

# Council of the European Union

# **CEU**

Topic: Deciding the European Union's Plan of Action for the Future (Europe of 27)

**ALEXMUN 2017** 



# Dear delegates,

We're pleased to welcome you to the Council of European Union Committee of Alexmun 2017. We're delighted to have you as a part of this Model of The United Nations. My name is Barbara Suarez and I will be the president of this model. I have a lot of Model UN experience, and so I have committed myself to create a successful committee by expecting delegates to perform at their best while reaching a possible solution to the situation.

As moderator of the Committee we will be working with Alejandro Ramirez, For him Alexmun promotes people's awareness on the different events that occur throughout the world. He is very excited to work and help our delegates. As our Conference Officer we have Miguel Temblador. He is interested on helping delegates by working on their debate skills and first timers' experiences. Our last member of the board is Eugenia Domínguez, as the Political Advisor. She is looking forward to help delegates by encouraging them to participate on the sessions.

We expect a productive debate throughout the sessions, where the delegates come up with different ideas, plans and solutions for the best pathway for the European Union.

Furthermore we look forward to see your work with interest, we're looking forward to answer any question about the topics or the way the Committee works.

Don't hesitate to contact any of the chair members:

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Sincerly,

The Council of the European Union Committee





# The European Council

Our committee is in charge of defining the European Union's orientation and general political priorities; it is not part of the Legislative Institutions of the Union, thus there is no negotiation nor legislation inside of it. The main purpose it is to establish a political program for the European Union, which is normally adopted in its meetings, in which the topics of interest are delimited and possible solution to specific problems are discussed.

Recently, the Council has adopted the Strategic Agenda of priority areas that require an action from the Union in a long term.

The European Union is conformed by the European People's Party (8+2 non-voting from the EU institutions), the party of European Socialists (7 members), the Alliance of Liberals and Democrats for Europe (7 members), three independent members, followed by two institutions form the Alliance of European Conservatives and Reformists and by one member of the Party of the European Left. Donald Tusk, president of the council and the president of the Commission are also part of this council.

In most cases, the European Council adopts its decisions by consensus. Nevertheless, unanimity or a qualified majority decides some of the predicted concrete cases in the European Union treaties.

In 1951, the Treaty of Paris created the European Coal and Steel Community, which established the common market for steel and coal. The treaty expired in 2002, and the first treaty of the European Community was created. Afterwards, the council officially gained its EU institution status in the Treaty of Lisbon (2007). However, the council could only make political decisions and it couldn't perform any legal acts. Nevertheless, the Heads of State are capable of meeting in the Council of Ministers and effect formal acts.





#### **Introduction to the Issue**

Brexit (term which refers to the United Kingdom's intention to leave the European Union) was a referendum on June 23<sup>rd</sup> of 2016 where the UK voted to decide if they should leave the European Union (EU). The election showed a win with a 51.9% of the voters choosing to leave the EU. However, not all the UK voted to leave the EU. Scotland, Northern Ireland and Gibraltar voted for the permanence in the European Union. The main factor was the demographic weight that England has with a very high participation, which was decisive to incline the outcome in favor of leaving the EU. Some analysts point that there is a possibility of a breakup of the United Kingdom that could bring back a land border for Ireland and Scotland because of the posture they have to remain part of the EU. The British government invoked Article 50, a law that establish the process that any member of the EU must follow to withdraw from the European Union; once this article is triggered, there is a limit of two years to fulfill the negotiations. In case these negotiations do not end in an agreement, the EU and the seceding country would need to follow the World Trade Organization rules on tariffs. Brexit was a political achievement persecuted by many political parties and civil groups since 1973. On 1975, the UK had their first referendum about the permanence of the country in the EU; nevertheless there was a favorable result for the permanence of the UK in the EU.

Between the immediate consequences that were produced, the former Prime Minister, David Cameron announced he would resign the office of Prime Minister before the next Conservative Party Conference; he was in favor of the UK to remain a member of the EU. The disputation between Theresa May and Andrea Leadsom for the office of the Prime Minister ended with Theresa May being the successor of Cameron after the withdraw of Andrea Leadsom. From outside the UK, Geert Wilders (a rightwing Dutch populist) proposed that the Netherlands should use UK's example and have a referendum in which the Netherlands should decide to leave the EU. Nevertheless, many European countries including the Netherlands declined the ideas of the Eurosceptic movements (political and social movement that rejects the European Union).

Immigration was a crucial factor for people to vote against the permanence of the UK in the European Union. Between 1995 and 2016, the number of immigrants from the EU went from 1 million to 3.3 million people. Immigration will still be very high after the Brexit; many British citizens that reside in countries that form part of the





EU, have applied for the citizenship where they live because of the fear of losing the right to work where they are. The European leaders have affirmed that remaining in the single market requires the UK to accept the free movement of the people, this contradicts one of the primary goals of the supporters of the Brexit, which is to restrict immigration.

The economic effects that Brexit caused brought a big debate. The UK Treasury said that being part of the EU has a very positive effect on trade. The Institute for Fiscal Studies made a report with the collaboration of the Economic and Social Research Council, the report warned that UK could lose around £70 billion in reduced economic growth if the UK didn't retain the Single Market Membership. The supporters of the withdrawal from the EU, however, justify that the cessation of net contributions would allow the UK to increase in government spending and also cuts to taxes. Trade would revert to the rules of the World Trade Organization; this could make UK's exports to Europe vulnerable to tariffs and barriers to commerce such as safety and health rules. The Institute for Fiscal Studies noted that the government would have less money to spend even if they no longer had to pay into the EU.

The World Pensions Council argued that the long-term economic prospects of UK will still remain high, in terms of the attractiveness of the country and of the foreign investments. The great importance of the UK's permanence in the EU is represented in the lure for the Foreign Direct Investments, foreign firms see the UK as a way to get to other EU markets; this result would be beneficial for the UK's economy. The UK is the principal major economy with a stock of the foreign investments around three times larger than any other country in Europe and it is also 50% larger than in the United States. The transactions in London for European clients are abruptly reduced, as many as 30,000 British jobs could be gone with as much as 20 billion pounds in revenue. Before the referendum last June, the British Treasury predicted that leaving the EU could shrink the economy around 6% annually for the first two years. The British pound has surrendered 17% of its value against the dollar since the referendum, this is raising the cost of the imported goods. The weaker pound, making the British goods cheaper in the world market, has benefited the exportations





It was predicted that the Scottish Government would announce before the referendum, a second independence referendum on the same day the UK decided to leave the European Union while Scotland voted to stay. The First Minister, Nicola Sturgeon requested a second Scottish independence referendum before the Brexit is expected to take effect (2018-2019). The Prime Minister rejected the requested time (2018-2019) although the referendum wasn't. The Scottish Parliament approved the referendum on March 2017; the First Minister is calling for a phased return of an independent Scotland to the EU.

After the referendum, the German parliament published the consequences of Brexit, such as the rising of the annual net migration in Europe, the addition of costs towards exporters if they're outside the single market, the possibility of enabling the UK to break trade deals, the need to improve the European Union's regulations in order to export easily, between others. Great Britain is, after the United States and France, the third most important exporter of goods and services that's worth around €120 billion annually. Around 800,000 jobs in Germany depend upon the exportation to UK, while in the UK, around three million jobs depend on the exportation to the European Union.





# **The Problem Now**

Today, the United Kingdom is willing to continue influencing the European Union's regulation after Brexit, despite having decided to leave the Union, according to Whitehall officials. It is considered that the participation of Great Britain is necessary to keep the bloc "safe" and to avoid the range of issues, like the possible damage to UK's economy and internal security.

On Thursday, August 24, 2017 a paper was released and it focuses on the data protection laws and it suggests that the United Kingdom's Information Commissioner's Office (shortly known as ICO) could participate on shaping the union's data protection rules, according to Independent News.

It is argued that the United Kingdom should be involved since rules are still valid and applicable to the UK businesses that are willing to trade with countries in the union; the fact that these rules apply to these businesses was an argument against Brexit used by the opposition party campaign.

The mentioned paper establishes, "After the UK's withdrawal, regulatory cooperation between the UK and the EU on a range of issues will be essential, including data protection – not least because [EU rules] will continue to apply to UK businesses offering goods or services to individuals in the EEA [European Economic Area],"

The United Kingdom's government is set to include the union's data protection regulations into its domestic law, which provides the option of requesting the European Commission to sign off British law. Basically, the certification allows British firms to exchange information with companies without lasting an official party to the union's regulations; however, under the influence of the actual rules the European Union could individually cancel the status at some time.

Since the whole Brexit movement has not finalized, the consequences known are mostly potential. The United Kingdom added an estimate of 10 billion euros to the European Union, so Brexit jeopardizes the union and the stability inside of it, since the wealthiest countries are not willing to pay for the economical impact that may be driven. Germany, France and the Netherlands may not improve their economies while belonging to the Union, since the poorest countries "take advantage" of the benefits that the union gives. Also, while losing the world's fifth largest economy, the Union needs to improve their internal security; they have become vulnerable, as terrorism and violence has rose throughout these past few months.





# **Topics**

- 1. How has Great Britain's exit from the Union influenced the Union?
- 2. What may be the consequences to the situation?
- 3. What measures have been taken to diminish the effects?
- 4. The superpower's role in this matter.
- 5. What has been your country 's role in this topic?
- 6. What countries will take the place of the European Union?
- 7. With other countries thinking about seceding from the Union, what is the best course of action for all Nations.

#### **Sources**

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