

Minutes of the Atlantic Arc Commission's Brexit task Force

13 September 2018 - Fundación Galicia Europa en Bruselas

I - UPDATE ON BREXIT NEGOTIATIONS

Jesús Gamallo, General Director in charge of External Relations - Xunta de Galicia - Coordinator of the Atlantic Arc Commission's Brexit Task Force, welcomed participants and thanked Sandra Cavallo, member of the European Commission's Task Force for the Preparation and Conduct of the Negotiations with the United Kingdom under Article 50 TEU, for attending. Mr. Gamallo presented the Atlantic Arc Commission (AAC)'s activities to date on Brexit. As fisheries is an important sector for the Galicia region and the Atlantic, he underlined the importance of having fisheries as an integral part of the withdrawal agreement.

- See the [Atlantic Arc Commission's Declaration on Brexit](#) (October 2017) and the [CPMR's Cardiff Declaration](#) (November 2017).

1. The state of Negotiations

Both parties are committed to reaching an agreement, which should be finalised for the next European Council in October in Salzburg, or at the beginning of November. Both parties agreed future relationships between the UK and the EU should be very close.

At present, the state of the negotiations is outlined in the draft withdrawal agreement published in March 2018.

Agreement reached	No deal reached yet
<ul style="list-style-type: none"> - The transition period - Citizens' rights - The UK's financial participation in EU programmes for the current Multi-Annual financial framework (2014-2020) 	<ul style="list-style-type: none"> - The participation of the UK in the single market: from the European Commission's perspective, the UK cannot remain a member of the single market for goods and not for people and services. - The governance for the implementation of the withdrawal agreement: the European Commission has refused the idea for the UK to lead customs on behalf of the EU. - Geographical indications. - Customs controls at the Irish border: the UK does not want new controls at the border in order to avoid conflicts. The European Commission is trying to see how a border control could be developed without having a physical frontier (checks could be done elsewhere).

Both parties agreed to write a political declaration by the end of this year, as time is running out, in order to have a detailed agreement. This political agreement should be attached to the withdrawal agreement and should be as clear as possible. It should be divided into four parts:

- First pillar: Economic relationships
- Second pillar: Socio-economic cooperation, including sectors like aviation, health, research, university cooperation
- Third pillar: Judicial cooperation
- Fourth pillar: Foreign policy and defense

On fisheries, the European Commission's position is to place conditions on access to the EU market for UK fish products, based on access for EU fishing boats to UK territorial waters. This is not the case in the UK's White Paper on Fisheries (July 2018).

- See the [Draft Withdrawal Agreement](#) (March 2018)

2. Debate session

Sébastien Pilard, Pays de la Loire Regional Councillor, representative of CPMR's Atlantic Arc Commission Presidency, introduced the session and asked how Regions should prepare for a no-deal scenario. The European Commission explained that if there is no agreement by the end of March 2019, the UK will become a third country. However, Michel Barnier is confident that a political decision will be taken by the UK.

On the participation of the UK in EU cooperation programmes: the INTERREG regulation proposal is not yet finalised, however, legal bases enable the UK to participate in the programme should they wish to do so. The UK is still part of discussions until March 2019. It will be up to the UK to decide whether it wants to participate in the programme financially.

At this state it is already agreed that the Northern Ireland PEACE programme will remain post 2020.

Mrs Cavallo stated that the European Commission (EC) is preparing every scenario. The EC has drafted "[Preparedness notices](#)" in case the UK withdraw without an agreement - More info [HERE](#)

On anxiety experienced by the regions: the European Commission has tried to remain transparent with everybody. However, negotiations are centralised between the Task Force 50 and their UK counterparts to avoid opening multiple fronts.

On aviation: no deal would have very harmful impacts. The EU will need to closely monitor this sector. Aviation will be included under the second pillar of the agreement. Contingency plans have already been prepared.

On other borders with the UK than the Irish Border: the European Commission's experts have to explore other border issues. Gibraltar will be discussed bilaterally between the Spanish Government and the UK.

On the recognition of EU Court of Justice: no agreement has been reached. The aim of the European Commission is to avoid duplication of EU institutions because it would be costly for citizens. They don't want to create a "mini EU".

II – DISCUSSION REGARDING FUTURE ACTIONS ON BREXIT

1. Coordination between the CPMR's Atlantic Arc and the North Sea Commissions

Magnus Engelbrektsson, Executive Secretary of the [CPMR's North Sea Commission](#) presented the work of the North Sea Commission on Brexit. A North Sea Brexit Task Force was set up in March 2017. The Task Force has followed the negotiation process and shared the impact reports carried out by regions. The UK House of Commons invited the North Sea Commission to report its work. It developed a political declaration on new ways to cooperate with the UK after Brexit. Members of the North Sea Commission

asked for a Macro-regional strategy. Other North Sea Commission working groups, such as its marine resources group, gathered to discuss the impact of Brexit on specific sectors.

The Basque Country suggested the Brexit as an opportunity for the Atlantic maritime Strategy to become a Macroregion, hence, they are advancing not only with the Spanish authorities and the Spanish regions on that, but with other members of the Atlantic Arc as well.

2. The work of the European Fisheries Alliance (EUFA)

The EUFA is a coalition of European fishing fleets representing the interests of fishing fleets. It aims to ensure that the Brexit agreement takes into account the economic and social realities of fishing and coastal communities across Europe. EUFA represents over 18,000 fishermen and 3,500 vessels from the remaining Member States of the European Union which traditionally fishing in 'UK waters'.

Chair of EUFA, **Gerard J. Van Balsafoort**, shared the organisation's work and political messages. The organisation met with Michel Barnier in early 2017 and asked the European Commission to condition the access of UK fish products to the EU market upon the access to UK waters. It welcomed the transition deal which requires the UK to apply the 'acquis communautaire' on fisheries during transition, until the end of 2021. It also welcomed the decision for the fisheries sector to be named under the heading Free Trade Agreement, in the Council guidelines for the negotiations on the future relationship (23 March 2018). This means Michel Barnier's team are compelled to negotiate on this basis.

In October 2017, at the invitation of the region of Galicia, it signed the [Santiago of Compostella declaration on EU coastal communities](#).

The organisation's new ambition is to lobby Member States to include in the withdrawal agreement guidelines and the political declaration a paragraph on fisheries tackling key principles such as reciprocal access to waters and market, relative stability, science-based management of fish stocks, continued investment in research, protection and freedom of establishment. In the case of no deal, the organisation is currently working on the definition of an international obligation under the UN legislation on joint management of fish stocks.

Regarding the UK White Paper on Fisheries, **Gerard J. Van Balsafoort** underlined several reasons why UK fisheries should not be happy with their government's position:

- The White paper is very similar to the dispositions of the Common Fisheries Policy (CFP)
- Scientists and controllers who will apply the new rules will be paid by the sector
- There are few opportunities for UK fishermen to get new quotas: quotas will be put in a pool and then redistributed to new comers in the fishery sector.

It highlights some limits in the Norwegian Model: though it gives Norway the possibility of negotiating quotas each year with the EU, percentages of quotas remain the same from one year to another, as it is very difficult to make precise evaluation of the number of fish in a zone.

On the limitation of the access to EU market, he recalled that some UK fishers fishing high quality fish products, such as lobster, have expressed their concerns, since they currently export their products to the EU market. No access to EU market would hinder their business.

3. Decision and future actions

- **Keep in contact with EUFA** to monitor closely discussions on fisheries
- **Preparation of a political declaration** on the withdrawal agreement agreed between the European Union and the UK – November 2018
 - Work on a sectoral approach, identifying high-risk sectors for our Member Regions (aviation, industry of defense, ports, etc.)
- **A joint meeting with the CPMR's North Sea Commission**– Autumn 2018, after the EU Council on Brexit in October 2018. Guest speakers could be representatives of the UK Permanent Representation in Brussels.