

BREXIT: How might it work?



23 June 2016

- UK referendum on EU membership takes place
- UK votes to leave the EU (51.9% Leave ; 48.1% Remain)

2016

2017

Q2/Q3 2017

- EU Commission and UK may begin negotiations; negotiations may last for up to two years
- UK begins bi-lateral trade discussions with non-EU countries

2017

Q1 2017

- UK to invoke Article 50 of the Lisbon Treaty by the end of March 2017
- Remaining EU countries meet to discuss withdrawal (excluding UK from discussions)
- European Council mandates EU Commission to undertake negotiations with UK

Agreement within a 2 year period

- UK leaves the European Union. No longer covered by EU treaties and new agreements come into effect.
- If the UK wants to re-join the union at a point in the future, it could invoke Article 49 of the Lisbon Treaty.
- It would be highly unlikely the UK could replicate its current special status within the EU.

No Agreement within a 2 year period

- Negotiations may be extended further but only with the agreement of all remaining EU countries
- If agreement is reached to extend negotiations, negotiations will continue
- If no agreement is reached to extend negotiations, the EU treaties cease to apply to the UK and the UK will leave the EU
- The UK Parliament must repeal the 1972 European Communities Act and replace with a new agreement. However unlikely, failure to reach any agreement with the EU could see a return to WTO rules and trade tariffs on certain goods
- There is no guarantee that negotiations will conclude within two years with speculation that it could last between 5-10 years, creating uncertainty for businesses across Europe

2017

June 2017

- France: Presidential election

Q4 2017

- Germany: Parliamentary election

2017

2019

May 2019

- European elections

Q2 2020

- Germany: Parliamentary election

2020

