European Commission - Press release





Getting ready for the end of the transition period with the UK: European Commission adopts "readiness" Communication

Brussels, 9 July 2020

The European Commission has today adopted a Communication to help national authorities, businesses and citizens prepare for the inevitable changes that will arise at the end of the transition period. Changes will occur to cross-border exchanges between the EU and the UK as of 1 January 2021– irrespective of whether an agreement on a future partnership has been concluded or not.

Commission President Ursula **von der Leyen** said: "The British people decided in a democratic election to leave the European Union and its benefits. This means that no matter how hard we now work towards a close partnership agreement, our relationship will inevitably change. My top priority is to ensure that EU citizens and businesses are as well prepared as possible for 1 January 2021".

The European Commission's Chief Negotiator, Michel **Barnier**, said: "Public administrations, businesses, citizens and stakeholders will be affected by the UK's decision to leave the EU. Following the UK Government's decision not to extend the transition period, we now know that these changes will take place on 1 January 2021 – deal or no deal. We are helping them to prepare as best as they can."

Today's <u>Communication</u> "Getting ready for changes" sets out a sector-by-sector overview of the main areas where there will be changes regardless of the outcome of the ongoing EU-UK negotiations, and sets out measures that national authorities, businesses and citizens should take in order to be ready for these changes. It in no way seeks to prejudge the outcome of negotiations. As such, it does not examine the possible implications of a failure to reach an agreement, nor does it consider the need for contingency measures.

Its aim is to ensure that all public administrations and stakeholders are ready and well prepared for the unavoidable disruptions caused by the UK's decision to leave the EU and to end the transition period this year. These measures complement actions taken at national level.

In parallel, the European Commission is reviewing and, where necessary, updating all 102 stakeholder notices, published at the time of the withdrawal negotiations – many of which continue to be relevant for the end of the transition period. The list of more than 50 updated notices is in annex to the Communication and all are available on the Commission's dedicated webpage.

Next steps

The European Commission will work closely with national authorities, businesses and other stakeholders over the coming months to help them prepare for the far-reaching changes that will occur at the end of the year, irrespective of whether an agreement is found.

Background

The United Kingdom left the European Union on 31 January 2020.

The <u>Withdrawal Agreement</u> concluded between the EU and the UK secured an orderly departure of the United Kingdom, providing legal certainty in important areas including citizens' rights, the financial settlement and the avoidance of a hard border on the island of Ireland.

The Withdrawal Agreement provided for a transition period, which ensures that EU law continues to apply to the UK from 1 February 2020 to 31 December 2020. At the end of the transition period, the UK leaves the Single Market and the Customs Union, thereby putting an end to the free movement of people, goods and services. The United Kingdom will also no longer participate in the EU's VAT and excise duty area, nor in EU policies and programmes, and will stop benefitting from the EU's international agreements. Changes will affect both sides and happen irrespective of whether or not an agreement on a future partnership between the EU and the United Kingdom is reached.

The EU and the UK are currently negotiating an agreement on a new future partnership, but even if such an agreement is concluded, the future relationship between the EU and the UK will be very

different from what it is currently, including the end of frictionless trade.

There will inevitably be barriers to trade in goods and services and to cross-border mobility and exchanges. Public administrations, businesses, citizens and stakeholders on both sides will be affected and must therefore prepare.

For more information

- <u>Communication</u> "Getting ready for changes. Communication on readiness at the end of the transition period between the European Union and the United Kingdom" (9 July 2020)
- European Commission <u>webpage</u>: "The EU and the United Kingdom Getting ready for the end of the transition period"

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