

## FORGET POLITICS, IS BORIS'S NEW EU TREATY BREXIT? No, it's not

Brexit factsheet no.7 – The EU's new UK Colonisation Treaty

## A layman's summary of the EU's new 'UK colonisation treaty' agreed by the PM yesterday

**1. Parliament will not be sovereign** - UK still to be governed by existing and new laws of the ECJ – a foreign court – and with no say over these laws. [WA articles 4, 87, 89 and 127, PD para 131]

**2. Demands payment of a sum to be decided by the EU** - Minimum £39 billion but this is likely to increase and the EU decides the final sum. This must be paid BEFORE any trade deal is agreed. [WA articles 138-144, and 152-155]

**3. No trade deal with EU** – Not included as this is just a divorce treaty. Any EU trade deal must ensure *"a level playing field for open and fair competition"* and *"deep regulatory and customs cooperation"*. This will make it difficult for the UK to reduce non-tariff barriers in trade deals with USA, Australia, China, etc. [PD paras 17 & 21]

**4. Prevents independent tax policy** - Political Declaration still obliges UK to adopt a future relationship which will impose **EU State Aid rules** and *"relevant tax matters"* on the UK. EU specifically intends to curb UK's ability to have *"harmful tax practices"*. Withdrawal Treaty also applies EU law to UK during transition period - allowing EU to sue UK, including infringement proceedings for as yet unidentified breaches of State Aid rules and billions in VAT on commodity derivative transactions dating back to 1970s. [PD para 77, WA articles 86, 93, 127].

**5. Restricts independent foreign policy** - UK to be bound by international agreements concluded by the EU despite having no influence in their negotiation during the transition period and must *"refrain, during the transition period, from any action... which is likely to be prejudicial"* to the interests of the EU. [Articles 129(3) and (6)].

6. Prevents independent military action – UK permanently stopped from taking "any action likely to conflict with or impede" EU's foreign policies. Critical parts of section on foreign policy and security are not reciprocal, eg future relationship will not "prejudice the decision-making autonomy of the EU" but no such language for UK – only permitted to "maintain the right to determine how [to respond] to any invitation to participate in operations or missions". Also, parties "agree to consider" security collaboration in European Defence Agency, European Defence Fund, and PESCO "to the extent possible under [EU law]" which is prescriptive (not permissive) obligation. Despite paying for European Defence Agency during transition, British troops in EU battlegroups will not be led by British staff officers. [WA articles 129(6-7) and 156-157 and PD paras 99, 102(c)]

7. Controls UK fishing – Common Fisheries Policy continues in UK waters during transition (which can be extended) but UK will have no say in implementation or enforcement. After transition, Political Declaration requires "cooperation on... regulation of fisheries, in a non-discriminatory manner" - code for continuing current arrangements for EU access to UK waters. Any trade deal to "ensure service providers and investors are treated in a non-discriminatory manner, including with regard to establishment" - prevents UK protecting quotas from EU purchase. [PD paras 29 and 72]

**8. Replaces one EU Commission with another** - New body established with *"powers equivalent to those of the European Commission"*. UK must accept exclusive jurisdiction of Arbitration Panel and judgments of ECJ. Grants EU officials criminal immunity and exemption from UK tax. Imposes gagging order on UK which must keep all EU information confidential but EU can use UK information as it sees fit. [WA articles 74, 101, 104-5, 106-116, 159, 168, 174]

**9.** Leaves UK with €500bn liabilities from EU Investment Bank but no profits - No rights to past and future profits made from UK investment in EIB, no rights to UK share of assets of EIB, yet UK remaining liable for risk of up to €500bn of guarantees. UK must let EU bid for UK public projects at least during transition. [WA articles 34, 75-78, 127, 143, 147, 150].

**10. EU colonisation** - makes UK bystander in laws that govern it - UK permitted to send civil servant to Brussels to observe EU passing laws designed to disadvantage UK economy during transition which might last many years. EU could regulate London's huge foreign exchange markets, impose financial transaction tax that would be collected at UK expense by HMRC but sent to foreign governments. [WA article 34]

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For more information: https://facts4eu.org/news/2019\_oct\_eu\_treaty\_for\_uk\_colonisation