

02 February 2017

BREXIT WHITE PAPER PUBLISHED

Earlier today, the UK government published an official policy paper (the White Paper) setting out the government's approach to leaving the European Union (EU). The publication of the White Paper follows the House of Commons vote yesterday in favour of the European Union (Notification of Withdrawal) Bill, which provided Theresa May with the authorization needed to invoke Article 50 in order for the UK to leave the EU.

Building on last week's speech by the Prime Minister on the government's plan for Brexit, the White Paper sets out once again the 12 principles that will guide the government during its negotiations with the EU. The White Paper sets out the government's basis for each of the 12 principles and the broader strategy underlying them. From the perspective of financial services, rather than providing new material information, key themes from Theresa May's speech are reiterated.

The Principles are as follows:

1. Providing certainty and clarity.
2. Taking control of the UK's laws.
3. Strengthening the Union.
4. Protecting our strong historic ties with Ireland and maintaining the Common Travel Area.
5. Controlling immigration.
6. Securing rights for EU nationals in the UK and UK nationals in the EU.
7. Protecting workers' rights.
8. Ensuring free trade with European markets.
9. Securing new trade agreements with other countries.
10. Ensuring the UK remains the best place for science and innovation.
11. Cooperating in the fight against crime and terrorism.
12. Delivering a smooth, orderly exit from the EU.

The Great Repeal Bill

With respect to the first and second principles, the White Paper confirms the Government's intention to introduce a "Great Repeal Bill" to remove the European Communities Act 1972 and to preserve EU law. All EU laws which are directly applicable in the UK (such as EU regulations) and all laws which have been made in the UK to implement the UK's obligations as a member of the EU will be "preserved" – and so will remain part of domestic law on the day the UK leaves the EU. The White Paper also confirms that the preserved law will continue to be interpreted in the same manner as currently – whether this will be workable remains to be seen.

Parliament will also determine the content of other primary legislation if there are any significant policy changes. The Government expects to introduce separate bills on immigration and customs, and there will be a programme of secondary legislation under the Great Repeal Bill to address so-called "deficiencies" in the preserved law, the details of which are not provided. The government will eventually publish a White Paper



on the Great Repeal Bill. As we have highlighted in our previous alerts, the introduction of the Great Repeal Bill will no doubt result in a number of complex discussions, and analysis will be required for a smooth transition of such a vast body of law, regulation and guidance.

Withdrawal from Single Market Access

In connection with Principle 8 (Ensuring free trade with European markets), the White Paper reiterates the Government's position that it will not seek membership of the EU Single Market but will instead pursue a new strategic partnership with the EU, including a Free Trade Agreement and a new customs agreement. As outlined in Theresa May's speech last week, the agreement may well reflect elements of the existing Single Market arrangements. No further details of the agreement are provided in the White Paper.

With respect to the provision of financial services across the European Union, the White Paper does not provide any additional information to that which was provided in Theresa May's speech. The White Paper confirms that the aim of the government is for the "freest possible trade in financial services between the UK and EU Member States". This is clearly a "watch this space" element of future negotiations, much of which we have discussed in previous alerts on the implications of Brexit on financial services: Click [Alerts](#).

For The United Kingdom's exit from, and new partnership with, the European Union White Paper, click [Here](#).

For more detailed analysis of the issues, please contact your usual Ropes & Gray partner. For additional Brexit resources, please refer to the Ropes & Gray [Brexit](#) webpage.

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If you have any questions on this Alert or Brexit-related queries, then please contact your usual Ropes & Gray contact or reach out to our UK Asset Management team.

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