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of the Regions**

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ITEM 2 – APPENDIX 3

**MINUTES OF THE 126th PLENARY SESSION
OF THE EUROPEAN COMMITTEE OF THE REGIONS**

**DEBATE WITH MEMBERS ON THE LIKELY IMPACT OF UNITED KINGDOM'S
INTENTION TO WITHDRAW FROM THE EU
FOR THE LOCAL AND REGIONAL AUTHORITIES IN THE EU**

Karl-Heinz Lambertz, President of the European Committee of the Regions (CoR) began by saying that Brexit would have economic, social, and budgetary impact on national as well as regional and local levels and emphasised that it must not serve as a pretext to reduce cohesion policy. Mr Lambertz further mentioned that Brexit might jeopardise the balance achieved in the fields of prosperity, stability and peace, highlighting the issue of the border between the Republic of Ireland and Northern Ireland. He suggested finding innovative solutions in order not to impose a soft or a hard border. The president presented to members a CoR publication on the likely impact of the United Kingdom's intention to withdraw from the European Union for local and regional authorities, which sets out the contributions of CoR members and other elected representatives. Mr Lambertz expressed his concern that if efficient instruments to deal with Brexit are not found, the cooperation and compromises worked on over the last forty years might be lost. He welcomed **Brian Hayes, Member of the European Parliament; Cristina Cifuentes Cuencas, President of the Community of Madrid; Guilherme Rosa, Deputy Mayor of Lambeth Council in the United Kingdom, and Derek Monks, Town councillor from Rojas in Alicante, Spain**, inviting them to outline their positions on the possible impact of Brexit and proposals for measures to be taken.

Mr Hayes began by saying that the decision of the UK to withdraw from the EU was a democratic decision made by UK citizens and it had to be respected. He further said that maintaining peace should be the number one priority, mainly with regard to the Good Friday Agreement resolving the issue of Northern Ireland in the areas of state border and citizenship. He also said that the future arrangements must maintain the situation at as good level as at present in terms of regulations, standards, north-south trade and the rights of the citizens of Northern Ireland with Irish citizenship. He explained the workings of the all-Ireland economy and the obstacles it might face after Brexit. Mr Hayes stressed that these issues had to be solved before continuing to the second phase of the negotiations. He underlined the support received from the EU institutions during the peace process and stressed that the integrity of the single market must not be challenged or diminished.

Ms Cifuentes Cuencas stressed that Brexit would affect not only states but also regions and cities, and it had already caused uncertainty for the population of the EU. It would concern aspects such as workers' rights, international agreements, exports, business and financial passporting. She described the economic, social and demographic dimensions of the impact of Brexit at national and regional level, setting out the economic figures for UK-Spain trade and investment as well as the figures for the UK-Madrid region. She then set out the figures for Spanish and British citizens who will be affected directly by Brexit, such as residents, tourists, and students. Ms Cifuentes Cuencas proposed that Brexit be viewed as an opportunity and called for national and regional strategies to be drawn up. She outlined the *Think Madrid* strategy, meant to attract businesses and EU bodies to the Madrid region. She suggested that Brexit be approached as efficiently as possible, expressing her wish to see a stronger Europe after Brexit.

Mr Rosa said that excluding the City of London from the single market would be a big loss for the EU, and hence he proposed keeping the city in the single market. He disagreed with the EU Brexit negotiations strategy and expressed his concerns about the rights of EU citizens residing in the UK as well as the UK citizens residing in the EU27. He proposed setting up a system of repatriation, family relocation support and family reunification. Mr Rosa described the issue of losing the right to vote and the right to be elected for EU citizens in the UK as a very non-democratic outcome of Brexit and a possible basis for future discrimination.

Mr Monks began by outlining the demographic situation in the town of Rojas, where the majority of citizens were of foreign origin and many of them UK citizens. He stated that these people faced severe anxiety about their future, mainly the elderly inhabitants and those in retirement age. He said that UK citizens living abroad had been excluded from voting in the Brexit referendum and could not participate in the decision-making process about their future. Mr Monks also called for action on the issue of the right to vote and be elected for UK citizens in the EU and suggested that this right should be connected to tax residency rather than citizenship.

Markku Markkula (FI/EPP) stressed the uncertainty of the future of cohesion policy, namely the future budget allocated, and called for a new calculation of Member States' contributions. He suggested future EU-UK relations might be similar to those with Norway. He concluded by saying that Brexit was also an opportunity for the EU to reform its internal processes.

Ángel Luis Sánchez Muñoz (ES/PES) warned that Brexit might establish both physical and psychological borders between European citizens and increase populism in European politics.

Michael Murphy (IE/EPP) expressed his support for the work of Michel Barnier, European Chief Negotiator for Brexit. He called for flexible solutions in this issue and for respect for the Good Friday Agreement. He concluded by reminding members that Brexit could lead to instability in Northern Ireland and that cross-border cooperation must not be inhibited in order to prevent this instability.

Doreen Huddart (UK/ALDE) highlighted the question of Gibraltar, a net contributor of 400 million GBP to the region of Andalusia per annum. Although the population of Gibraltar is 24 thousand inhabitants, the border is crossed 10 to 14 thousand times each day. She suggested close future cooperation with Spain, a free and open border and a possibility for Gibraltar to stay in the single market.

Arnold Hatch (UK/EA) presented the statistics for cross-border trade, saying that they showed that the level of cooperation between the Republic of Ireland and Northern Ireland common travel area had to be maintained, along with the common travel area.

Enda Stenson (IE/EA) stressed that a compromise was needed in order to prevent instability in Ireland. He said that staying in the single market and the customs union was a practical solution, while imposing a hard border would create tensions on both sides.

Jerry Lundy (IE/ALDE) reminded members that the Good Friday Agreement was essential in the peace process between the Republic of Ireland and Northern Ireland and hence must be respected. He recalled that the border areas would be most affected by Brexit and he mentioned the example of the agri-food business and healthcare.

Paul Lindquist (SE/EPP) said Brexit would not only damage the economy of the UK but also the economies of other Member States, pointing to the volume of trade and investment between the UK and Sweden. He warned that trade and growth would be negatively affected in all EU Member States.

Pavel Branda (CZ/ECR) said that the results of long cooperation on dismantling borders were very fragile, and anticipated negative impact of closing borders in a number of respects. Hence, he

suggested that the CoR cooperate closely with LRAs in the UK after Brexit.

MEP Hayes said that the EU had to ensure that Brexit would not harm citizens' rights and it would not become a mutually destructive deal. He recalled that 48% of UK citizens voted to remain and that young people voted remain overwhelmingly. He concluded by expressing his wish that we do not go back to living behind closed borders and that the Brexit solution will be people-centred.

Karl Vanlouwe (BE/EA) said that the EU should avoid taking revenge on the UK but rather take an economic view of Brexit and prevent the negative impact it could have on trade and business.

Manuel Pleguezuelo Alonso (ES/EPP) named several sectors of Spain-UK trade which would be greatly affected by Brexit, such as tourism, agricultural exports and real estate, as well as the field of science and research. He said the regions had to prepare by creating strategies and roadmaps and by looking for new markets.

Gerry Woop (DE/PES) elaborated on the issue of research and science projects, which would be affected by Brexit in terms of finance as well as mobility. He also mentioned the uncertain future of the Erasmus programme.

Mary Freehill (IE/PES) stressed the role of the EU during the peace process between the Republic of Ireland and Northern Ireland, singling out the Peace I and Peace II initiatives. She stated that the economies of the two countries were deeply interconnected and Brexit would threaten not only trade and cross-border movement but also peace.

Tadeusz Truskolaski (PL/EA) highlighted the role of EU investment in the poorest regions of the EU and expressed his concern about the future size of investment without the UK contribution to the European budget.

Slawomir Sosnowski (PL/EPP) added that not only investment, but also exports to the UK, played a major role for some of the poorest Polish regions. He suggested that future EU-UK cooperation could be based on the model of cooperation with Switzerland.

David Simmonds (UK/ECR) said the regions should anticipate the challenges and changes, look for new solutions and focus on the economic benefits of good relations with the UK. Also, the Brexit debate should focus more on young people.

Jennette Arnold (UK/PES) focused on the social and economic impact of Brexit and called for smart settlement and a long transition period.

Anthony Gerard Buchanan (UK/EA) raised the question of future cooperation between the CoR and UK LRAs. He also noted that if the EU citizens working in various sectors of the economy had to leave the UK, it would be disastrous for both public and private sectors.

Ms Cifuentes Cuencas said that regions had to prepare for Brexit by strengthening their competitiveness as well as their solidarity mechanisms. She reminded members that the EU regions were stronger together and that Brexit could serve as a test for the EU but also as a means of

strengthening cooperation.

Joan Calabuig Rull (ES/PES) stressed the importance of respecting the freedoms and rights of citizens. Legal certainty, no discrimination, and reciprocity had to be ensured.

Olgierd Geblewicz (PL/EPP) raised the issue of split families and family reunification, which was crucial for Poland. He insisted that family ties and social ties had to be protected.

Bart Somers (BE/ALDE) said that more than 4 million people were going to be directly affected by Brexit and the EU was obliged to find a solution for them. He then stressed that peace should be the priority in the negotiations.

Kieran McCarthy (IE/EA) called for swift action as uncertainty about future relations between EU and UK and inability to plan ahead would cause serious problems for programmes such as Erasmus, Erasmus+, Horizon 2020 and Interreg.

Mairi Angela Gurgeon (UK/EA) said Scotland depended on the free movement of citizens, but the current legal uncertainty was already obstructing free movement and giving rise to discrimination against EU27 citizens in the UK.

María Ángeles Elorza Zubiría (ES/ALDE) stressed the fact that the rights of citizens had to be guaranteed, meaning that EU citizens must be allowed to stay in the UK, and that a family reunification scheme had to be put in place.

Alain Hutchinson (BE/PES) talked about the fact that some regions would no longer be eligible for EU funds and the current insecurity about their possibility to participate in EU programmes in the near future, such as the European Capitals of Culture.

Władysław Ortyl (PL/ECR) raised the question of the impact of Brexit on unemployment, mentioning the case of Polish citizens working in the UK and their uncertain future.

Andros Karayiannis (CY/NI) said that the democratic decision made by UK citizens had to be respected. He also raised concerns regarding the impact of Brexit on Cyprus, mainly concerning the residents of the UK's Sovereign Base Areas in Cyprus, the Cypriot students in the UK and UK citizens living in Cyprus.

Guillermo Martínez Suárez (ES/PES) stressed the importance of legal certainty for citizens and respect for their rights, mainly the right of residence and establishment.

Andrew Varah Cooper (UK/EA) said the Brexit campaign was based on false information. He felt that the UK citizens are now better informed about the overall impact of Brexit and thus suggested that another Brexit referendum take place.

Albert Bore (UK/PES) highlighted the fact that the UK had been living on migration for decades and this should be taken into account during the negotiations. He also appreciated the position on the rights of citizens as presented in the CoR Resolution on the implications for local and regional governments

of the UK's intention to withdraw from the European Union from March 2017.

Mr Rosa said that many regions were trying to attract business from the UK, but that this should not mean impoverishing UK regions or cities. He agreed with the members regarding the call for the right of residence to be ensured and for protection of EU citizens living and working in the UK.

Mr Monks called for respect for citizens' rights and pointed out that UK citizens living abroad had not been allowed to vote in the Brexit referendum despite the fact that the question concerned them greatly.
