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for Exiting the
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Rt Hon Hilary Benn MP
Chair, Exiting the European Union Committee
House of Commons
London
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21 February 2018

Dear Hilary,

I would like to draw your Committee's attention to the publishing of the UK's response to the European Commission's draft legal text on arrangements for the implementation period, copies of which will be deposited in the libraries of both Houses.

This publication responds to the Commission document titled *Transitional Arrangements in the Withdrawal Agreement* published on 7 February. As you will see, there is significant common ground between the UK and EU positions, and a shared ambition to reach quick agreement.

Following the EU's publication, we felt that some changes were necessary to provide greater detail and clarity, and that further discussion would be required in some areas. I have summarised these areas below.

It is our view that a Joint Committee should have specific functions in relation to the implementation period, including resolving any issues which might arise concerning the proper functioning of the Agreement. This Joint Committee should also have regard to a duty of mutual good faith which should apply between the United Kingdom and the EU, for example, in relation to acts of Union law adopted during the implementation period. These arrangements would act as a safeguard to the rights and interests of both parties, in line with the vision set out in my speech 'Implementation Period – A bridge to the future partnership between the UK & EU'. This would avoid the need for extreme sanctions, which would not be in the interest of businesses or citizens in the UK or the EU.

We have also been clear that while people will be able to come to live and work in the UK as they do now, there will be a registration scheme to allow the UK to plan for our future public services, and prepare for our future immigration system. At all stages we have sought to protect the life choices people have already made ahead of our exit from the EU. However, during this period the UK will no longer be a

Member State. As such, their expectations around their rights to settlement will be different and we will want to agree what this means in practice.

On foreign and defence policy, our aim is to continue the close cooperation and mutual solidarity we currently enjoy in these areas and to come to a swift agreement on the future relationship. Our text proposes that key aspects of our future partnership in this area should already be effective from 2019 and interim arrangements should reflect the nature of that future.

In light of the potential for new security threats, and also reflecting the UK's commitment to a future security partnership with the EU, we believe the UK should retain the option, via mutual agreement, to participate in those justice and home affairs measure that both the UK and the EU deem to be beneficial, as well as an opt-in to both replacements and amendments to those measures to which we are already a party. This would be done only by mutual consent and therefore only where it were mutually beneficial.

I have been clear that on our exit we will withdraw from the Institutions of the EU and no longer attend Council, send MEPs, or retain voting rights. However, the UK is committed to upholding its rights and its obligations during the Implementation Period. To be able to do so, we must be party to discussions which concern issues relating to the UK, to UK citizens or those living within the UK, or where it is necessary to ensure the functioning of our agreement. This would supplement the processes set out under the Joint Committee. Furthermore, it would also preserve EU access to areas of UK expertise where it is helpful. The UK and the EU should agree how we will ensure that the UK is invited when these criteria are met.

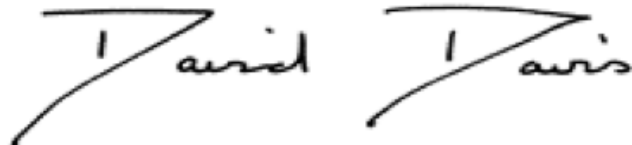
We have published our proposed approach to those international agreements we are party to through our EU membership. As the UK will no longer be a Member State, we have been clear that we intend to pursue discussions on our own FTAs, although not bring them into effect until after the Implementation Period, this is reflected in the text of the document. We will also take up our own seat in the relevant international fora.

Similarly, our legal text is clear that there will need to be agreement between the UK and the EU on how, during this period, the UK will play an appropriate role in the agreement of quotas and allocations for UK fisheries.

This text provides practical solutions to some of the key topics for discussion in the coming days and weeks of the negotiation, as well as highlighting the significant common ground between the two sides. I believe we can come to an agreed position on the implementation period in advance of March European Council.

I would like to draw your Committee's attention to the publishing of the UK's draft legal text on arrangements for the implementation period, copies of which and this letter will be deposited in the libraries of both Houses.

I will write in similar terms to the chair of the Lords EU Committee and the Commons European Scrutiny Committee.

A handwritten signature in black ink, consisting of the name 'David Davis' written in a cursive, slightly stylized font. The signature is positioned centrally on the page.

**RT HON DAVID DAVIS MP
SECRETARY OF STATE FOR EXITING THE EUROPEAN UNION**