



Working Paper

**Die another day. Brexit and its impact upon the  
European Union. A view from Romania**

---

**Mihai SEBE**  
**Bucharest, July 2016**



# **Die another day. Brexit and its impact upon the European Union, A view from Romania<sup>1</sup>**

Mihai SEBE<sup>2</sup>, PhD  
Bucharest, Romania

## **Abstract**

*The present paper tries to briefly explain what Brexit is and its main impact on the Member States and the European Union as a whole. Using open sources I present here a brief overview of the current European landscape.*

*At the EU level we are currently dealing not only with the crisis generated by the United Kingdom withdraw from the European Union but also with a series of other concurrent crisis (economic, political, refugees, etc.) a that tend to be mixed together by an overly passionate public opinion and political class.*

*For the first time after the end of a Second World War, we are assisting to a huge existential crisis of the European Union which affects in mere existence. Taking into account the fact that the Brexit problems seem to be yet ever more present in contemporary European states, this phenomenon is likely to draw further scientific attention, and an increased need for nationally localized studies, such this one on Romania.*

*Although it is still early in the game to have a series of practical evaluations of what that means we can already envisage a series of outcomes for the United Kingdom, European Union, Romania, NATO and the rest of the world, that would be presented below.*

**Keywords:** *European Union, Brexit, United Kingdom*

---

<sup>1</sup> The views and opinions expressed in this article are those of the author alone and do not necessarily reflect the official policy or position of any organization he is connected to.

<sup>2</sup> **Mihai Sebe** is currently an expert in European Affairs and Romanian Politics, European Institute of Romania. With a Bachelor's Degree in Political Sciences in French Language and in Law he has obtained a PhD in Political Sciences at the University of Bucharest. His main areas of interest are political sciences, international relations, contemporary history of Europe and Romania, the history of the European idea as well as public law and the area of ethics and corporate social responsibility. For his publications: <http://ssrn.com/author=1520605>  
E-mail: [mihai.sebe@gmail.com](mailto:mihai.sebe@gmail.com) and [info@europeanpolitics.ro](mailto:info@europeanpolitics.ro) Twitter: @MihaiSebe83 Website: [www.europeanpolitics.ro](http://www.europeanpolitics.ro)

# Contents

- From one Referendum to another. Short timeline ..... 5
- Brexit aftermath ..... 8
  - Immediate political aftermath ..... 8
  - Immediate economical aftermath..... 9
- Legal provisions on leaving the European Union ..... 9
- Implications of Brexit on the EU Institutions and budget ..... 12
  - European Commission..... 13
  - European Parliament..... 13
  - The European Council ..... 15
  - Rotating Presidency of the European Union..... 15
  - European Union budget ..... 16
- The withdraw negotiations. What can go wrong? ..... 18
  - Immigration concerns and Status of current EU immigrants ..... 19
  - What Now for TTIP, CETA? ..... 20
  - The Northern Irish border question ..... 20
  - Scenarios for the future negotiations ..... 21
    - Length of the negotiations ..... 21
    - Possible scenarios..... 21
- Impact for Romania ..... 22
- What’s next for Europe’s future?..... 24
- Preliminary conclusions..... 27
- Annexes ..... 28
- References..... 29

Table of figures

- Figure 1. Geographical allocation of the votes by region in the UK 2016 referendum..... 7
- Figure 2. How different age groups voted ..... 8
- Figure 3. Graphical timetable for UK withdraw from the European Union ..... 11
- Figure 4. 2015 GDP (nominal) in EU. UK share ..... 12
- Figure 5. MEP’s before and after Brexit. UK MEP share and impact..... 14
- Figure 6. EU budget 2015. UK share. .... 17
- Figure 7. Estimate of the resident population of the UK by nationality, 2014 ..... 20
- Figure 8. 5 most common nationalities in the UK in 2014 (population – thousands)..... 23
- Table 1. United Kingdom European Union membership referendum, 2016 ..... 7
- Table 2. UK participation in certain instruments in the field of EMU, Schengen and the Area of Freedom, Security and Justice ..... 18
- Table 3. Possible scenarios on the withdraw negotiations between UK and the European Union, accordingly with Financial Times..... 22

The 23<sup>rd</sup> June 2016 referendum for the leave of the United Kingdom from the European Union had from its beginning a major impact, on multiple levels, with both symbolical and practical consequences for all the parties involved, but also on the world. Although it is still early in the game to have a series of practical evaluations of what that means we can already envisage a series of outcomes for the United Kingdom, European Union, Romania, NATO and the rest of the world, that would be presented below.

## From one Referendum to another. Short timeline

The United Kingdom of Great Britain and Northern Ireland joined the European Economic Community (EEC) on 1 January 1973. Throughout this period, the Labour Party was divided, on the issue of EEC accession and on the question of whether accession ought to be approved by referendum. Thus in October 1974 in its Political Manifesto *BRITAIN WILL WIN WITH LABOR* the party spoke about the need for a referendum” “*we will give the British people the final say, which will be binding on the Government - through the ballot box - on whether we accept the terms and stay in or reject the terms and come out.*”<sup>1</sup>

Thus in 1975 the Government gave the **Referendum Act 1975**, the first nationwide plebiscite in the United Kingdom. As now the two camps were **Yes campaign (*Britain In Europe*)** and **No campaign (*Out into the World*)** and the referendum question was *Do you think that the United Kingdom should stay in the European Community (the Common Market)?* permitting a simple YES / NO answer. The results of the 5 June 1975 Referendum were: YES – 67,2%, NO – 32,8% and a turnout of 64%<sup>2</sup>.

As the time passed by a series of British politicians spoke about the need to have a series of referendums on the European Union. Yet nothing changed until the long awaited speech of now former PM David Cameron from 23 January 2013 on the EU who said that if the Conservatives would won the next election they would seek to renegotiate the UK's relationship with the EU and give the British people the "simple choice" in 2017 between staying in the EU under those terms or leaving the EU.

“It is time for the British people to have their say. It is time to settle this European question in British politics. I say to the British people: this will be your decision”<sup>3</sup>. In May

2015 the Conservative Party won a majority in the House of Commons of the UK Parliament and decided to hold the referendum by the end of 2017<sup>4</sup>

Like in 1975 the question was *Should the United Kingdom remain a member of the European Union or leave the European Union?*<sup>5</sup> And we had two lead campaigns – for **YES** we had **Vote Leave** supported mainly by the Eurosceptic UKIP Party leader Nigel Farage and conservative Boris Johnson<sup>6</sup> and for **NO** we had the **In Campaign (Britain Stronger in Europe)** promoted by former PM David Cameron and the Labour and Liberal-Democrats leader as well as the Scottish main parties<sup>7</sup>.

The former PM David Cameron has focused this entire campaign on the changes that the European Union needed to address in order to become more viable as they were stated in its 2013 Europe speech:

- ✓ **Competitiveness:** At the core of the European Union must be, as it is now, the single market);
- ✓ **Flexibility:** We need a structure that can accommodate the diversity of its members;
- ✓ **power must be able to flow back to Member States, not just away from them;**
- ✓ **democratic accountability:** we need to have a bigger and more significant role for national parliaments;
- ✓ **fairness:** whatever new arrangements are enacted for the Eurozone, they must work fairly for those inside it and out.<sup>8</sup>

These all were since object of negotiations and had finally saw a firm result at the European Council of 18-19 February 2016 which adopted a *Decision of the Heads of State or Government, meeting within the European Council, concerning a New Settlement for the United Kingdom within the European Union* which addressed the British priorities:

- ✓ **economic governance:** mutual respect and sincere cooperation between Member States participating or not in the operation of the euro area will be ensured;
- ✓ **competitiveness:** lowering administrative burdens and compliance costs on economic operators, especially small and medium enterprises, and repealing unnecessary legislation;
- ✓ **sovereignty:** the United Kingdom, in the light of the specific situation it has under the Treaties, is not committed to further political integration into the European Union and
- ✓ **social benefits and free movement:** measures limiting flows of workers of such a scale that they have negative effects both for the Member States of origin and for the Member States of destination<sup>9</sup>.

On **23 June 2016**, more than 33 million people in the United Kingdom went to vote in the referendum. The results confirmed a majority vote for the option to leave the European Union (51.9%) while the Remain camp lost (48.1%).

United Kingdom European Union membership referendum, 2016		
Choice	Votes	%
Leave	17,410,742	51.89
Remain	16,141,241	48.11
Valid votes	33,551,983	99.92
Invalid or blank votes	25,359	0.08
Total votes	33,577,342	100.00
Registered voters and turnout	46,500,001	72.21

Table 1. United Kingdom European Union membership referendum, 2016

Source: The Electoral Commission, *EU Referendum Results*, available online at

<http://www.electoralcommission.org.uk/find-information-by-subject/elections-and-referendums/upcoming-elections-and-referendums/eu-referendum/electorate-and-count-information> Last visited on 24 July 2016

What brought new this referendum was both **the geographical and age gap between British citizens in regards the European Union attitude.**

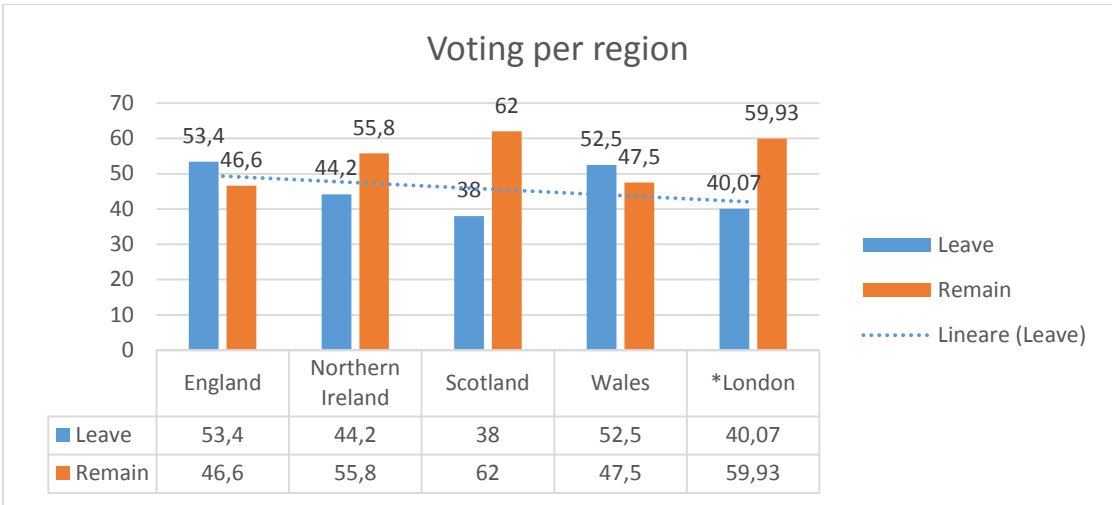


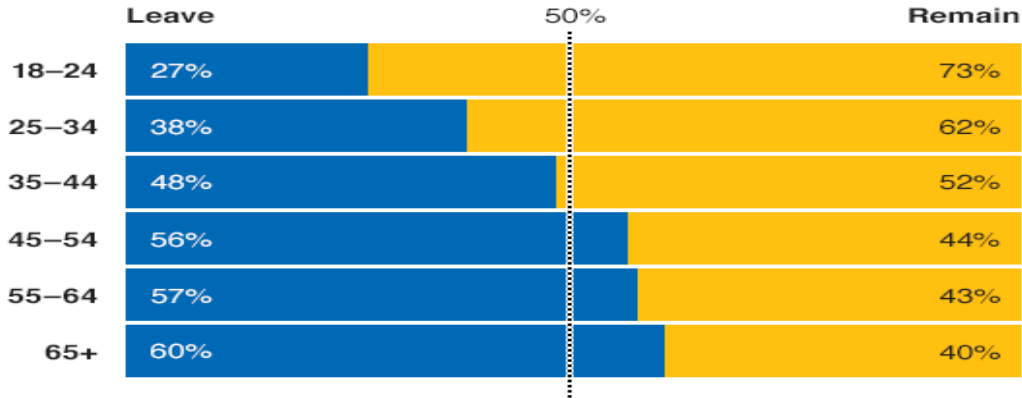
Figure 1. Geographical allocation of the votes by region in the UK 2016 referendum

Source – Own graphical representation based upon the data available at *BBC News, EU Referendum*, available online at

[http://www.bbc.com/news/politics/eu\\_referendum/results](http://www.bbc.com/news/politics/eu_referendum/results) Last visited on 24 July 2016

Regarding the relation between the distribution of votes and voter characteristics, the results have shown a strong correlation between age, education level and the attitude toward the European Union as the young and more educated people voted in favor of remaining in the European Union<sup>10</sup>.

**How different age groups voted**



Source: Lord Ashcroft Polls



Figure 2. How different age groups voted

Source – EU Referendum, BBC News, available online at <http://www.bbc.com/news/uk-politics-36616028>. Last visited on 24 July 2016

# Brexit aftermath

## Immediate political aftermath

On the morning of 24 June 2016 the now former Prime Minister David Cameron made a press statement, saying that the vote “giant democratic exercise” and that “The British people have voted to leave the European Union and their will must be respected”. With that occasion he also announced its resignation as he didn’t see himself fit to manage the leave process<sup>11</sup>. On 13 July 2016, almost three weeks after the vote, Theresa May succeeded David Cameron as Prime Minister.

On the same day, was issue a joint *Statement* by the EU leaders and the Netherlands Presidency on the outcome of the UK referendum. "In a free and democratic process, the British people have expressed their wish to leave the European Union. We regret this decision but respect it." With this occasion, President Tusk, President Juncker, President



Schulz and Dutch Prime Minister Rutte said that “the ‘*New Settlement for the United Kingdom within the European Union*’, reached at the European Council on 18-19 February 2016, will now not take effect and ceases to exist. There will be no renegotiation.”

Also a direct impact was felt on Scottish politics where talks have been heard on the opportunity of a new independence referendum and the possibility to remain in the European Union. Scottish First Minister Nicola Sturgeon said it was "clear that the people of Scotland see their future as part of the European Union" and that “Scotland has delivered a strong, unequivocal vote to remain in the EU, and I welcome that endorsement of our European status.” [...] "And while the overall result remains to be declared, the vote here makes clear that the people of Scotland see their future as part of the European Union.”<sup>12</sup>

The Scottish Government announced on 24 June 2016 that officials would plan for a "highly likely" second referendum on independence from the United Kingdom and start preparing legislation to that effect<sup>13</sup>.

#### Immediate economical aftermath

The financial markets dislike instability and as an immediate effect the pound loss value in front of the US dollar while the United Kingdom has suffered a loss of rating from AAA to AA<sup>14</sup>.

## Legal provisions on leaving the European Union

Following the entry into force of the Lisbon Treaty, the Article 50 establishes that a Member State can leave the European Union. “1. Any Member State may decide to withdraw from the Union in accordance with its own constitutional requirements.”<sup>15</sup>

This process begins with a notification submitted to the European Council after which the state in question can negotiate and conclude with the EU a withdraw agreement. There is a two year deadline, after the official notification.

“2. A Member State which decides to withdraw shall notify the European Council of its intention. In the light of the guidelines provided by the European Council, the Union shall negotiate and conclude an agreement with that State, setting out the arrangements for its withdrawal, taking account of the framework for its future relationship with the Union. That

*agreement shall be negotiated in accordance with Article 218(3) of the Treaty on the Functioning of the European Union. It shall be concluded on behalf of the Union by the Council, acting by a qualified majority, after obtaining the consent of the European Parliament.*

*3. The Treaties shall cease to apply to the State in question from the date of entry into force of the withdrawal agreement or, failing that, two years after the notification referred to in paragraph 2, unless the European Council, in agreement with the Member State concerned, unanimously decides to extend this period.”<sup>16</sup>*

Thus the ball is in the field of the UK who must notify the European leaders about their intents – a situation that is yet uncertain when it will happen. This uncertainty has as primary cause the fact that the two year term is a very short one and the British leadership needs more time as they are dealing with a huge legal basis, over 40 years old, which needs to be modified and adapted. A withdrawal that doesn't fix all the issues at stake would be a real nightmare for all. Thus the idea of informal negotiations before the official notification came into force but it was strongly rejected by the European leaders, such as Angela Merkel, German chancellor stated: "We can't begin informal talks without having the message (Article 50) from Britain. That is clear for me"<sup>17</sup>.

The **European Council** (without the participation of the Member State concerned) provides guidelines for the negotiations between the EU and the state concerned, and the Council adopts the negotiating mandate and nominates the Union negotiator (either the European Commission or a different negotiator).

The Union and the withdrawing Member State have a time-frame of **two years** to agree on withdrawal arrangements. After that, membership ends automatically (with or without a withdrawal agreement), unless the European Council (by consensus) and the Member State concerned decide to extend this period (Article 50(3) TEU).

Before concluding the withdrawal agreement, the Council needs to obtain the **European Parliament's consent** (Article 50(2) TEU), voting by a simple majority of the votes cast. Under Article 50(4) TEU, the member of the European Council or of the Council representing the withdrawing Member State does not participate in the discussions of the two institutions or in decisions concerning the withdrawal.

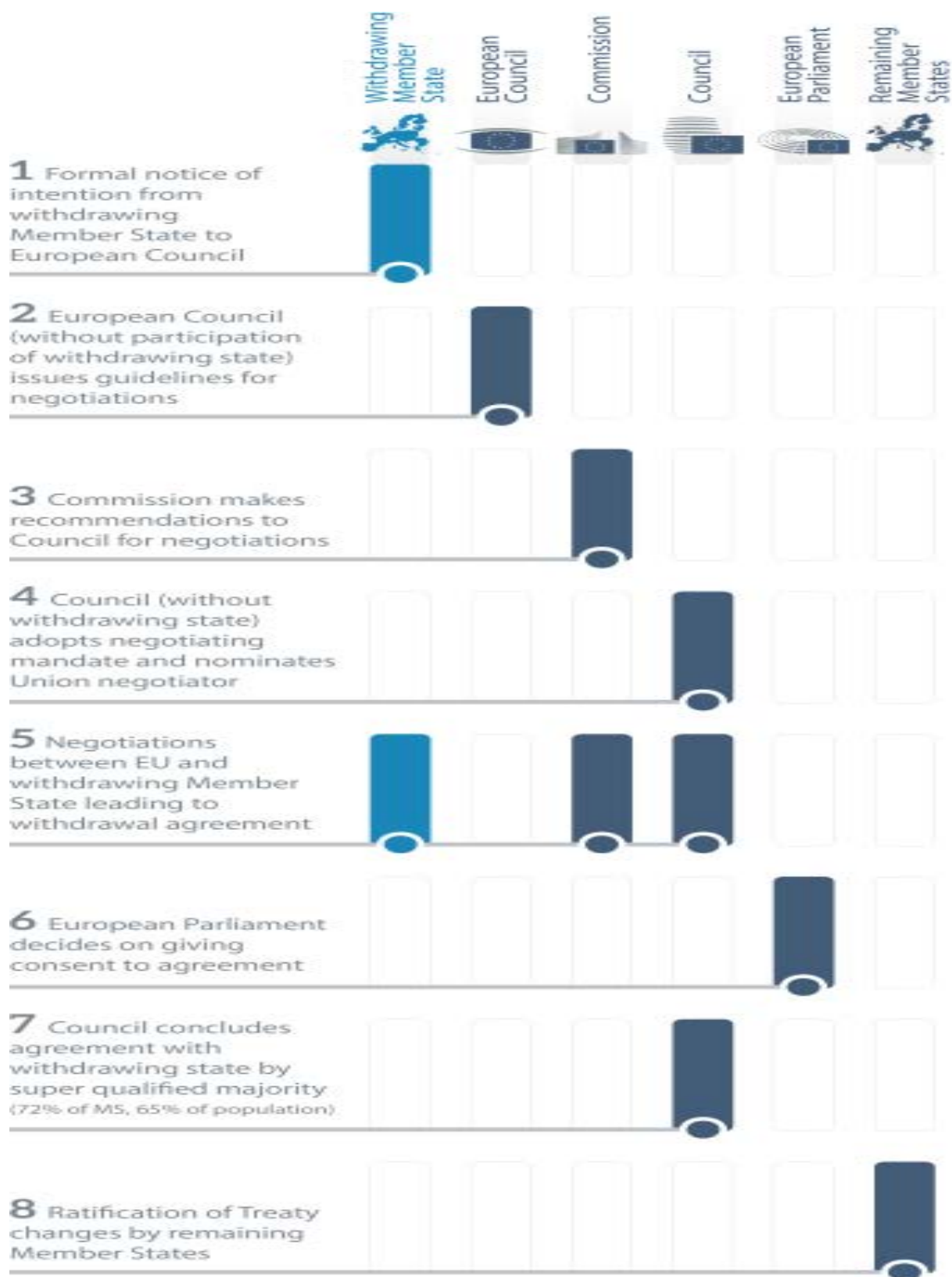


Figure 3. Graphical timetable for UK withdraw from the European Union

Source: Christian Dietrich Eva-Maria Poptcheva, "UK Withdrawal From The EU – Next Steps", *European Parliamentary Research Service*, Brussels, 29 June 2016, available online at <https://epthinktank.eu/2016/06/29/uk-withdrawal-from-the-eu-next-steps/uk-procedure/> Last visited on 24 July 2016

# Implications of Brexit on the EU Institutions and budget

The United Kingdom is one of the world’s largest economies with a significant share in the European Union economy – making it in the top 3<sup>rd</sup> largest economies of the Union, being also one of the most populated European country with a population of approximately 65 million people (2015).

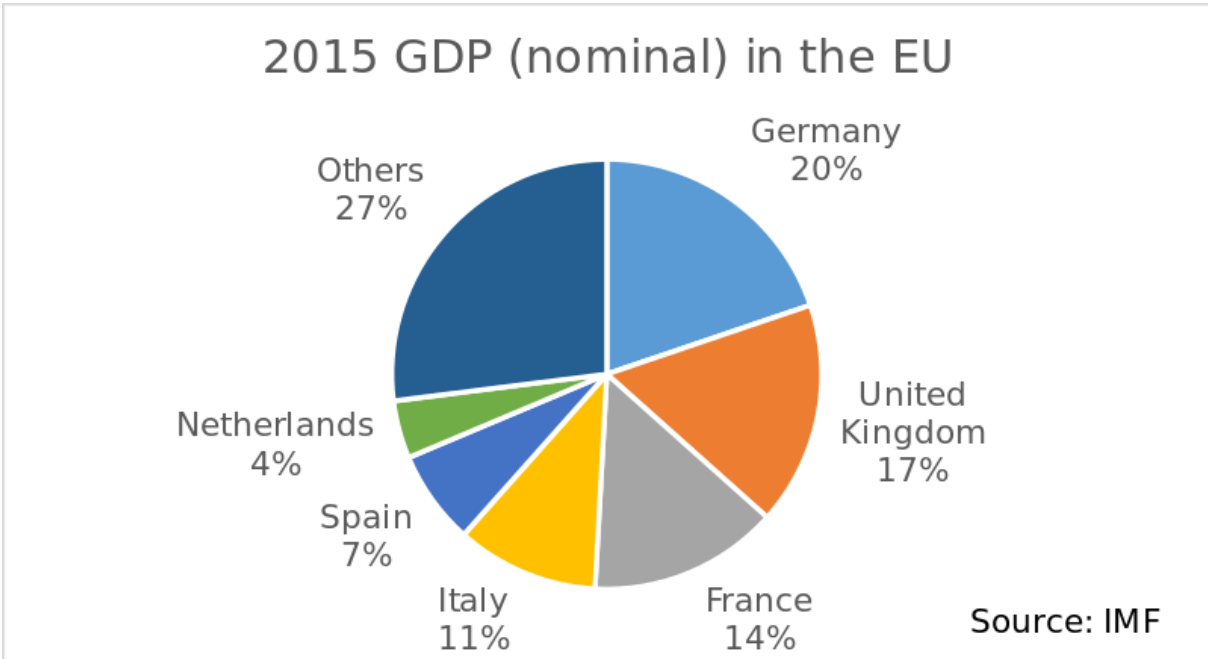


Figure 4. 2015 GDP (nominal) in EU. UK share

Source: graphical representation available at [https://en.wikipedia.org/wiki/File:2015\\_GDP\\_\(nominal\)\\_in\\_EU.svg](https://en.wikipedia.org/wiki/File:2015_GDP_(nominal)_in_EU.svg) based upon the data available at *World Economic Outlook Database, April 2016*, IMF <http://www.imf.org/external/pubs/ft/weo/2016/01/weodata/weorept.aspx?pr.x=59&pr.y=9&sy=2015&ey=2015&scsm=1&ssd=1&sort=country&ds=.&br=1&c=001%2C998&s=NGDPD&grp=1&a=1> and *World Economic Outlook Database, April 2016*, IMF <http://www.imf.org/external/pubs/ft/weo/2016/01/weodata/weorept.aspx?pr.x=83&pr.y=11&sy=2015&ey=2015&scsm=1&ssd=1&sort=country&ds=.&br=1&c=138%2C132%2C184%2C134%2C136%2C112&s=NGDPD&grp=0&a=>

Last visited on 24 July 2016

Given the above number one first aspect that strikes us is the large number of British civil servants employed in the European institutions in both execution and management positions as the Article 50 makes no reference to the status of MEP or civil servants of the state that withdraws from the Union. We have for instance in accordance with the February 2016 almost 1164 British staff in the European Commission, meaning 3,5% of the total

employees<sup>18</sup>. They have received from the highest levels that their jobs would be kept but the situation is fluid and their fate uncertain<sup>19</sup>.

### European Commission

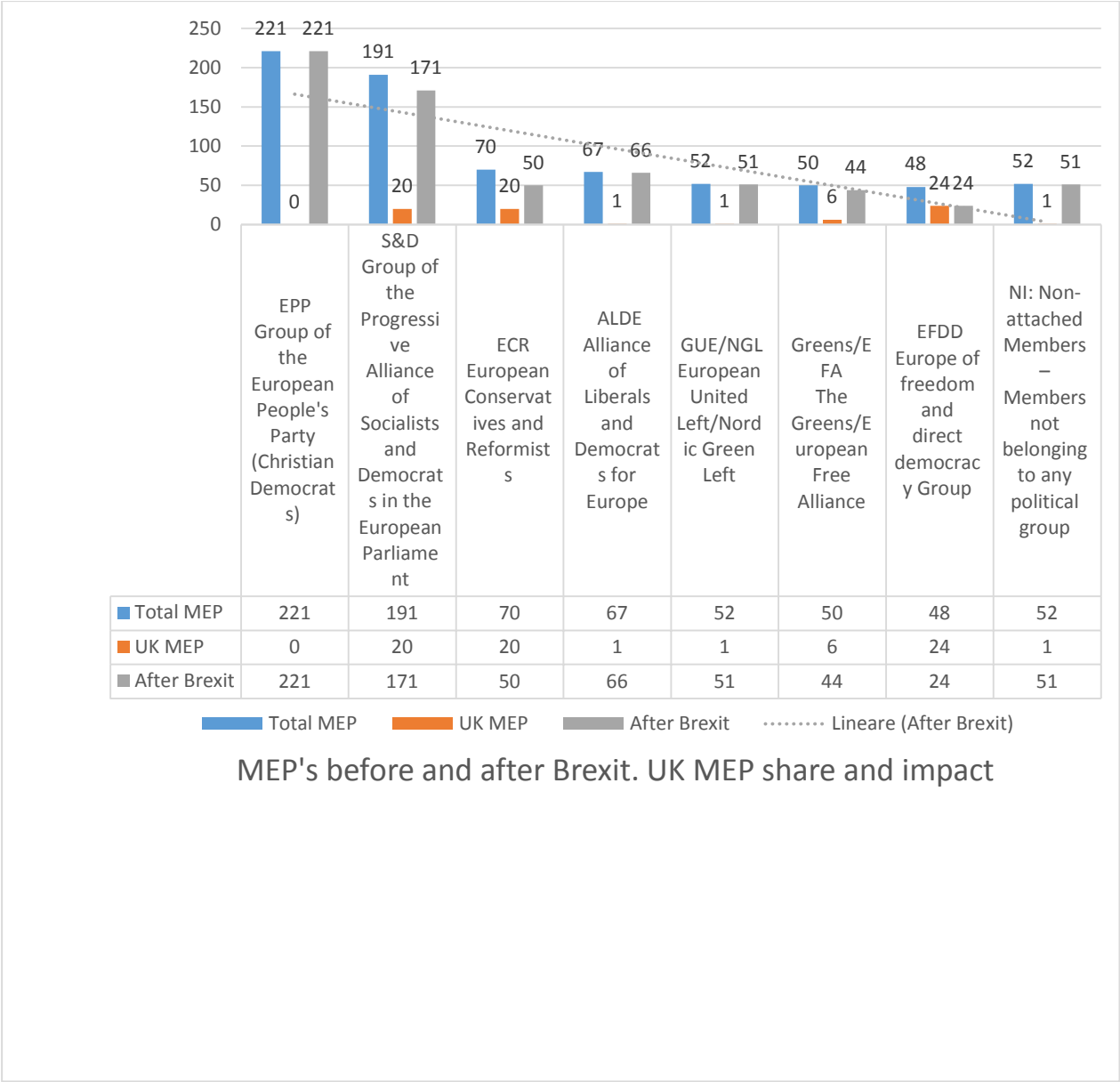
The British Commissioner Jonathan Hill responsible for Financial Stability, Financial Services and Capital Markets Union resigned on 25 June saying that “As we move to a new phase, I don't believe it is right that I should carry on as the British Commissioner as though nothing had happened.”<sup>20</sup> His portfolio is now under the responsibility of Vice-President Dombrovskis. Recently the United Kingdom appointed a new Commissioner - Julian King and its portfolio is expected to be announced by the end of July<sup>21</sup>

### European Parliament

Following the 2014 elections we had a total number of 751 MEP elected to represent the citizens of the European Union, the number of MEP being proportional with the population of each Member State, MEP which are a part of the cross-European political parties.

The *Rules of Procedure of the European Parliament* require that “A political group shall comprise Members elected in at least one-quarter of the Member States. The minimum number of Members required to form a political group shall be twenty-five”<sup>22</sup>. Thus the larger the group – larger would be its influence in the European Parliament.

The United Kingdom has a total of 73 MEP's – which are variably spread among the political groups.



MEP's before and after Brexit. UK MEP share and impact

Figure 5. MEP's before and after Brexit. UK MEP share and impact

Source: Own graphical representation based upon the data available at *Elections Result 2014*, European Parliament, available online at <http://www.europarl.europa.eu/elections2014-results/en/election-results-2014.html> Last visited on 24 July 2016

As shown by the Figure above we see that:

- ✓ ALDE would become the 3<sup>rd</sup> political group of the European Parliament before ECR and
- ✓ EFDD would lose its status as a political group.

Also as side effects we would also assist to a realignment of the key positions in the Parliament as probably the UK MEP would receive less and less significant important tasks and positions.

## The European Council

From 1 November 2014 a **new procedure for qualified majority voting** applies in the Council. Under this procedure, when the Council votes on a **proposal by the Commission or the High Representative** of the Union for Foreign Affairs and Security Policy, a qualified majority is reached if two conditions are met:

- ✓ **55% of member states vote in favor** - in practice this means 16 out of 28
- ✓ the proposal is supported by member states representing **at least 65% of the total EU population**<sup>23</sup>.

Under this procedure the **UK represents a total of 12,73% of European Union population** – after Brexit we would assist to a change of these proportions as more minor Member States would gain traction – a situation that could imply more negotiations and close call votes.

There is also, until 31 March 2017, possible to use the previous rule for qualified majority voting. Under this rule, each member state representative has a certain number of votes, as set out in the EU treaties. The **weighting of votes** roughly reflects the size of population of each member state.<sup>24</sup> **United Kingdom has 29 votes**. Yet it is highly unlikely to assist to a redistribution of UK votes as most probably the withdraw from the European Union won't take place earlier than 2019<sup>25</sup>

## Rotating Presidency of the European Union

If we take a look at the now famous Article 50 TEU we can see that there is a specific provision which stipulates that “*4. For the purposes of paragraphs 2 and 3, the member of the European Council or of the Council representing the withdrawing Member State shall not participate in the discussions of the European Council or Council or in decisions concerning it.*”<sup>26</sup>. That would have a direct impact upon the UK Presidency planned for July – December 2017<sup>27</sup>.

Three scenarios were immediately envisaged:

- ✓ *nothing changes and the UK goes on with its presidency* –**highly unlikely**, as it would result in a week presidency and probably the UK would refuse to take this task.

“Certainly the British would ask to be relieved of the responsibility to be president [...] The fact is the scale of the crisis would be so great and there is no precedent for leaving the EU.”<sup>28</sup>

This was confirmed on 20 July 2016 when was announced that UK would relinquish its upcoming six-month presidency of the European Council as it prepares to leave the EU<sup>29</sup>.

- ✓ **an extension of either the Maltese presidency for one year time** “the Commission officials told authorities in Valletta to prepare for a year-long presidency if Britain votes to leave the EU”<sup>30</sup> or **“to split the British presidency between the Maltese and the Estonians**, essentially prolonging their presidencies by three months each”<sup>31</sup> – **rather likely**;
- ✓ **to change the predetermined schedule as each country would take the presidency six months earlier that established** – also **unlikely** due to the logistical and technical preparations that vary in each following country.

### European Union budget

As the European Union and the UK prepare for divorce another question also arises: *what will the EU do to fill the black hole if Britain’s contributions to the European budget stop in years to come?*

Being a net contributor to the European budget, the UK provided in 2015 almost 13% of the total amount. Thus its withdraw would cause a significant headache for those planning the EU budget for the next financial period. Add to this is the question – what would happened if the next EU multiannual budget is negotiated with the UK still inside the Union?

In order to fill this gap the solutions vary, many of them depending on the will of the remaining member states and the future course of the Union, as the scenarios have different impacts:

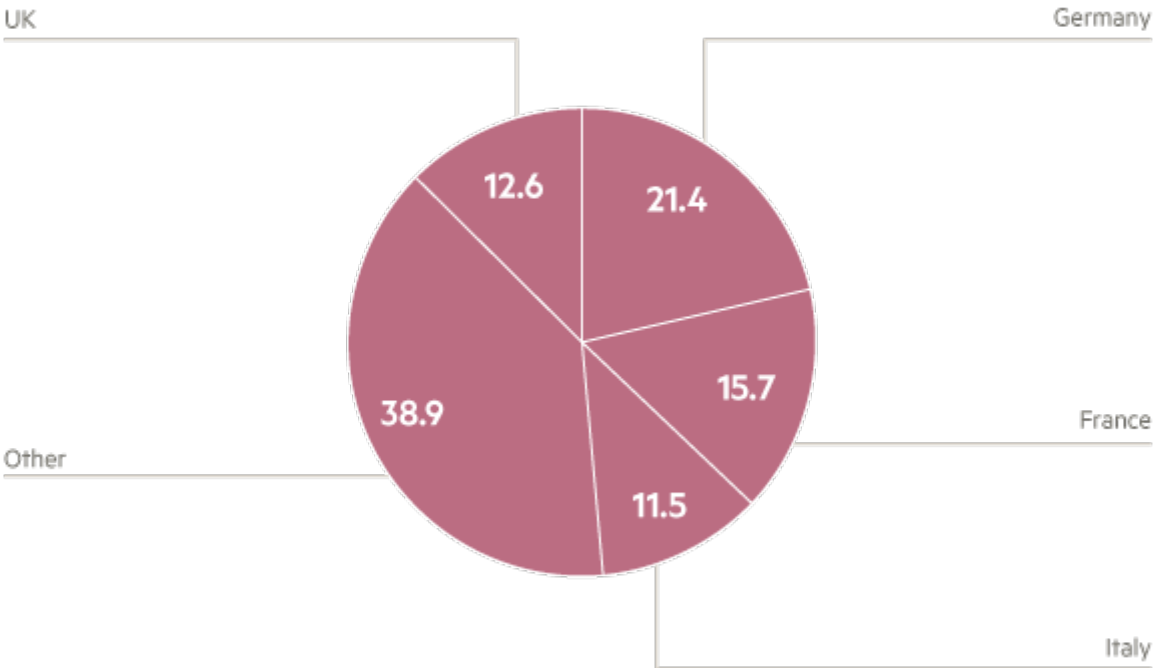
- ✓ “game of nip and tuck — that the big net contributors will agree to give a little more while the big net recipients in eastern and southern Europe will agree to receive a little less”;
- ✓ “to expand the sources of revenue that go directly into the EU budget, bypassing national treasuries entirely”;
- ✓ “allocating revenues from the EU’s emissions trading scheme to the EU”;
- ✓ “enlarging its share of VAT receipts”;
- ✓ “imposing new taxes on the financial sector”<sup>32</sup>.



It is the “game of nip and tuck” scenario that worries the most the Eastern members of the European Union and it would be a hard ball to sell to domestic audience and moreover it would a direct impact on the European Regional Development Fund and Cohesion Fund – a July 2016 done by the Romanian government, based upon IMF and European sources, presents an estimated automatic reduction of 10% of the amount of these funds, up till 15%, and mention a 2017 European Union budget revision and possible changes of its structure, dimension and content<sup>33</sup>

### EU budget 2015

Share of revenue after rebates (%)



Sources: European Commission; HMT



Figure 6. EU budget 2015. UK share.\

Source: Jim Brunsten and Duncan Robinson, “EU budget: the post-Brexit challenges for London and Brussels”, *Financial Times*, 4 July 2016, available online at

<https://next.ft.com/content/84cba658-3eda-11e6-9f2c-36b487ebd80a>

Last visited on 24 July 2016.

# The withdraw negotiations. What can go wrong?

Even if no notification was done we already have a series of scenarios and analyses on the very complicated withdraw negotiations that have some key points, on which outcome depends a lot of things, including the future of the European Union.

In my opinion the first thing that we must have in mind is *the particular situation of the UK in the European Union*, as UK has a series of advantages (opt-outs, for instance) which set it apart from the rest of the Member States and moreover offer it somehow less contentious issues.

Thus we are *de facto* living in a differentiated Union since not all Member States have been willing or ready to achieve the same degree of integration. Varying political and economic interests and traditions on the part of the Member States (especially UK) have led to what has been described as a “two-speed” or “multi-speed Europe”, “core Europe” or a Europe of “concentric circles” (a process accentuated since the 1992 Maastricht Treaty, allowed “differentiated” (“flexible”) integration<sup>34</sup>.

**Table 1: UK participation in certain instruments in the field of EMU, Schengen and the Area of Freedom, Security and Justice**

Legal instruments	UK participation
Euro area / Euro Plus Pact / Fiscal Compact / Bank resolution	X
Schengen area	✓
Schengen Information System II	✓
Dublin III Regulation	✓
Asylum Procedures Directive 2013 (recast)	X
European Investigation Order	✓
Framework Decision on combatting terrorism	X
Europol (2009)	✓
Eurojust	✓
European Arrest Warrant	✓

Table 2. UK participation in certain instruments in the field of EMU, Schengen and the Area of Freedom, Security and Justice

Source: Eva-Maria Poptcheva and David Eatock, *The UK's 'new settlement' in the European Union*, European Parliamentary Research Service, Brussels, February 2016, available online at

[http://www.europarl.europa.eu/RegData/etudes/IDAN/2016/577983/EPRS\\_IDA\(2016\)577983\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/IDAN/2016/577983/EPRS_IDA(2016)577983_EN.pdf)

Last visited on 24 July 2016.

## Immigration concerns and Status of current EU immigrants<sup>35</sup>

The British Leave vote seems to be very polarized as the idea to limit immigration gained a lot of appeal, and the key signal to all who have ears to hear and eyes to see is that one: immigration must be better controlled.

In the short run, the most pressing question is that of the rights of EU nationals currently living in the UK, both right now and once the formal withdrawal from the Union occurs—a process that could take two years to complete, from the moment when the government triggers Article 50 of the Lisbon Treaty.

This question generates in turn two subsequent questions:

- ✓ If the UK does not accept the principle of people's free movement<sup>36</sup> as a price to pay<sup>37</sup> in order to gain free access to the single market, is the EU willing to offer it comprehensive access to the single market?
- ✓ How would the UK compete with the EU, if the UK restricts the free movement of persons? Would the British people accept an immigration policy based on a liberal view?

Another complicated issue is the border question – who will control what? What to do with the issue of Calais refugees? We have there in place **juxtaposed controls**<sup>38</sup> but so far France, despite some internal critics, said it will maintain this type of arrangement<sup>39</sup>

In the long run, the most pressing questions are related to:

- ✓ the role of migration in any EU negotiations?
- ✓ how would the British political elites reach a nationwide consensus on migration policies?

Also the question of EU nationals in the UK is more likely to become more complicated as their status seem to uncertain<sup>40</sup>.

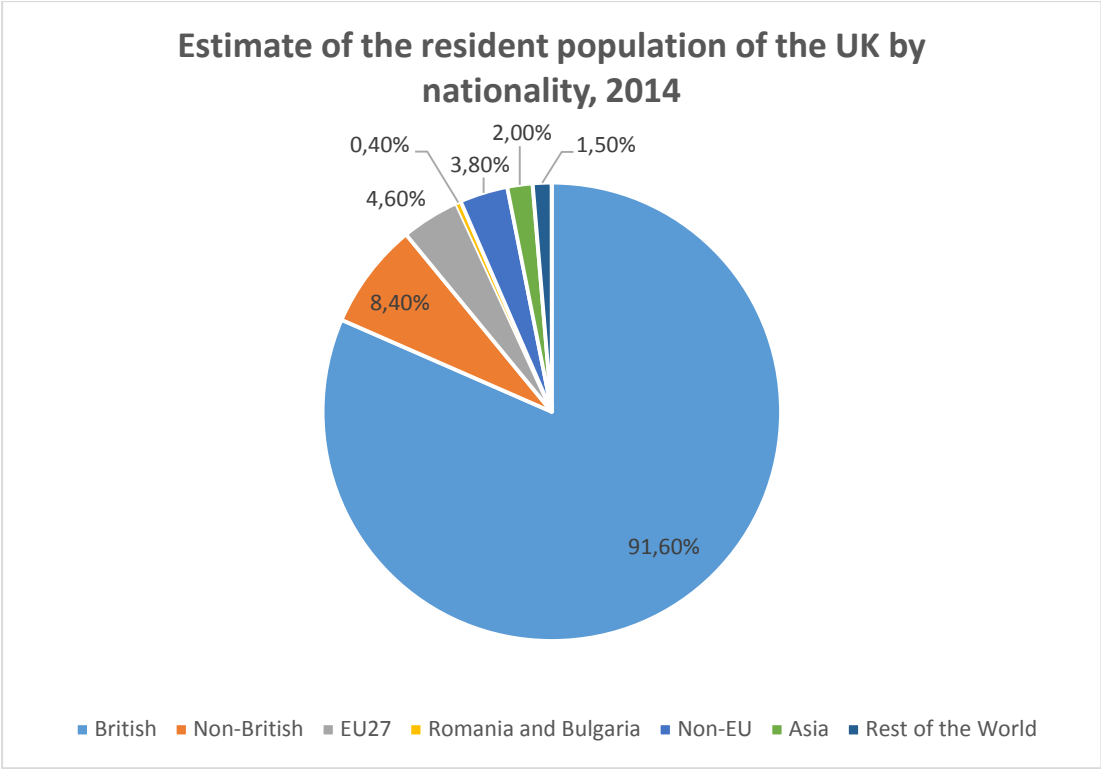


Figure 7. Estimate of the resident population of the UK by nationality, 2014

Source: *Population by Country of Birth and Nationality Report: August 2015*, Office for National Statistics, London, 2015, available online at

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/articles/populationbycountryofbirthandnationalityreport/2015-09-27> Last visited on 24 July 2016

**What Now for TTIP, CETA?**

Brexit would also have a direct impact on UK trade deals that would have to be renegotiated, including Britain's World Trade Organization commitments, and it is most likely that the trade deals renegotiations could be the main focus of the new policy-making for the foreseeable future. There is also a catch – although UK may try to have another deal inside the TTIP all its provisions would affect it directly as it may be force to accept it without having anything to say about it<sup>41</sup>

**The Northern Irish border question**

Brexit has also succeeded in creating an unattainable situation for the border between Northern Ireland and Ireland - If the UK negotiates a settlement with the EU that does not involve Freedom of Movement, while the Republic of Ireland remains an EU member then in order to secure this border checks would have to be reinstated. This would prove to be a difficult options due to the geographical and political climate of the region and could spark

further conflicts between Catholics and Protestants while also putting on the table the issue of Ireland reunification<sup>42</sup>

Scenarios for the future negotiations

If anything is certain is that uncertainty would reign in the following couple of years as the fate of the withdraw negotiations is at stake.

Length of the negotiations

Although the Lisbon Treaty stipulates a maxim two period for the negotiations further studies suggests that this period is insufficient and that it may prolong for several more years, even though the possibility of an extension of this period is at this time unclear – “It is clear, though, that they would take several years—trade deals between the EU and non-EU States have taken between four and nine years on average.”<sup>43</sup>.

Possible scenarios

A series of analyses have pointed out to a series of possible outcomes, each of them having variable success possibilities. In end the main questions resides in the old adagio that it not the destination that counts but the journey itself as many things would depend on the negotiations would go and whether would it be a bitter one or an amicable one.

<i>Criteria number</i>	<i>Codename</i>	<i>Scenario</i>
1.	<b>Hostile divorce</b>	<i>Talks collapse. Britain exits the EU with minimal transitional arrangements, losing most if not all preferential access to the EU single market. It sets out to become a low-tax, light-regulation magnet for global businesses — aggressively undercutting its EU neighbours.</i>
2.	<b>Clean break</b>	<i>Relations between Britain and the EU are strained but solid enough to arrange a tariff transition, agree trade terms and ratify the deal in the European Parliament and 38 national and regional assemblies.</i>
3.	<b>Amicable transition</b>	<i>Talks are difficult but amicable; disruption is</i>

		<i>minimised; changes are phased. Britain remains part of the EU single market, but on adjusted terms.</i>
4.	<b>Change of heart</b>	<i>Britain invokes <a href="#">Article 50</a> of the EU treaties — known as the “exit clause” but pulls out of the formal process before it is complete, remaining a full member of the EU.</i>

Table 3. Possible scenarios on the withdraw negotiations between UK and the European Union, accordingly with Financial Times

Source: “Four scenarios: how Brexit process could unfold”, *Financial Times*, July 2016, available online at <https://next.ft.com/content/5ec21720-49c1-11e6-8d68-72e9211e86ab> Last visited on 24 July 2016

## Impact for Romania

For Romania Brexit is **less than an opportunity but more of a crisis** especially on the short and medium term. Although the Romanian president had a crisis reunion on 24 June with the Prime-minister, the leaders of the political parties and the head of the National Bank of Romania, out of which a series of comforting public messages emerged:

- ✓ there is a low impact for the Romanian economy;
- ✓ the threat to the national currency is small and manageable and
- ✓ all the political parties are in favor of the European Union<sup>44</sup> the situation is far for being very comfortable.

**The most pressing concern at this moment is the issue of the Romanian that work in the UK<sup>45</sup>.**

In Romania any political statement so far has repeatedly underlined the need that **any subsequent negotiations take into consideration the principle of people’s freedom of movement and securing the rights of Romanian workers in the UK**. This red line has gained a wide political support and is supposed to be reaffirmed in any decisions concerning the Brexit.

However the support may vary in accordance with the replies to a series of questions:

- ✓ what is the status of the EU nationals inside the UK at the moment of the Referendum?

- ✓ the negotiations are estimated to last two years - in this time the UK must respect its EU obligations - if this is the case what will happen with the nationals arriving in the UK in this time framework? Would they also have a special status? How would the UK authorities react if they had a EU intra-migration spike?<sup>46</sup>

We must add to this the risk of reduction of money transfer from the Romanians based in UK.

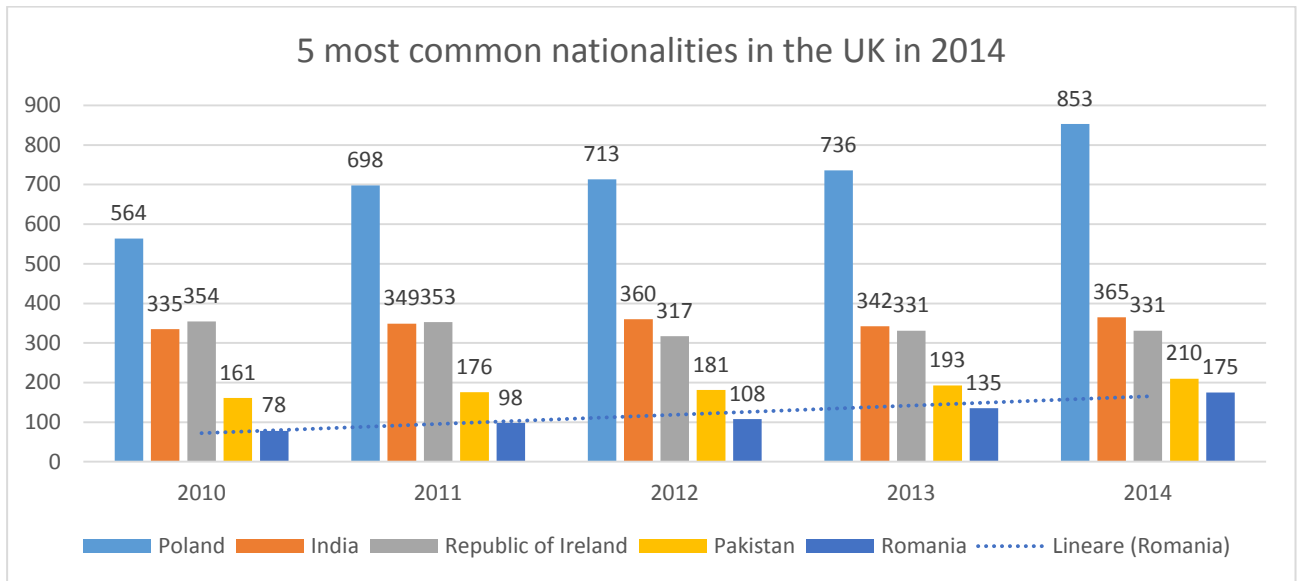


Figure 8. 5 most common nationalities in the UK in 2014 (population – thousands)

Source: Own graphical representation based upon the data available at *Population by Country of Birth and Nationality*

Report: August 2015, Office for National Statistics, London, 2015, available online at

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/articles/populationbycountryofbirthandnationalityreport/2015-09-27#which-countries-are-non-uk-born-residents-and-non-british-nationals-from> Last visited on 24 July 2016

In the same time there is a fine line that must be kept in our relation with the UK given Romania's Strategic Partnership. United Kingdom is and must remain one of our strongest allies in the security area given our common vision on dangers and the special relationship with the United States of America. Thus a balance must be found between the Brexit negotiations and our relationship with the UK.

However it is believed, at the highest levels, that Romania must take advantage of the current situation and reposition itself as a key actor in the incoming transformation process. We must arrive with constructive propositions and try not to be isolated in the future.

“In the current paradigm of redefining the European project, Romania has the opportunity to assume a more vocal position at European Union level and to become an even stronger actor and a generator of European policies.

This can be our chance to demonstrate that Romania belongs to the European elite and that we can constructively and decisively contribute to consolidating a solidary and strong European Union.”<sup>47</sup>

## What’s next for Europe’s future?

Brexit has shown the limits of the current integration process and therefore a key question aside all other aspects is where are we going in future as a Union. What is the future in store for us Europeans? What is already clear is that we cannot have in the future a business as usual attitude toward the European institutions as they need to be reformed perhaps alongside the clear lines that the Euro Zone and Schengen Area provide.

Brexit is also a failure of both the UK and the European Union. It is rather incorrect to blame the egoism of British politicians for a result that we are also to blame. It is time to begin a long process of soul searching toward a common model that would have to meet the requirements of these 4 questions: “What is it for and what are its goals? Where are we heading? Will we remain one of the leading economic and democratic blocks in the world? How do we approach this and with whom?”<sup>48</sup>

One of the first documents dealing with that was published a day after the Brexit referendum by Sigmar Gabriel — Social Democratic Party (SPD) chairman, German vice chancellor, and minister of economic affairs — and EU Parliament President Martin Schulz. Their *Strategy Paper*<sup>49</sup> aimed at dealing with the legitimacy crisis of the European Union and the rise of the far right. They have an economic based approach demanding “a change in economic policy and a growth pact for the European Union.” They want to “regenerate enthusiasm for Europe” by “democraticizing Europe”. “They demand that the EU Parliament become a real parliament and elect a European government just like in the member states’ legislatures.”<sup>50</sup>

The multi-speed Europe tendency has become even more visible<sup>51</sup> if we take into consideration the “recent remarks made by the French Minister of Foreign Affairs Jean-Marc Ayrault and his German counterpart Frank-Walter Steinmeier (*A strong Europe in a world of uncertainties*) [*that*] seem to have laid the base for *new fault lines* inside the EU, between



euro zone members and the rest, between those countries who advocate for a transatlantic security umbrella under NATO and those Member States who favour the creation of a *European Security Compact*. In short, between those countries who desire more integration and, on the other hand, those who plead for greater autonomy in all aspects of their sovereignty.”<sup>52</sup>

Their starting premises is that “the European Union being severely put to the test”. They perceived a Union challenged by crises in the South and East that has a slow recovery and economic growth that have brought something new and troublesome: “the perception that these crises jeopardise the very fabric of our societies, our values, our way of life”. This new model has some red lines that must be taken into consideration: “combination of growth, competitiveness and social cohesion” plus “common values” while taking into consideration that “member states differ in their levels of ambition when it comes to the project of European integration”.<sup>53</sup>

To this end they have three key points:

### **1. A European Security Compact**

- ✓ the European Union should establish agreed strategic priorities for its foreign and security policy, in accordance with European interests
- ✓ in the medium term, we should work towards a more integrated approach for EU internal security
- ✓ in the longer term, it would make sense to enlarge the scope of the European public prosecutor’s office, etc.

### **2. Common European asylum and migration policy**

- ✓ no unilateral national answers to the migration challenge
- ✓ the EU should establish the world’s first multinational border and coast guard
- ✓ the EU must find a common answer to the rising number of migrants seeking to enter the EU for economic reasons, etc.

### **3. Fostering growth and completing the Economic and Monetary Union**

- ✓ we should develop the European Stability Mechanism (ESM) into a fully-fledged European Monetary Fund subject to parliamentary control, etc.<sup>54</sup>

We must also take into consideration the alternate view that comes from the New Member States such it was expressed on 21 July 2016 in a meeting of the **Visegrad Group** that took place in Warsaw. “**The Visegrad Group will present a joint EU reform proposal at the EU summit in Bratislava in September**” was the key message of this meeting as “the

Visegrad Group will meet at the end of August and the beginning of September in Krynica to work out the main points of the V4 proposal.” (Robert Fico, the prime minister of Slovakia).

The Polish Prime Minister Beata Szydło spoke about the need to reform the European Union and the need to “return to its roots and to start concentrating more on its citizens and less on institutional matters”. She underlined some basic reform principles such as:

- ✓ “we see the need to enhance control over the EU decision-making processes by member states”;
- ✓ EU reforms have to focus on “really adhering to and implementing” the four freedoms, which are the foundations of the EU: free movement of goods, services, capital and people” and it
- ✓ „should be a Union that competes as a global partner, not split into small actors or discussion clubs.”<sup>55</sup>

The Prime Minister of the Czech Republic Bohuslav Sobotka spoke about the democratic deficit and underlined the Czech Republic main European Union reform priorities:

- ✓ an orientation towards security;
- ✓ strengthening the single market;
- ✓ a return by European institutions to their roots.

For the Prime Minister of Hungary Viktor Orban the main question is to find “the answer [to] the question how to rebuild EU’s global position” a position lost due to Brexit<sup>56</sup>.

There are also more alternative views that suggest that Europe must also start a so-called “screening process” that would result in an in-depth analysis of the current situation and therefore propose solutions, which may or may not be accepted.

“[...] to put in place a “**Convention**” composed by one hundred members with the mandate to **screen the current EU institutional architecture**, the European policies and their effectiveness, the budget, the implementation of the subsidiarity principle and **to propose three scenarios to simplify and make the EU more efficient**. Once transmitted to the European Council, there will be no obligation to follow one of the proposed path or all the conclusions, but this democratic exercise will make the case for a fresh momentum, showing to the European citizens that the European Union will adapt itself to the current weaknesses (jobs, economic growth, migration, terrorism, environment, etc.) with a different perspective.”<sup>57</sup>

# Preliminary conclusions

These are so far the main debate lines that are likely to become more visible as Brexit takes shape. Reshaping European Union is a process that must be well calculated and thought as any wrong doing can have a catastrophic effect either by creating deep divisions or by encouraging further Member States attempts to leave the European Union.

A particular reference must be given to the Scottish case as any tempt to leave the UK would sparkle similar attempts in other European regions and would generate a serious backlash from countries affected by secessionist movements (as is the case of Spain).

Another danger is the looming menace of nationalism and populism. Encouraged by the Brexit the nationalist parties would probably try to push for better election results in order to try to obtain a greater “autonomy” toward Brussels, thus hampering with any reform vitally needed for the European Union future. Nationalism and populism are on the rise and they will most likely continue to attract more and more votes as crises succeed in Europe. The 2014 European Parliament elections have shown the force of their narrative and we must pay a close attention to the 2019 electoral campaign in order to reverse this tidal wave, as the call for more “national sovereignty” (France, the Netherlands, etc. first!) directed against the European project of integration are becoming more and more catchy.

Europe must try to find a common narrative, a narrative that would counteract the already strong anti-European propaganda. Without a good story that has so many arguments there is a real risk of losing the battle for hearts and minds of the European in the context in which already many national politicians blame the Union for everything that is wrong. We must emphasize in any occasion the “costs of non-Europe” if we hope that this trend of disintegration to stop and give Europe a chance to recover.

“An overwhelming element has surfaced in the discussions with local citizens and in the contributions to create a greater European public sphere: the EU should be more talked about. Two aspects are often mentioned: the role of education and the role of the media. None of the two strands would offer quick fixes, but they raise the importance of starting now to reap the benefits later. A failure to act on this front could be detrimental in the future.”<sup>58</sup>

# Annexes

## Exposure metrics



	Exports to the UK % of GDP, 2013	FDI stock in the UK % of GDP, 2013	Regulatory policy alignment subjective	Residents in the UK % popln, 2013	UK bank links <sup>(a)</sup> % of GDP, 2014	Trade liberalising alignment subjective	Net budget contribtn. % of GNI, 2013	Output gap % potential, 2015	EU perception % negative, 2014	Overall Score <sup>(b)</sup>
Austria	1.3%	0.8%	No	0.2%	6%	Swing	0.4%	-1.1%	36%	7
Belgium	6.8%	4.9%	No	0.1%	21%	Swing	0.4%	-1.2%	22%	13
Bulgaria	1.9%	0.0%	No	0.7%	8%	Swing	-3.9%		18%	7
Croatia	1.2%	0.0%	No		6%	Swing	-0.1%		19%	4
Cyprus	7.1%	23.0%	No	4.0%	77%	Swing	-0.2%	-2.8%	38%	23
Czech Rep.	3.9%	0.0%	Swing	0.4%	3%	Swing	-2.4%		22%	14
Denmark	3.2%	1.9%	Yes	0.4%	12%	Yes	0.5%	-1.2%	18%	15
Estonia	1.5%	0.0%	Swing		1%	Swing	-4.3%	-0.6%	7%	9
Finland	1.8%	0.8%	Swing		16%	Swing	0.3%	-3.2%	17%	11
France	2.0%	4.3%	No	0.2%	25%	No	0.4%	-2.8%	23%	9
Germany	2.8%	2.4%	Swing	0.2%	19%	Swing	0.5%	0.0%	20%	13
Greece	1.7%	0.3%	No	0.4%	24%	Swing	-2.9%	-6.7%	44%	16
Hungary	3.7%	0.4%	No	0.7%	4%	Swing	-5.3%	0.0%	18%	9
Ireland	11.8%	7.5%	Yes	7.1%	174%	Swing	-0.2%	-1.4%	16%	25
Italy	1.4%	0.6%	No	0.2%	10%	No	0.2%	-4.2%	28%	5
Latvia	3.6%	0.0%	Swing	4.4%	3%	Swing	-3.4%		11%	13
Lithuania	3.4%	0.0%	Swing	5.3%	1%	Swing	-4.5%		6%	13
Luxembourg	4.1%	142.1%	No		365%	Swing	0.2%	-0.1%	16%	12
Malta	7.8%	11.8%	No		67%	Swing	-1.3%	0.3%	8%	16
Netherlands	7.6%	27.6%	Yes	0.4%	63%	Yes	0.4%	-4.0%	26%	28
Poland	2.8%	0.1%	No	1.9%	4%	No	-3.3%		6%	8
Portugal	2.6%	0.3%	No	1.3%	21%	Swing	-2.7%	-3.1%	25%	17
Romania	1.5%	0.0%	No	0.6%	2%	No	-3.0%		9%	5
Slovakia	3.2%	0.0%	Swing	1.0%	2%	Swing	-1.8%	-1.7%	19%	12
Slovenia	1.2%	0.0%	No		2%	Swing	-1.2%	-0.9%	17%	4
Spain	2.5%	6.0%	No	0.2%	8%	Swing	-0.3%	-3.5%	21%	12
Sweden	2.5%	2.2%	Yes	0.4%	14%	Yes	0.5%	-0.5%	22%	16

<sup>(a)</sup> This is the sum of UK bank liabilities and bank claims in the member state.  
<sup>(b)</sup> Each channel is given a weight of 1 (moderate), 2 (significant) or 3 (severe), according to the grading in page 8. These are multiplied with scores from this table of 1 (medium), 2 (high) or zero corresponding to each channel. As the output gap and EU perception both relate to uncertainty an average score is used.

Sources: ONS, Bank of England, IMF, European Commission, EU Barometer Survey autumn 2014, CEIC, GC calculations

medium high n/a

Source: Gregor Irwin, *BREXIT: the impact on the UK and the EU*, Global Counsel, London, June 2015, available online at [https://www.global-counsel.co.uk/sites/default/files/special-reports/downloads/Global%20Counsel\\_Impact\\_of\\_Brexit.pdf](https://www.global-counsel.co.uk/sites/default/files/special-reports/downloads/Global%20Counsel_Impact_of_Brexit.pdf)

# References

## Sources

AYRAULT, Jean-Marc and Frank-Walter STEINMEIER, *A strong Europe in a world of uncertainties*, 27 June 2016

BBC News [www.bbc.com](http://www.bbc.com)

Economia <http://economia.icaew.com>

European Commission [www.ec.europa.eu](http://www.ec.europa.eu)

European Council <http://www.consilium.europa.eu>

European Parliament [www.euparl.eu](http://www.euparl.eu)

European Union [www.europa.eu](http://www.europa.eu)

Financial Times <https://next.ft.com>

Foreign Affairs Ministry of Poland [www.msz.gov.pl/en](http://www.msz.gov.pl/en)

GABRIEL, Sigmar and Martin SCHULZ, *Europa neu gründen*, June 2016

Government of the United Kingdom <https://www.gov.uk>

Hotnews [www.hotnews.ro](http://www.hotnews.ro)

Huffington Post [www.huffingtonpost.com](http://www.huffingtonpost.com)

Jacobin [www.jacobinmag.com](http://www.jacobinmag.com)

Mail Online [www.dailymail.co.uk](http://www.dailymail.co.uk)

NBC News [www.nbcnews.com](http://www.nbcnews.com)

Political Sciences Resources <http://www.politicsresources.net>

Politico [www.politico.eu](http://www.politico.eu)

*Population by Country of Birth and Nationality Report: August 2015*, Office for National Statistics, London, 2015

Reuters [www.reuters.com](http://www.reuters.com)

Romanian Presidency [www.presidency.ro](http://www.presidency.ro)

The Guardian [www.theguardian.com](http://www.theguardian.com)

The Independent [www.independent.co.uk](http://www.independent.co.uk)

The Lisbon Treaty <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A12007L%2FTXT>

*Treaty between the Government of the United Kingdom and the Government of the French Republic concerning the implementation of frontier controls at sea ports of both countries on*

the Channel and North Sea) available online at <http://blogs.channel4.com/factcheck/wp-content/uploads/sites/9/2016/02/LeTouquetTreaty2003.pdf>

Vox [www.vox.com](http://www.vox.com)

## Studies and Analyses

\*\*\* “BREXIT Dossier” in *EIR Newsletter*, no. 80, July 2016 [www.ier.ro](http://www.ier.ro)

\*\*\* *Referendums in the United Kingdom*, HL Paper 99, House of Lords, London, United Kingdom, 2010

\*\*\* *The consequences of a UK exit from the European Union*, European Movement International, Brussels, 2016

\*\*\* *The economic Consequences of leaving the EU. The final report of the CER commission on the UK and the EU single market*, Centre for European Reform, June 2014, London, United Kingdom

\*\*\* *The process of withdrawing from the European Union*, House of Lords, 4 May 2016

CHITUL, Eva, Tania Alexandra FOARFĂ, *Brexit - coșmarul unei nopți de vară pentru Europa și România*, Europuls, July 2016,

COLIBĂȘANU, Antonia, *Brexit and the EU Trade Deals (?)*, 6 July 2016

DIETRICH, Christian, Eva-Maria POPTCHEVA, “UK Withdrawal From The EU – Next Steps”, *European Parliamentary Research Service*, Brussels, 29 June 2016

GIULIANI, Jean-Dominique, *What response do we give to Brexit?*, Fondation Robert Schuman, June 2016

IRWIN, Gregor, *BREXIT: the impact on the UK and the EU*, Global Counsel, London, June 2015

KOENIG, Nicole, *A differentiated view of differentiated integration*, Policy Paper 140, Jacques Delors Institute, Berlin, 25 July 2015

PERTUSOT, Vivien, (ed.), *The European Union in the Fog: Building Bridges between National Perspectives on the European Union*, IFRI Brussels, April 2016

POPTCHEVA Eva-Maria and David EATOCK, *The UK's 'new settlement' in the European Union*, European Parliamentary Research Service, Brussels, February 2016

UBEROI, Elise, *European Union Referendum 2016*, Briefing Paper, Number CBP 7639, 29 June 2016, House of Commons, London, United Kingdom

---

<sup>1</sup> *The Labour Party Manifesto: October, 1974. Britain would win with Labor*, available online at <http://www.politicsresources.net/area/uk/man/lab74oct.htm> Last visited on 24 July 2016.

---

<sup>2</sup> See more about *Referendums in the United Kingdom*, HL Paper 99, House of Lords, London, United Kingdom, 2010 available online at <https://www.publications.parliament.uk/pa/ld200910/ldselect/ldconst/99/99.pdf> Last visited on 24 July 2016.

<sup>3</sup> David Cameron, Speech “EU speech at Bloomberg”, 23 January 2013, available online at <https://www.gov.uk/government/speeches/eu-speech-at-bloomberg> Last visited on 24 July 2016.

<sup>4</sup> “Timeline: Campaigns for a European Union referendum”, 12 May 2015, available online at <http://www.bbc.com/news/uk-politics-15390884> Last visited on 24 July 2016.

<sup>5</sup> Elise Uberoi, *European Union Referendum 2016*, Briefing Paper, Number CBP 7639, 29 June 2016, House of Commons, London, United Kingdom, available online at <http://researchbriefings.files.parliament.uk/documents/CBP-7639/CBP-7639.pdf> Last visited on 24 July 2016.

<sup>6</sup> <http://www.voteleavetakecontrol.org/> Last visited on 24 July 2016.

<sup>7</sup> <http://www.strongerin.co.uk/#DsVX8tC4mLIFUOi8.97> Last visited on 24 July 2016.

<sup>8</sup> David Cameron, Speech “EU speech at Bloomberg”, 23 January 2013, available online at <https://www.gov.uk/government/speeches/eu-speech-at-bloomberg> Last visited on 24 July 2016.

<sup>9</sup> *European Council conclusions, 18-19 February 2016*, available online at <http://www.consilium.europa.eu/en/press/press-releases/2016/02/19-euco-conclusions/> Last visited on 24 July 2016.

<sup>10</sup> See also Eliza Vaş, “The path to the UK’s withdrawal from the European Union” and Bogdan Mureşan, „BREXIT highlights the generational gap at European level”, in *EIR Newsletter*, no. 80, July 2016, available online at [http://ier.ro/sites/default/files/pdf/newsletter\\_julie\\_en\\_2016.pdf](http://ier.ro/sites/default/files/pdf/newsletter_julie_en_2016.pdf) Last visited on 24 July 2016.

<sup>11</sup> David Cameron, Speech “EU referendum outcome: PM statement, 24 June 2016”, available online at <https://www.gov.uk/government/speeches/eu-referendum-outcome-pm-statement-24-june-2016> Last visited on 24 July 2016.

<sup>12</sup> “EU referendum: Sturgeon says Scotland sees its future in European Union”, *BBC News*, 24 June 2016, available online at <http://www.bbc.com/news/uk-scotland-scotland-politics-36615177> Last visited on 24 July 2016.

<sup>13</sup> Alastair Jamieson, “Scotland Seeks Independence Again After U.K. 'Brexit' Vote”, *NBC News*, 24 June 2016, available online at <http://www.nbcnews.com/storyline/brexit-referendum/scotland-could-look-for-independence-again-after-u-k-brexit-vote-n598166> Last visited on 24 July 2016.

<sup>14</sup> The economic analysis of the Brexit case is not the main topic of this paper. Yet for further references the author would like to recommend, on a non-exhaustive base, the following readings: *The economic Consequences of leaving the EU. The final report of the CER commission on the UK and the EU single market*, Centre for European Reform, June 2014, London, United Kingdom, available online at [https://www.cer.org.uk/sites/default/files/smc\\_final\\_report\\_june2014.pdf](https://www.cer.org.uk/sites/default/files/smc_final_report_june2014.pdf) and Chris Giles, “Brexit in seven charts — the economic impact”, *Financial Times*, 27 June 2016, available online at <https://next.ft.com/content/0260242c-370b-11e6-9a05-82a9b15a8ee7> and Gregor Irwin, *BREXIT: the impact on the UK and the EU*, Global Counsel, London, June 2015, available online at [https://www.global-counsel.co.uk/sites/default/files/special-reports/downloads/Global%20Counsel\\_Impact\\_of\\_Brexit.pdf](https://www.global-counsel.co.uk/sites/default/files/special-reports/downloads/Global%20Counsel_Impact_of_Brexit.pdf) and *The consequences of a UK exit from the European Union*, European Movement International, Brussels, 2016,

---

available online at [http://europeanmovement.eu/wp-content/uploads/2016/05/EMI\\_16\\_PolicyPosition\\_Brexit\\_17\\_VIEW\\_FINAL.pdf](http://europeanmovement.eu/wp-content/uploads/2016/05/EMI_16_PolicyPosition_Brexit_17_VIEW_FINAL.pdf) Last visited on 24 July 2016.

<sup>15</sup> *The Lisbon Treaty*, available online at <http://www.lisbon-treaty.org/wcm/the-lisbon-treaty/treaty-on-European-union-and-comments/title-6-final-provisions/137-article-50.html> Last visited on 24 July 2016.

<sup>16</sup> *The Lisbon Treaty*, available online at <http://www.lisbon-treaty.org/wcm/the-lisbon-treaty/treaty-on-European-union-and-comments/title-6-final-provisions/137-article-50.html> Last visited on 24 July 2016.

<sup>17</sup> "Merkel rejects informal Brexit talks before official UK application to leave", *Reuters*, 28 June 2016, available online at <http://uk.reuters.com/article/uk-britain-eu-germany-idUKKCN0ZD120> Last visited on 24 July 2016.

<sup>18</sup> *HR Key Figures, Staff Members, European Commission*, January 2016, available online at [http://ec.europa.eu/civil\\_service/docs/hr\\_key\\_figures\\_2016.pdf](http://ec.europa.eu/civil_service/docs/hr_key_figures_2016.pdf) Last visited on 24 July 2016.

<sup>19</sup> Tara Palmieri and Carmen Păun, "EU leaders to UK staff: We'll try to protect you after Brexit", *Politico*, 27 June 2016, available online at <http://www.politico.eu/article/eu-leaders-to-staff-well-try-to-protect-you-after-brexit-eu-referendum-consquences-uk-leave-europe/> Last visited on 24 July 2016.

<sup>20</sup> *Statement - Lord Hill – 25.06.2016*, available online at [https://ec.europa.eu/commission/2014-2019/hill/announcements/statement-lord-hill-25062016\\_en](https://ec.europa.eu/commission/2014-2019/hill/announcements/statement-lord-hill-25062016_en) Last visited on 24 July 2016.

<sup>21</sup> Hortense Goulard, "Commission accepts Julian King as new British commissioner", *Politico*, 12 July 2016, available online at <http://www.politico.eu/article/commission-accepts-julian-king-as-new-british-commissioner/> Last visited on 24 July 2016.

<sup>22</sup> *Rules of Procedure of the European Parliament*, available online at <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+RULES-EP+20090714+RULE-030+DOC+XML+V0//EN&language=EN&navigationBar=YES> Last visited on 24 July 2016.

<sup>23</sup> *Qualified majority*, Council of the EU, available online at <http://www.consilium.europa.eu/en/council-eu/voting-system/qualified-majority/> Last visited on 24 July 2016.

<sup>24</sup> *Qualified majority*, Council of the EU, available online at <http://www.consilium.europa.eu/en/council-eu/voting-system/qualified-majority/> Last visited on 24 July 2016.

<sup>25</sup> Peter Yeung, "Brexit: Government lawyer tells court UK will not trigger Article 50 this year", *Independent*, 19 July 2016, available online at <http://www.independent.co.uk/news/uk/politics/brexit-article-government-lawyer-high-court-uk-will-not-trigger-this-year-2016-eu-referendum-a7144356.html> Last visited on 24 July 2016.

<sup>26</sup> *The Lisbon Treaty*, available online at <http://www.lisbon-treaty.org/wcm/the-lisbon-treaty/treaty-on-European-union-and-comments/title-6-final-provisions/137-article-50.html> Last visited on 24 July 2016.

<sup>27</sup> *The presidency of the Council of the EU*, available online at <http://www.consilium.europa.eu/en/council-eu/presidency-council-eu/> Last visited on 24 July 2016.

<sup>28</sup> Maia de la Baume, "Britain's EU presidency under threat after Brexit", *Politico*, 20 June 2016, available online at <http://www.politico.eu/article/britains-eu-presidency-under-threat-after-brexit/> Last visited on 24 July 2016.

<sup>29</sup> "Brexit: Theresa May says talks won't start in 2016", *BBC News*, available online at <http://www.bbc.com/news/uk-politics-36841066> Last visited on 24 July 2016.

<sup>30</sup> Maia de la Baume, "Britain's EU presidency under threat after Brexit", *Politico*, 20 June 2016, available online at <http://www.politico.eu/article/britains-eu-presidency-under-threat-after-brexit/> Last visited on 24 July 2016.



---

<sup>31</sup> Maïa de la Baume and Tara Palmieri, “UK might relinquish EU presidency due to Brexit”, *Politico*, 25 June 2016, available online at <http://www.politico.eu/article/uk-might-relinquish-eu-presidency-due-to-brexit-council-of-ministers-justus-lipsius-brussels/> Last visited on 24 July 2016.

<sup>32</sup> Jim Brunsten and Duncan Robinson, “EU budget: the post-Brexit challenges for London and Brussels”, *Financial Times*, 4 July 2016, available online at <https://next.ft.com/content/84cba658-3eda-11e6-9f2c-36b487ebd80a> Last visited on 24 July 2016

<sup>33</sup> Cristian Pantazi, “Guvernul Ciolos, analiza dupa Brexit: radiografie dura a UE, nevoia ca Romania sa se apropie de nucleul european, eventuala sustinere a liderilor UE care preseaza pentru un Brexit rapid. Efecte - scaderea fondurilor UE si cresterea importantei Romaniei”, *Hotnews*, 14 July 2016, available online at <http://www.hotnews.ro/stiri-esential-21157591-exclusiv-guvernul-ciolos-analiza-dupa-brexit-radiografie-dura-nevoia-romania-apropie-nucleul-european-eventuala-sustinere-liderilor-care-preseaza-pentru-brexit-rapid-efecte-scaderea-fondurilor-crester.htm> Last visited on 24 July 2016

<sup>34</sup> Nicole Koenig, *A differentiated view of differentiated integration*, Policy Paper 140, Jacques Delors Institute, Berlin, 25 July 2015, available online at <http://www.institutdelors.eu/media/differentiatedintegrationjdibjuli2015.pdf?pdf=ok> Last visited on 24 July 2016.

<sup>35</sup> This sub-chapter has been previously published in an first draft in Mihai Sebe, “Migrate another day. BREXIT and the migration process”, *EIR Newsletter*, no. 80, July 2016, available online at [http://ier.ro/sites/default/files/pdf/newsletter\\_iulie\\_en\\_2016.pdf](http://ier.ro/sites/default/files/pdf/newsletter_iulie_en_2016.pdf) Last visited on 24 July 2016.

<sup>36</sup> Emma Carmel, “How freedom of movement works”, *Economia*, 12 July 2016, available online at <http://economia.icaew.com/opinion/july-2016/what-the-eus-rules-on-free-movement-allow-all-its-citizens-to-do> Last visited on 24 July 2016.

<sup>37</sup> Ashley Cowburn, “Donald Tusk Freedom of movement is non-negotiable if Britain wants access to single market”, *Independent*, 5 July 2016, available online at <http://www.independent.co.uk/news/uk/politics/donald-tusk-says-access-to-the-single-market-means-britain-must-accept-eu-four-freedoms-a7120191.html> Last visited on 24 July 2016.

<sup>38</sup> An arrangement between Belgium, France and the United Kingdom whereby immigration checks on certain cross-Channel routes take place before boarding the train or ferry, rather than upon arrival after disembarkation – See more about the 2003 'Treaty of Le Touquet' between France and the UK (formally known as the *Treaty between the Government of the United Kingdom and the Government of the French Republic concerning the implementation of frontier controls at sea ports of both countries on the Channel and North Sea*) available online at <http://blogs.channel4.com/factcheck/wp-content/uploads/sites/9/2016/02/LeTouquetTreaty2003.pdf> Last visited on 24 July 2016.

<sup>39</sup> Tim Sculthorpe, “France admits it WON'T scrap a deal that keeps the British border and the 'Jungle' camp in Calais despite threats over Brexit before the referendum”, *MailOnline*, 1 July 2016, available online at <http://www.dailymail.co.uk/news/article-3670117/France-admits-WON-T-scrap-deal-keeps-British-border-Jungle-camp-Calais-despite-threats-Brexit-referendum.html> Last visited on 24 July 2016.

<sup>40</sup> “James Brokenshire, the immigration minister, said EU nationals made an “immense contribution” to British life. There would be no immediate change to their status, he said. But he said David Cameron had decided that

---

decisions about their long-term future will be something that the new prime minister will have to settle as part of the EU withdrawal negotiations.

He said that, while the government recognised the huge contribution made by EU nationals who are here, it would be “unwise” to promise them that they can stay now before the government has secured assurances from EU countries about the rights of British nationals living in their countries. He also said that if the UK did make such a promise now, that might encourage more EU nationals to come to the EU”. See more at “Immigration minister says it would be 'unwise' to promise EU nationals now they can stay in UK”, *The Guardian*, 4 July 2016, available online at <http://www.theguardian.com/politics/live/2016/jul/04/brexit-live-plan-leave-vote-hysteria-boris-johnson?page=with:block-577a752ce4b05db362ab758d#block-577a752ce4b05db362ab758d> Last visited on 24 July 2016.

<sup>41</sup> Mark Dearn, “What Now for TTIP, CETA and UK Trade?”, *The Huffington Post*, 24 June 2016, available online at [http://www.huffingtonpost.com/mark-dearn/what-now-for-ttip-ceta-an\\_b\\_10658470.html](http://www.huffingtonpost.com/mark-dearn/what-now-for-ttip-ceta-an_b_10658470.html) See also Antonia Colibășanu, *Brexit and the EU Trade Deals (?)*, 6 July 2016, available online at <http://www.colibasanu.ro/features/brexit-and-the-eu-trade-deals/> Last visited on 24 July 2016.

<sup>42</sup> Brad Plumer, “Why Brexit creates a huge problem for Northern Ireland's border”, *Vox*, 29 June 2016, available online at <http://www.vox.com/2016/6/28/12051644/brexit-irish-border-northern-ireland> Last visited on 24 July 2016.

<sup>43</sup> *The process of withdrawing from the European Union*, House of Lords, 4 May 2016, London, United Kingdom, available online at <http://www.publications.parliament.uk/pa/ld201516/ldselect/lducom/138/138.pdf> Last visited on 24 July 2016.

<sup>44</sup> Press Statement of the Romanian President Klaus Iohannis, 24 June 2016, available online at <http://www.presidency.ro/ro/media/declaratii-de-presa/declaratia-de-pres-a-presedintelui-romaniei-domnul-klaus-iohannis1466763350> Last visited on 24 July 2016.

<sup>45</sup> “The Romanian community living in the UK counts 225 000 persons, representing the second largest community of citizens of EU Member States, after the Polish community. Among them, 52% reside in London, 175 000 are workers and 179 000 are registered as tax payers. We can estimate that a large part of the Romanian citizens currently residing in the UK are well integrated into the labour market. At the same time, in 2016, 9 200 Romanian students were registered in Bachelor’s, Master’s and PhD degree programs.”, Iolanda Stăniloiu, spokesperson for the Ministry of Labour, Family, and Social Protection and Elderly, “BREXIT implications for the bilateral relations between Romania and the United Kingdom in terms of employment and social affairs”, in *EIR Newsletter*, no. 80, July 2016, available online at [http://ier.ro/sites/default/files/pdf/newsletter\\_iulie\\_en\\_2016.pdf](http://ier.ro/sites/default/files/pdf/newsletter_iulie_en_2016.pdf) Last visited on 24 July 2016.

<sup>46</sup> This sub-chapter has been previously published in a first draft in Mihai Sebe, “Migrate another day. BREXIT and the migration process”, *EIR Newsletter*, no. 80, July 2016, available online at [http://ier.ro/sites/default/files/pdf/newsletter\\_iulie\\_en\\_2016.pdf](http://ier.ro/sites/default/files/pdf/newsletter_iulie_en_2016.pdf) Last visited on 24 July 2016.

<sup>47</sup> Statement of Ana Birchall, Chairperson of the European Affairs Committee from the Chamber of Deputies, Parliament of Romania, *EIR Newsletter*, no. 80, July 2016, available online at [http://ier.ro/sites/default/files/pdf/newsletter\\_iulie\\_en\\_2016.pdf](http://ier.ro/sites/default/files/pdf/newsletter_iulie_en_2016.pdf) Last visited on 24 July 2016.

---

<sup>48</sup> Jean-Dominique Giuliani, *What response do we give to Brexit?*, Fondation Robert Schuman, June 2016, available online at [http://www.jd-giuliani.eu/en/article/cat-2/501\\_What-response-do-we-give-to-Brexit.html](http://www.jd-giuliani.eu/en/article/cat-2/501_What-response-do-we-give-to-Brexit.html) Last visited on 24 July 2016.

<sup>49</sup> Sigmar Gabriel and Martin Schulz, *Europa neu gründen*, available online at <http://www.spiegel.de/media/media-39397.pdf> Last visited on 24 July 2016. (in German language only).

<sup>50</sup> Ingar Solty, “How not to fix Europe”, *Jacobin*, 29 June 2016, available online at <https://www.jacobinmag.com/2016/06/european-union-sdp-germany-gabriel-schulz-brexit-austerity-growth/> Last visited on 24 July 2016.

<sup>51</sup> “What does the future hold? An optimist would say that if the British departure paves the way for a two-speed Europe, it might be easier for Turkey to find a place for itself in the second tier. A pessimist would identify BREXIT as the beginning of the end. If that happens, both all members of the EU and Turkey would end as losers in all domains from security to economics and democracy. That is an outcome that nobody wants.”, İter Turan, “BREXIT from a Turkish perspective” *EIR Newsletter*, no. 80, July 2016, available online at [http://ier.ro/sites/default/files/pdf/newsletter\\_iulie\\_en\\_2016.pdf](http://ier.ro/sites/default/files/pdf/newsletter_iulie_en_2016.pdf) Last visited on 24 July 2016.

<sup>52</sup> Gabriela Drăgan, “On BREXIT, or a victory à la Pyrus”, *EIR Newsletter*, no. 80, July 2016, available online at [http://ier.ro/sites/default/files/pdf/newsletter\\_iulie\\_en\\_2016.pdf](http://ier.ro/sites/default/files/pdf/newsletter_iulie_en_2016.pdf) Last visited on 24 July 2016.

<sup>53</sup> Jean-Marc Ayrault and Frank-Walter Steinmeier, *A strong Europe in a world of uncertainties*, 27 June 2016, available online at <http://www.voltairenet.org/article192564.html> Last visited on 24 July 2016.

<sup>54</sup> Jean-Marc Ayrault and Frank-Walter Steinmeier, *A strong Europe in a world of uncertainties*, 27 June 2016, available online at <http://www.voltairenet.org/article192564.html> Last visited on 24 July 2016.

<sup>55</sup> *Visegrad Group will present EU reform proposal at the EU summit*, 22 July 2016, available online at [https://www.msz.gov.pl/en/p/msz\\_en/foreign\\_policy/europe/visegrad\\_group/polish\\_presidency\\_of\\_the\\_visegrad\\_group\\_2016\\_2017/visegrad\\_group\\_will\\_present\\_eu\\_reform\\_proposal\\_at\\_the\\_eu\\_summit](https://www.msz.gov.pl/en/p/msz_en/foreign_policy/europe/visegrad_group/polish_presidency_of_the_visegrad_group_2016_2017/visegrad_group_will_present_eu_reform_proposal_at_the_eu_summit) Last visited on 24 July 2016

<sup>56</sup> *Visegrad Group will present EU reform proposal at the EU summit*, 22 July 2016, available online at [https://www.msz.gov.pl/en/p/msz\\_en/foreign\\_policy/europe/visegrad\\_group/polish\\_presidency\\_of\\_the\\_visegrad\\_group\\_2016\\_2017/visegrad\\_group\\_will\\_present\\_eu\\_reform\\_proposal\\_at\\_the\\_eu\\_summit](https://www.msz.gov.pl/en/p/msz_en/foreign_policy/europe/visegrad_group/polish_presidency_of_the_visegrad_group_2016_2017/visegrad_group_will_present_eu_reform_proposal_at_the_eu_summit) Last visited on 24 July 2016

<sup>57</sup> François Lafond, “Beyond BREXIT: an opportunity?”, *EIR Newsletter*, no. 80, July 2016, available online at [http://ier.ro/sites/default/files/pdf/newsletter\\_iulie\\_en\\_2016.pdf](http://ier.ro/sites/default/files/pdf/newsletter_iulie_en_2016.pdf) Last visited on 24 July 2016.

<sup>58</sup> Vivien Pertusot, (ed.), *The European Union in the Fog: Building Bridges between National Perspectives on the European Union*, IFRI Brussels, April 2016, available online at <http://www.ifri.org/en/publications/publications-ifri/ouvrages-ifri/european-union-fog-building-bridges-between-national> Last visited on 24 July 2016.

---

---

