) are in the original, as speaker prompts. They do not signify anything removed.

And low levels of interconnectedness.

We can do so much better...

...given our starting point. (Canary Wharf)

We have come a very long way since the autumn of 2008.

Working collaboratively across the EU and indeed, beyond with international partners...

...we have increased the capital requirements of our banks...

...we have tightened supervision of their operations ...

...and we have put in place resolution plans...

... to avoid contagion should the worst happen to an institution.

In the UK we have gone further and ring-fenced the retail banking operations of integrated groups from their wholesale market activities.

So the risk now to financial stability is not from continued close co-operation and integration...

...it is from the opposite: breaking up the intense co-operation that has developed between regulators across the EU and the UK. (Canary Wharf)

[On Financial Services] While the UK would cease to be a part of the EU's supervisory agencies, there is no reason why we could not maintain a very close working relationship.

Indeed it would be an essential part of supporting the regulatory equivalence that I have described...

...for instance, through proactive and extensive information exchange...

...authorised by the data-sharing agreements within the overarching FTA...

...going far beyond what is available in ordinary third-country relationships.

It could cover market abuse, transaction reporting, and stability monitoring, as well as prudential concerns about individual firms...

...and it could involve a version of today's college structures, covering both day-to-day supervision and resolution in crisis.

Of course how each party organises its internal governance would be a matter for it.

Neither party would have a role in the other's governance processes.

But we should be able to build on the extraordinary level of supervisory collaboration and trust that already exists between the EU and UK authorities...

...to establish the most comprehensive supervisory cooperation arrangements anywhere in the world...

...protecting our respective financial systems and our taxpayers from instability risks. (Canary Wharf)

Unfair Competition

Key points: The UK will not undercut the EU by unfairly subsidising its industries financially or through regulation (notwithstanding Corbyn). Inferred: there is no need for a regulatory border or extensive customs obstacles. Also inferred: there should be no issues for EU multinationals adding value between their factories, and supply chains should remain unobstructed.

the principle of fairness, and fair competition, which is essential to any trade agreement between any two states, will be particularly important here.

Turning this into a functioning economic partnership will be a mutual endeavour — as will the design of mechanisms to ensure both sides respect open trade and fair competition. (Vienna)

I have three principles in mind which will help illustrate what we mean by fairness.

First, fair competition means that it cannot be right that a company situated in the European Union would be able to be heavily subsidised by the state but still have unfettered access to the United Kingdom market. And vice versa.

The UK has long been a vocal proponent of restricting unfair subsidies to ensure competitive markets.

It is good for taxpayers.

It is good for consumers.

And it ensures an efficient allocation of resources.

These principles are true across the globe, and will continue to be true in the United Kingdom-European Union relationship.

Second, fairness means protecting consumers against anti-competitive behaviour.

The United Kingdom will continue to be a leading advocate of open investment flows after we leave the European Union.

But it cannot mean that an European Union company could merge with a United Kingdom company and significantly reduce consumer choice.

In our interconnected, globalised world, where goods, services and investment flow across borders...

There will still be a mutual benefit to the UK and European Union cooperating to protect our consumers, our taxpayers and our businesses by promoting fair competition.

So we will look to develop ways to deliver our shared goal: ensuring fair competition across the United Kingdom and the countries of Europe.

Because it's in all our interests to make sure that people are properly protected, and have a right to recourse when things go wrong.

And third, fairness means operating with a degree of mutual respect.

Respect in our desire to reach a deal that recognises the distinct legal order of each side.

And in our determination to carry out the sovereign decision of the British people. (Vienna)

Social Chapter

Key points: The UK will not seek competitive advantage by cutting workers rights (or cf. elsewhere in these speeches, if it does so it will be through Parliamentary approval and in cognisance of possible EU counterclaim). Implied: tariff barriers and NTBs do not need to be introduced.

existing workers' legal rights will continue to be guaranteed in law – and they will be guaranteed as long as I am Prime Minister.

And in fact, as we announced yesterday, under this Government, we're going to see workers' rights not eroded, and not just protected, but enhanced under this Government. (Conference)

we will ensure that workers rights are fully protected and maintained.

Indeed, under my leadership, not only will the government protect the rights of workers set out in European legislation, we will build on them. Because under this government, we will make sure legal protection for workers keeps pace with the changing labour market – and that the voices of workers are heard by the boards of publicly-listed companies for the first time. (Lancaster House)

The Prime Minister has been clear throughout the negotiations with the European Union that we want to preserve the standards that protect employment and workers rights (Broughton)

And in other areas like workers' rights or the environment, the EU should be confident that we will not engage in a race to the bottom in the standards and protections we set. There is no serious political constituency in the UK which would support this – quite the opposite. (Mansion House)

Immigration

Key points: Absolute free movement of people will end. Those with required skills will still be welcomed. Meanwhile, the UK needs to invest in its indigenous workforce. Arrangements will allow people to retire abroad - as happened before EU accession - and for students to travel overseas.

I know some people ask about the “trade-off” between controlling immigration and trading with Europe. But that is the wrong way of looking at things. We have voted to leave the European Union and become a fully-independent, sovereign country. We will do what independent, sovereign countries do. We will decide for ourselves how we control immigration. And we will be free to pass our own laws. (Conference)

we will get control of the number of people coming to Britain from the EU. (Lancaster House)

But the message from the public before and during the referendum campaign was clear: Brexit must mean control of the number of people who come to Britain from Europe. And that is what we will deliver. (Lancaster House)

We will be able to take back control of our borders – not because I am hostile to immigrants or immigration. Far from it. We need talented people to come and make their lives in this country – doctors, scientists, the coders and programmers who are so crucial to Britain’s booming tech economy. (PX)

But we also need to ask ourselves some hard questions about the impact of 20 years of uncontrolled immigration by low-skilled, low-wage workers – and what many see as the consequent suppression of wages and failure to invest properly in the skills of indigenous young people. (PX)

There is no sensible reason why we should not be able to retire to Spain or indeed anywhere else (as indeed we did long before Spain joined what was then called the common market). (PX)

as we leave the EU, free movement of people will come to an end and we will control the number of people who come to live in our country. (Mansion House)

UK citizens will still want to work and study in EU countries – just as EU citizens will want to do the same here, helping to shape and drive growth, innovation and enterprise. Indeed, businesses across the EU and the UK must be able to attract and employ the people they need. And we are open to discussing how to facilitate these valuable links. (Mansion House)

EU Residents

Key points: A reciprocal arrangement is sought for nationals currently resident in the UK and in the EU. The delay has been caused by a couple of EU countries, not the UK.

We want to guarantee the rights of EU citizens who are already living in Britain, and the rights of British nationals in other member states, as early as we can.

I have told other EU leaders that we could give people the certainty they want straight away, and reach such a deal now.

Many of them favour such an agreement – 1 or 2 others do not – but I want everyone to know that it remains an important priority for Britain – and for many other member states – to resolve this challenge as soon as possible. Because it is the right and fair thing to do. (Lancaster House)

I am clear that the guarantee I am giving on your rights is real. And I doubt anyone with real experience of the UK would doubt the independence of our courts or of the rigour with which they will uphold people's legal rights.

But I know there are concerns that over time the rights of EU citizens in the UK and UK citizens overseas will diverge. I want to incorporate our agreement fully into UK law and make sure the UK courts can refer directly to it. (Florence)

CJEU and Law

Key points: The UK will be freed from the remit of the Luxembourg Courts. The ECJ could remain a point of reference over expat rights, for their consistent application. Case law would also be a point of reference for UK courts in areas of cooperation.

The ECJ will obviously have a bearing on UK-relevant issues on its territory. Where the UK was still involved in an EU Agency, the ECJ would still be competent in decisions involving that agency.

Fleetingly referenced is the prospect that the agreement would also cover civil-judicial cooperation, company law, and intellectual property (which would be significant levels of EU legal involvement).

Treaty disputes would not be done by the ECJ: the inference is a panel would be set up.

we are not leaving only to return to the jurisdiction of the European Court of Justice. (Conference)

[Specifically here, relating to rights of EU nationals] Where there is uncertainty around underlying EU law, I want the UK courts to be able to take into account the judgments of the European Court of Justice with a view to ensuring consistent interpretation. On this basis, I hope our teams can reach firm agreement quickly. (Florence)

So we will take back control of our laws and bring an end to the jurisdiction of the European Court of Justice in Britain. Leaving the European Union will mean that our laws will be made in Westminster,

Edinburgh, Cardiff and Belfast. And those laws will be interpreted by judges not in Luxembourg but in courts across this country.

Because we will not have truly left the European Union if we are not in control of our own laws.
(Lancaster House)

To make this partnership work, because disagreements inevitably arise, we will need a strong and appropriate dispute resolution mechanism.

It is, of course, vital that any agreement reached – its specific terms and the principles on which it is based – are interpreted in the same way by the European Union and the United Kingdom and we want to discuss how we do that.

This could not mean the European Court of Justice – or indeed UK courts - being the arbiter of disputes about the implementation of the agreement between the UK and the EU however.

It wouldn't be right for one party's court to have jurisdiction over the other. But I am confident we can find an appropriate mechanism for resolving disputes. (Florence)

The second hard fact is that even after we have left the jurisdiction of the ECJ, EU law and the decisions of the ECJ will continue to affect us.

For a start, the ECJ determines whether agreements the EU has struck are legal under the EU's own law – as the US found when the ECJ declared the Safe Harbor Framework for data sharing invalid.
(Mansion House)

When we leave the EU, the Withdrawal Bill will bring EU law into UK law. That means cases will be determined in our courts. But, where appropriate, our courts will continue to look at the ECJ's judgments, as they do for the appropriate jurisprudence of other countries' courts.

And if, as part of our future partnership, Parliament passes an identical law to an EU law, it may make sense for our courts to look at the appropriate ECJ judgments so that we both interpret those laws consistently. (Mansion House)

As I said in Munich, if we agree that the UK should continue to participate in an EU agency the UK would have to respect the remit of the ECJ in that regard. (Mansion House)

in the future, the EU treaties and hence EU law will no longer apply in the UK. The agreement we reach must therefore respect the sovereignty of both the UK and the EU's legal orders. That means

the jurisdiction of the ECJ in the UK must end. It also means that the ultimate arbiter of disputes about our future partnership cannot be the court of either party. (Mansion House)

rather than having to bring two different systems closer together, the task will be to manage the relationship once we are two separate legal systems. (Mansion House)

we will need an arbitration mechanism that is completely independent – something which, again, is common to Free Trade Agreements. (Mansion House)

We will want our agreement to cover civil judicial cooperation, where the EU has already shown that it can reach agreement with non-member states, such as through the Lugano Convention, although we would want a broader agreement that reflects our unique starting point. (Mansion House)

And our agreement will also need to cover company law and intellectual property, to provide further legal certainty and coherence. (Mansion House)

Northern Ireland

Key points: The UK will seek to mitigate the border issue by seeking to keep emerging trade obstacles between the UK and the EU to a minimum, and to move any emerging customs management away from the border. There will be no internal UK border, ie in the Irish Sea. The UK Common Market will remain.

It's why we will put the preservation of our precious Union at the heart of everything we do. Because it is only by coming together as one great union of nations and people that we can make the most of the opportunities ahead. (Lancaster House)

A stronger Britain demands that we do something else – strengthen the precious union between the 4 nations of the United Kingdom. (Lancaster House)

Nobody wants to return to the borders of the past, so we will make it a priority to deliver a practical solution as soon as we can. (Lancaster House)

The UK government, the Irish government and the EU as a whole have been clear that through the process of our withdrawal we will protect progress made in Northern Ireland over recent years – and the lives and livelihoods that depend on this progress.

As part of this, we and the EU have committed to protecting the Belfast Agreement and the Common Travel Area and, looking ahead, we have both stated explicitly that we will not accept any physical infrastructure at the border. (Florence)

this government will continue to strive to restore devolution in Northern Ireland, and will remain fully committed to the Belfast Agreement. We will continue to govern in the interests of all parts of the community in Northern Ireland, and to uphold the totality of relationships embodied in that agreement, both East-West and North-South. And we shall stand by the commitments in the Joint Report between the UK and the European Union that was agreed in December last year. (Broughton)

we have committed to looking at a city deal for Belfast. (Broughton)

we are unapologetically committed to the constitutional integrity of the United Kingdom. (Broughton)

The avoidance of a hard border in Northern Ireland is of crucial importance, as is the prevention of trade barriers between Northern Ireland and Great Britain. We believe that a comprehensive and liberal trading agreement with the EU is the best way to deal with the crucially important issue of avoiding that hard border. (Bloomberg)

in doing all of these things, it must strengthen our union of nations and our union of people. (Mansion House)

We have been clear all along that we don't want to go back to a hard border in Ireland. We have ruled out any physical infrastructure at the border, or any related checks and controls.

But it is not good enough to say, 'We won't introduce a hard border; if the EU forces Ireland to do it, that's down to them'. We chose to leave; we have a responsibility to help find a solution.

But we can't do it on our own. It is for all of us to work together.

And the Taoiseach and I agreed when we met recently that our teams and the Commission should now do just that. (Mansion House)

Just as it would be unacceptable to go back to a hard border between Northern Ireland and Ireland, it would also be unacceptable to break up the United Kingdom's own common market by creating a customs and regulatory border down the Irish Sea.

My personal commitment to this is clear.

As Prime Minister of the whole United Kingdom, I am not going to let our departure from the European Union do anything to set back the historic progress that we have made in Northern Ireland – nor will I allow anything that would damage the integrity of our precious Union. (Mansion House)

[objective is we] don't have a hard border between Northern Ireland and Ireland (Mansion House)

a fundamental principle in our negotiating strategy is that trade at the UK-EU border should be as frictionless as possible with no hard border between Northern Ireland and Ireland.

We believe this can be achieved via a commitment to ensure that the relevant UK regulatory standards remain at least as high as the EU's and a customs arrangement. (Mansion House)

Justice and Home Affairs

Key points: The UK will continue to cooperate on a number of JHA issues, specifically those areas where it has opted into. The implication is that Whitehall will pursue a sort of 'JHA EEA': the most minimalist take is that it merely reconstitutes the Maastricht Second Pillar. (This is an old Home Office policy of longstanding concern for Eurosceptics.)

I want that deal to reflect the kind of mature, cooperative relationship that close friends and allies enjoy. I want it to include cooperation on law enforcement and counter-terrorism work. (Conference)

I therefore want our future relationship with the European Union to include practical arrangements on matters of law enforcement and the sharing of intelligence material with our EU allies. (Lancaster House)

Of course, there is no pre-existing model for co-operation between the EU and external partners which replicates the full scale and depth of the collaboration that currently exists between the EU and the UK on security, law enforcement and criminal justice.

But as the threats we face evolve faster than ever, I believe it is vital that we work together to design new, dynamic arrangements that go beyond the existing arrangements that the EU has in this area - and draw on the legal models the EU has previously used to structure co-operation with external partners in other fields such as trade.

So we are proposing a bold new strategic agreement that provides a comprehensive framework for future security, law enforcement and criminal justice co-operation: a treaty between the UK and the EU. (Florence)

This would complement the extensive and mature bi-lateral relationships that we already have with European friends to promote our common security.

Our ambition would be to build a model that is underpinned by our shared principles, including high standards of data protection and human rights.

It would be kept sufficiently versatile and dynamic to respond to the ever-evolving threats that we face. And it would create an ongoing dialogue in which law enforcement and criminal justice priorities can be shared and – where appropriate – tackled jointly. (Florence)

[Discussing EAW, Europol, SIS II] So it is in all our interests to find ways to protect the capabilities which underpin this co-operation when the UK becomes a European country outside the EU but in a new partnership with it. (Munich)

I recognise there is no existing security agreement between the EU and a third country that captures the full depth and breadth of our existing relationship.

But there is precedent for comprehensive, strategic relationships between the EU and third countries in other fields, such as trade. And there is no legal or operational reason why such an agreement could not be reached in the area of internal security. (Munich)

Let's be clear about what would happen if the means of this co-operation were abolished.

Extradition under the European Arrest Warrant would cease. Extradition outside the European Arrest Warrant can cost four times as much and take three times as long.

It would mean an end to the significant exchange of data and engagement through Europol.

And it would mean the UK would no longer be able to secure evidence from European partners quickly through the European Investigation Order, with strict deadlines for gathering evidence requested, instead relying on slower, more cumbersome systems.

This would damage us both and would put all our citizens at greater risk.

As leaders, we cannot let that happen. (Munich)

That is why I have proposed a new Treaty to underpin our future internal security relationship.

The Treaty must preserve our operational capabilities. But it must also fulfil three further requirements.

It must be respectful of the sovereignty of both the UK and the EU's legal orders. So, for example, when participating in EU agencies the UK will respect the remit of the European Court of Justice.

And a principled but pragmatic solution to close legal co-operation will be needed to respect our unique status as a third country with our own sovereign legal order.

As I have said before, we will need to agree a strong and appropriate form of independent dispute resolution across all the areas of our future partnership in which both sides can have the necessary confidence.

We must also recognise the importance of comprehensive and robust data protection arrangements. (Munich)

[On shared data] The UK's Data Protection Bill will ensure that we are aligned with the EU framework. But we want to go further and seek a bespoke arrangement to reflect the UK's exceptionally high standards of data protection. And we envisage an ongoing role for the UK's Information Commissioner's Office, which would be beneficial in providing stability and confidence for EU and UK individuals and businesses alike. (Munich)

Finally, just as we have been able to develop the agreement on passenger name records in the face of terrorist atrocities in recent years, so the Treaty must have an ability to ensure that as the threats we face change and adapt - as they surely will - our relationship has the capacity to move with them. (Munich)

Common Foreign and Security Policy (CFSP)

Key points: Whitehall seeks to engage closely across EU CSDP structures. This covers Security, Defence, international deployments, crisis management, migration management, International Development, sanctions, and general foreign policy. It will remain party to the Emergency Support mechanisms (note: whose legal basis was misused to oblige the UK to support the Greek bailout).

It will also develop bilaterals (note: under CSDP these are being collapsed into the EU). The UK intends to associate closely with the European Defence Agency and procurement integration (note: with strategic consequences for the UK Defence industry).

(These elements do not show a vocabulary of divergence, nor is there even an implicit threat of withholding this carrot if trade cooperation is not in play. Consequently they are likely to remain areas of considerable concern to Eurosceptics.)

We are also proposing a far reaching partnership on how we protect Europe together from the threats we face in the world today; how we work together to promote our shared values and interests abroad; whether security, spreading the rule of law, dealing with emerging threats, handling the migration crisis or helping countries out of poverty.

The United Kingdom has outstanding capabilities. We have the biggest defence budget in Europe, and one of the largest development budgets in the world. We have a far-reaching diplomatic network, and world class security, intelligence and law enforcement services.

So what we are offering will be unprecedented in its breadth, taking in cooperation on diplomacy, defence and security, and development.

And it will be unprecedented in its depth, in terms of the degree of engagement that we would aim to deliver.

It is our ambition to work as closely as possible together with the EU, protecting our people, promoting our values and ensuring the future security of our continent. (Florence)

And the UK will continue to offer aid and assistance to EU member states that are the victims of armed aggression, terrorism and natural or manmade disasters. (Florence)

It makes sense for us to continue to be intimately involved in European foreign and security policy. It would be illogical not to discuss such matters as sanctions together, bearing in mind that the UK expertise provides more than half of all EU sanctions listings. (PX)

in the face of these challenges, I believe it is our defining responsibility to come together and reinvigorate the transatlantic partnership - and the full breadth of all our global alliances – so that we can protect our shared security and project our shared values. (Munich)

upon leaving the EU, it is right that the UK will pursue an independent foreign policy. (Munich)

That is true whether fighting the ideologies of Daesh, developing a new global approach to migration, ensuring the Iranian nuclear deal is properly policed or standing up to Russia's hostile actions, whether in Ukraine, the Western Balkans or in cyberspace. And in all these cases, our success depends on a breadth of partnership that extends far beyond the institutional mechanisms for cooperation with the EU.

That means doing more to develop bi-lateral co-operation between European nations, as I was pleased to do with President Macron at last month's UK-France Summit.

It means building the ad hoc groupings which allow us to counter terrorism and hostile state threats, as we do through the 30 strong intergovernmental European Counter Terrorism Group – the largest of its kind in the world.

It means ensuring that a reformed NATO alliance remains the cornerstone of our shared security. (Munich)

We need a partnership that respects both the decision-making autonomy of the European Union and the sovereignty of the United Kingdom.

This is fully achievable. The EU's common foreign policy is distinct within the EU Treaties and our foreign policies will keep evolving. (Munich)

if the EU and its remaining Member States believe that the best means to increase the contribution Europe makes to our collective security is through deeper integration, then the UK will look to work with you. And help you to do so in a way which strengthens NATO and our wider alliances too, as EU leaders have repeatedly made clear. (Munich)

First, at a diplomatic level, we should have the means to consult each other regularly on the global challenges we face, and coordinate how we use the levers we hold where our interests align.

In particular, we will want to continue to work closely together on sanctions. We will look to carry over all EU sanctions at the time of our departure. And we will all be stronger if the UK and EU have the means to co-operate on sanctions now and potentially to develop them together in the future. (Munich)

where we can both be most effective by the UK deploying its significant capabilities and resources with and indeed through EU mechanisms – we should both be open to that. (Munich)

On defence, if the UK and EU's interests can best be furthered by the UK continuing to contributing to an EU operation or mission as we do now, then we should both be open to that. (Munich)

And similarly, while the UK will decide how we spend the entirety of our foreign aid in the future, if a UK contribution to EU development programmes and instruments can best deliver our mutual interests, we should both be open to that. (Munich)

the UK wants to agree a future relationship with the European Defence Fund and the European Defence Agency, so that jointly we can research and develop the best future capability that Europe can muster. (Munich)

Common Fisheries Policy

Key points: The UK will end the CFP. However, foreign fishermen may still keep access to UK waters. European Commission ambitions are noted as unusual but not rejected. (Note: Definitions over the management mechanisms and limits of EU cooperation and access to UK waters remain loose, and fishing groups have every right to be concerned.)

[With no deal] Important sectors of the EU economy would also suffer. We are a crucial – profitable – export market for Europe's automotive industry, as well as sectors including energy, food and drink, chemicals, pharmaceuticals, and agriculture. These sectors employ millions of people around Europe. And I do not believe that the EU's leaders will seriously tell German exporters, French

farmers, **Spanish fishermen**, the young unemployed of the Eurozone, and millions of others, that they want to make them poorer, just to punish Britain and make a political point. (Lancaster House)¹⁵

We will be able, if we so choose, to fish our own fish, (PX)

The EU itself is rightly taking a tailored approach in what it is seeking with the UK. For example, on fisheries, the Commission has been clear that no precedents exist for the sort of access it wants from the UK. (Mansion House)

We are leaving the Common Agricultural Policy and will want to take the opportunity that brings to reform our agriculture and fisheries management. (Mansion House)

We are also leaving the Common Fisheries Policy.

The UK will regain control over our domestic fisheries management rules and access to our waters.

But as part of our economic partnership we will want to continue to work together to manage shared stocks in a sustainable way and to agree reciprocal access to waters and a fairer allocation of fishing opportunities for the UK fishing industry.

And we will also want to ensure open markets for each other's products. (Mansion House)

Bilaterals

Key points: Mutual access can be achieved in a number of fields not otherwise raised, because of shared self-interest.

If we get the right deal on aviation and on visa-free travel – both of which are in our mutual interest (PX)

¹⁵ Our emphasis

there is a global 'toolbox' from which we can choose the most appropriate mechanisms for liberalising trade. These range from being key members of multilateral agreements, to mutual recognition agreements and the sort of outcome-based equivalence approach recently advanced by the governor of the Bank of England. (Bloomberg)

Transport

Key points: The UK seeks to apply mutual recognition over transport.

On transport, we will want to ensure the continuity of air, maritime and rail services; and we will want to protect the rights of road hauliers to access the EU market and vice versa. (Mansion House)

Energy

Key points: The UK seeks to remain connected with the RoI and with France. (Note: Ireland is dependent on the UK; the UK imports electricity from France; continental firms have bought into the UK energy market; and the priority for the UK is actually Norway's energy grid).

On energy, we will want to secure broad energy co-operation with the EU. This includes protecting the single electricity market across Ireland and Northern Ireland - and exploring options for the UK's continued participation in the EU's internal energy market. We also believe it is of benefit to both sides for the UK to have a close association with Euratom. (Mansion House)

Science

Key points: The UK will seek to continue participating in joint research programmes, which in any event already encompass non-EU countries. This will also facilitate movement of research staff.

We can continue the whirl of academic exchanges that have been a feature of European cultural life since the middle ages, and whose speed of cross-pollination has been accelerated by the internet as well as by schemes like Horizon or Erasmus – all of which we can continue to support, and whose participating scholars are certainly not confined to the EU. (PX)

The UK is also committed to establishing a far-reaching science and innovation pact with the EU, facilitating the exchange of ideas and researchers. This would enable the UK to participate in key programmes alongside our EU partners.

Space

Key points: The UK will seek to continue to cooperate on satellite production. Defence aspects to this are, unusually, referenced. A new deal would need to be based on fair competition though.

Space is a domain like any other where hostile actors will seek to threaten us.

So we very much welcome the EU's efforts to develop Europe's capabilities in this field. We need to keep open all the options which will enable the UK and the EU to collaborate in the most effective way possible. The UK hosts much of Europe's cutting edge capabilities on space and we have played a leading role, for example, in the development of the Galileo programme.

We are keen for this to continue as part of our new partnership, but, as is the case more widely, we need to get the right agreements concluded which will allow the UK and its businesses to take part on a fair and open basis. (Munich)

Digital

Key points: The UK will diverge from the EU, and gain competitive advantage in an area where the EU is otherwise becoming sluggishly protectionist.

On digital, the UK will not be part of the EU's Digital Single Market, which will continue to develop after our withdrawal from the EU. This is a fast evolving, innovative sector, in which the UK is a world leader. So it will be particularly important to have domestic flexibility, to ensure the regulatory environment can always respond nimbly and ambitiously to new developments. (Mansion House)

Education and Culture

Key points: The UK seeks to participate in EU cultural and educational programmes, and will pay into the budget. *Juste retour* incidentally is not necessarily implied by the reference to 'fair share'. (Again, Eurosceptics will be concerned as these programmes contain the most outright elements of EU propaganda.¹⁶)

And we want to take a similar approach to educational and cultural programmes, to promote our shared values and enhance our intellectual strength in the world - again making an ongoing contribution to cover our fair share of the costs involved. (Mansion House)

Money - Outstanding

Key points: The UK will continue to pay for the EU budget as set out for 2014-20.

Some of the claims made on this issue are exaggerated and unhelpful and we can only resolve this as part of the settlement of all the issues I have been talking about today.

Still I do not want our partners to fear that they will need to pay more or receive less over the remainder of the current budget plan as a result of our decision to leave. The UK will honour commitments we have made during the period of our membership. (Florence)

Money – Future Financing

Key points: The UK will pay into the EU budget only for actions in areas where there is cooperation. It will be considerably less than £13 billion a year.

And because we will no longer be members of the single market, we will not be required to contribute huge sums to the EU budget. There may be some specific European programmes in which we might want to participate. If so, and this will be for us to decide, it is reasonable that we should

¹⁶ See <http://archive.openeurope.org.uk/Content/documents/Pdfs/hardsell.pdf>

make an appropriate contribution. But the principle is clear: the days of Britain making vast contributions to the European Union every year will end. (Lancaster House)

And as we move forwards, we will also want to continue working together in ways that promote the long-term economic development of our continent.

This includes continuing to take part in those specific policies and programmes which are greatly to the UK and the EU's joint advantage, such as those that promote science, education and culture – and those that promote our mutual security.

And as I set out in my speech at Lancaster House, in doing so, we would want to make an ongoing contribution to cover our fair share of the costs involved. (Florence)

We will stop paying huge sums to the EU every year and as the PM herself has said, this will leave us with more to spend on our domestic priorities, including, yes, the NHS. (PX)

Agencies

Key points: The UK will seek to associate with certain EU agencies where there are very high levels of cross border trade involving supply chains or major safety testing compliance issues. (While the statement is that this will not be full membership terms, the example given of Switzerland within the EEAS is actually that of a full member).

We will also want to explore with the EU, the terms on which the UK could remain part of EU agencies such as those that are critical for the chemicals, medicines and aerospace industries: the European Medicines Agency, the European Chemicals Agency, and the European Aviation Safety Agency.

We would, of course, accept that this would mean abiding by the rules of those agencies and making an appropriate financial contribution. (Mansion House)

First, associate membership of these agencies is the only way to meet our objective of ensuring that these products only need to undergo one series of approvals, in one country.

Second, these agencies have a critical role in setting and enforcing relevant rules. And if we were able to negotiate associate membership we would be able to ensure that we could continue to provide our technical expertise.

Third, associate membership could permit UK firms to resolve certain challenges related to the agencies through UK courts rather than the ECJ.

For example, in the case of Switzerland, associate membership of the European Aviation Safety Agency means that airworthiness certifications are granted by its own aviation authority, and disputes are resolved through its courts. Without its membership, Swiss airlines would need to gain their certifications through another member state or through the Agency, and any dispute would need to be resolved through the ECJ. (Mansion House)

membership of the European Medicines Agency would mean investment in new innovative medicines continuing in the UK, and it would mean these medicines getting to patients faster as firms prioritise larger markets when they start the lengthy process of seeking authorisations. But it would also be good for the EU because the UK regulator assesses more new medicines than any other member state. And the EU would continue to access the expertise of the UK's world-leading universities. (Mansion House)

of course, Parliament would remain ultimately sovereign. It could decide not to accept these rules, but with consequences for our membership of the relevant agency and linked market access rights. (Mansion House)

Future of the EU

Key points: Making Brexit work is a win for the whole of the EU.

Now I do not believe that these things apply uniquely to Britain. Britain is not the only member state where there is a strong attachment to accountable and democratic government, such a strong internationalist mindset, or a belief that diversity within Europe should be celebrated. And so I believe there is a lesson in Brexit not just for Britain but, if it wants to succeed, for the EU itself. (Lancaster House)

About the Author



Dr Lee Rotherham has been an adviser to John Major's whipless rebels, Eurosceptic MEPs, three Shadow Foreign Secretaries, the Conservative delegate to the Convention on the Future of Europe, a delegate to the Council of Europe, and government ministers. He was Head of Opposition Research for the No Campaign in the AV Referendum, and Director of Special Projects at Vote Leave, the designated pro-withdrawal campaign during the 2016 referendum.

He has twice been a Conservative candidate in General Elections, in 2001 in St Helens South (the "butler campaign"), and in 2005 in Rotherham standing against the then-Europe Minister. Outside of Westminster he has worked in publishing, teaching, heritage, and in Defence.

He has been very extensively published in academia and across think tanks. His publications as author or co-author include *The EU in a Nutshell*; *Ten Years On - Britain Without the European Union*; *Change or Go*; *Plan B for Europe*; *Controversies from Brussels and Closer to Home*; *Manning the Pumps*; *Hard Bargains or Weak Compromises*; *The Hard Sell*; *Bloc Tory*; *Common Ground*; *A Spotter's Guide to Sound Government Policies*; and the award-winning *Bumper Book of Government Waste* and *Brown's Wasted Billions*. His historical works include *A Fate Worse Than Debt – A History of Britain's National Debt from Boadicea to Cameron*; *The Sassenach's Escape Manual*; and tour guides to Roman Britain, colonial North America, the Hundred Years War, and the Apocalypse.

Lee is a reservist in the British army, and has served on three overseas deployments

