

BREXIT Briefing

International Trade & Litigation Practice Group

5 July 2016

The Consequences of the UK Referendum on Membership of the EU for UK International Trade Rules – Managing Uncertainty

This note offers a brief overview of what is happening and how business can react as well as an overview of the main options available for the UK in framing its future relationship with the EU. It then provides a slightly more detailed assessment of the legal implications of the Brexit vote and the process for withdrawal from the EU followed by some detail on the options for a future UK trading relationship with the EU and with third countries.

I. What is happening and how will it affect trade and regulatory law in the UK?

The UK must quickly identify preferred options for its future trade policy in order to limit the uncertainty created by the Brexit vote. The Government will be looking for input on the detailed priorities of UK industry for its trade relations with the EU and with the rest of the world ahead of forthcoming negotiations. Companies will need to consider their entire supply chains in order to fully assess the impact of the various options facing the UK and the impact of tariffs, origin rules, regulatory commitments, subsidy commitments, government procurement and other aspects of trade negotiations.

The negotiation over the future trade relationship with the EU will be separate to the negotiations on terms of the divorce from the EU. The UK needs to conduct those negotiations in parallel with the divorce negotiations otherwise it will have no options after the end of the two year timeframe for the divorce when the current access to the EU single market ends.

The EU is likely to use this two-year guillotine as leverage in its negotiations with the UK. The UK has some negotiating leverage with the EU as the UK is a significant export market for EU goods, although the EU market is more important to the UK than vice versa. The UK will want to negotiate on that basis for access to the EU single market for goods and services. The services market access is likely to be

For more information, contact:

Iain MacVay
+44 7551 2127
imacvay@kslaw.com

Jasper M. Wauters
+41 22 591 0803
jwauters@kslaw.com

Charles Julien
+41 22 591 0804
cjulien@kslaw.com

King & Spalding
London
125 Old Broad St
London EC2N
UK

Geneva
Rue du Rhône 14
1204 Geneva
Switzerland

www.kslaw.com

directly linked to free movement of persons, which was a core issue cited by the Brexit proponents in winning the referendum.

Until the end of the divorce negotiations EU law continues to apply fully to the UK and to UK exports, investments, capital and persons within the EU. Further all EU trade agreements continue to apply to UK exports and imports.

II. What should companies active in the UK be doing?

In this context, companies should review the impact of Brexit on their business in the EU and their wider supply chain. Following are a few areas for detailed consideration of business interests:

- First, companies should identify the terms needed for exports to the EU market or for imports to the UK market. Key issues could include regulatory marketing approval, conformity assessment, trade-related services market access for distribution. Companies may want to prepare a step by step overview of the process and identify where Brexit could materially change the current flow of goods and services affecting their business. The results of this exercise should be fed into the UK and EU negotiators, as appropriate, for incorporation in their respective negotiation strategies for the post-Brexit UK-EU relationship. The UK has not negotiated a trade deal since 1972 so the UK negotiators will need extensive input from industry. Brexit is not the end of the world, but it is the end of the trade and regulatory world as we know it and not everyone will feel fine.
- Second, companies present in the UK should assist the UK government in ensuring that the re-negotiation that will take place as the UK regains its voice at the WTO, on tariffs and services schedules, as well as on government procurement, quotas, subsidies and trade remedies does not negatively affect their previously held position or even provides an opportunity to improve on what they currently have as an EU company. UK negotiators should be starting the WTO discussions very soon and the WTO commitments will be the baseline for UK company trading rights if nothing is agreed on UK-EU future relations.
- Third, companies should review their position in the world and identify the key non-EU countries that they want to see the UK government start negotiations with. This will be a lower priority for the UK than the terms of its access to the EU market but the UK will need to develop priorities for third country trade deals. There may be opportunities for the UK to negotiate trade agreements in markets that have proven difficult for EU negotiators such as the GCC/Saudi Arabia, Brazil/Mercosur or even the United States. It will be important to consider the strengths and weaknesses of current trade agreements with third countries and to ensure that the UK takes those into account in developing its own trade policy strategy.
- Fourth, companies should identify the key aspects of the EU legal and regulatory regime that were particularly important for the way they do business. Once companies identify these aspects, they can start to develop an engagement strategy that focuses on ensuring that these elements should in any case be maintained in the UK, even absent the formal obligations of EU law. This will be important to communicate to the UK and possibly EU negotiators in the context of the divorce negotiations.

Transition of regulatory compliance approvals and processes, especially those currently conducted by centralised EU agencies, will be very important.

- Fifth, companies should seek to identify UK laws and regulations based on EU legislation that are damaging to their business. There may be political will to review some of these laws and regulations as the UK “regains control over its own laws” and to incorporate treatment of such regimes in the negotiation of both withdrawal from the EU and the future relationship with the EU. It may even be possible that there could be some reform at the EU level that could operate in parallel to the Brexit negotiations. Areas such as treatment of GMOs or regulation of pesticides or other chemicals may be ripe for reform in the right circumstances. Brexit has got people in Brussels and elsewhere thinking about the way things are done at the EU level.

III. Results of the Referendum – political and legal

The Brexit referendum result was 51.9% choosing to leave the EU and 48.1% choosing to remain in the EU on a turnout of 72% of the electorate. The result amounts to a political instruction to the UK Parliament to withdraw the UK from the European Union but it has no legal force. A majority in Parliament supports remaining in the EU but they will not ignore the referendum result. There is no immediate legal implication for the UK’s relationship with the EU and all EU law and all relevant EU treaty obligations, such as trade agreements, continue to apply to the UK. This is not likely to change for a period of at least two or three years, when the UK will no longer be a Member State of the EU.

- UK political chaos

The political landscape in the EU immediately after the referendum can only be described in terms of chaos. Prime Minister Cameron has already announced he is resigning but will remain in place until the Conservative Party identifies a successor later this year. Cameron will not initiate the negotiation of withdrawal from the EU but will leave that to his successor. The most likely candidate, Boris Johnson, is not seeking to lead the Party. The most likely candidate, Theresa May has said she will not trigger the formal withdrawal procedure until next year and that negotiations could take years. She does not plan a new election. There is also substantial pressure on the Opposition Leader in the Commons, Jeremy Corbyn of the Labour Party, to resign over his lacklustre performance supporting the Remain campaign. The Labour Party and the big UK Unions support remaining in the EU.

Despite Theresa May’s statement to the contrary, the new Prime Minister might seek a mandate for the Brexit negotiation from a general election but the UK Parliament is bound by the Fixed Term Parliament Act, which fixes the next general election for May 2020. An early election can be called only with support of two-thirds of MPs or upon a successful vote of no confidence in the Government with no alternative getting support of the Commons within 14 days. There is a strong constitutional argument that the withdrawal negotiations cannot be triggered without approval of Parliament and the current House of Commons has a strong majority against Brexit although many MPs may feel that they must take the referendum result as an instruction to agree to triggering the withdrawal procedure.

There are many other domestic complications such as the position of the Scottish Parliament under devolution when 62% of Scottish voters supported remaining in the EU. Scotland is considering whether Brexit requires

support of the Scottish Parliament while also considering their options for continuing EU membership as Scotland, possibly outside the UK. Northern Ireland, which voted 55% to remain in the EU also raises issues, including operation of the Belfast, or Good Friday, Agreement that establishes a pathway for Northern Ireland to join Ireland if there is evidence of majority support for that option and a series of cross-border initiatives that may be complicated by the establishment of border security by the UK.

- Legal procedure for withdrawal from the EU – Art. 50 TEU

The new Prime Minister will need to consider when to invoke the procedures in Art. 50 of the Treaty on European Union for withdrawal from the EU. Art. 50 was first included in the 2009 Lisbon Agreement amending the Treaty but has never been invoked. The UK will be bound by the EU law as a Member of the EU until the formal withdrawal following the completion of the Art. 50 procedure. Art. 50 can only be invoked by the departing EU Member and not by the EU or other Member States. Art. 50 invocation has no precedent but will require a clear statement from the UK Government, although some have suggested that the EU might seek to infer invocation from UK statements to the European Council.

EU leaders have said that they want the negotiations on UK withdrawal to be conducted quickly to minimise uncertainty. They may seek means of pressuring the UK to invoke Art. 50 but the decision rests with the UK. Following the invocation of Art. 50 by the UK, the European Council, meeting without the UK, will have to unanimously agree on the negotiations guidelines. Negotiations will be conducted by the European Commission within those guidelines.

- Timing and content of the Art. 50 withdrawal procedure

Once Art. 50 is invoked there is a two year period during which the terms of the separation of the UK must be negotiated. The EU Treaties will no longer apply to the UK following the end of the two year period irrespective of whether there is an agreement on terms of Brexit, unless there is an extension agreed unanimously by all remaining EU Member States. In principle Brexit could be completed by an agreement in advance of the two year period but in light of the complexity of the negotiation this seems unlikely. The Brexit agreement could include some transitional measures providing for ongoing negotiation of some elements of the exit.

The Art. 50 negotiations will cover the terms of the UK's separation from its commitments under the EU Treaties and from the various EU institutional arrangements that the EU participates in. These negotiations will not include the UK's future relationship with the EU although the Art. 50 negotiations must be conducted "taking account of the framework for its future relationship with the Union".

The Art. 50 procedure is open to brinksmanship by the EU as the two year guillotine will hang over the talks once they are initiated. In the absence of agreed transitional regulatory regimes under the divorce settlement there would be compliance issues for UK importers and exporters. Further, unless the UK has its relationship with the EU for future trade arrangements in place by the end of the two years there will be no option but reliance on WTO rules. The UK will, therefore, seek to conduct the future relationship negotiations in parallel with the withdrawal negotiations.

IV. What are the main options for the future UK-EU trade relationship?

The WTO option - The fall-back option of the UK, favoured by Economists for Brexit, is to rely on the UK's membership of the WTO as the framework for gaining access to the EU and other third country markets. After all, this is the basis on which the United States and many other countries without EU preferential trade agreements operate. The problem for the UK is that it is more integrated in the EU market than other countries due to its geographical proximity and the fact that roughly 50% of total UK trade, goods and services imports and exports, is with the EU countries.

The UK is a WTO Member and has a formal representation to the WTO. The application of WTO rules depends, to some extent, on detailed sector specific commitments made by each member in areas such as tariffs, services, subsidies and government procurement. These commitments, currently included for the UK within EU Schedules, will need to be negotiated and will be subject to consensus agreement by other WTO Members, including the EU.

The EEA(Norway) option - There are other options for something approximating access to the EU single market. The best option is membership of the European Economic Area (EEA), often referred to as the Norway option. This gives full access to the single market but requires contribution to the EU budget and free movement of persons with limited safeguards for migration surges. The EEA option may not satisfy the Brexit referendum result.

The FTA (Canada) and Customs Union (Turkey) options - Other options for UK relations with the EU include a Free Trade Agreement such as the one recently agreed with Canada or a Customs Union, such as the one currently in place between the EU and Turkey. Either of these options would require detailed negotiation of specific terms of access to the EU single market as neither the specific terms of the Canada Agreement or that of the Turkey Customs Union are likely to be suitable for the UK as neither provides the core aspects of access to the EU services market needed by the UK.

V. UK future trade relationship with the EU and third countries

As an EU Member State, the UK benefits from the provision of EU treaties that establish an internal market and provide for the free circulation of persons, goods, services and capital within the EU territory. As the EU has a common commercial policy the UK and all Member States apply a single external tariff and export measures, including anti-dumping and anti-subsidy measures. Member States are also jointly bound by international agreements relating to trade in goods and services, the commercial aspects of intellectual property and foreign direct investment.

In addition to being a member of the World Trade Organization (WTO), the EU is party to over 35 preferential trade agreements. After its withdrawal from the EU, the UK will no longer be party to the EU treaties and the international agreements concluded by the EU without agreement by those third parties to extend the agreements to the UK outside the EU on the basis of further negotiations.

In the absence of careful and very detailed negotiation with the EU and with the EU's preferential trading partners all UK trade will be conducted within the framework of the WTO obligations of both Parties with no preferential terms of access for EU goods or services once the Art. 50 time limit is applied.

The UK will be looking for a framework for the future trade relationship with the EU that can be put in place before the end of the Art. 50 process. This will take priority over relationships with third countries. This is the moment when the various positions within the UK Brexit camp over access to the EU single market will come to a head. The different options described below are based on existing agreements between the EU and its preferential trading partners. While these agreements are likely to be considered as possible models by the UK and the EU Member states in their negotiations, the terms of a UK-EU trade agreement will undoubtedly differ in key details from these agreements.

a. The EFTA/EEA option

In order to guarantee UK the most access to the EU single market and vice versa, the best answer would be to join EFTA and the EEA. That would give the UK full access to the single market for goods, services, capital and workers but would require the UK to adopt EU law relating to regulation of the single market, with some possible exceptions such as agricultural and fisheries policy.

Crucially for compliance with the results of the referendum, the EEA option includes acceptance of free movement of workers as part of the single market, which is a narrower commitment than free movement of people as EU citizens under EU law. In practice, the EEA Members are all members of the Schengen Agreement on Free Movement of Persons although Switzerland has decided to withdraw from that Agreement.

The EEA Agreement provides a safeguard applicable generally to EEA commitments, including to free movement of workers commitments. Specifically the EEA gives power to Member States “if serious economic, societal or environmental difficulties of a sectorial or regional nature liable to persist are arising to unilaterally take appropriate measures”. Exercise of this power is subject to notification and consultation mechanisms but is expressly available “unilaterally” to EEA Members, although the EFTA Surveillance Authority, described below, may challenge inappropriate or disproportionate use of the safeguard.

There may also be scope for the UK to negotiate special provisions in respect of free movement of workers to allow the Government to take the position that the result meets the obligations of the referendum. On the other hand, the EU may want to limit the scope of the safeguard in return for granting access to the single market for services.

The EFTA/EEA option would also require UK goods exporters to comply with customs compliance obligations, including rules of origin, that can substantially increase the cost of importing into the EU, by some estimates adding 5% to the cost of importing. Independent trade remedies, such as anti-dumping actions, would be available to the UK under such an arrangement.

The EEA Agreement provides for the inclusion of EU legislation covering the four freedoms: the free movement of goods, services, persons and capital. In addition, the Agreement covers cooperation on research and development, education, social policy, the environment, consumer protection, tourism and culture. EFTA states are consulted on proposals for EU legislation but do not have a vote on adoption of legislation. The Agreement guarantees equal rights and obligations within the Internal Market for citizens and economic operators in the EEA.

The EEA Agreement is enforceable among EFTA states by the EFTA Surveillance Authority, which is especially active on competition and state aid obligations. There is also an EFTA Court for enforcement of EEA obligations among EFTA states. The European Commission enforces the EEA Agreement in cases of violations by EU Member States and coordinates with the EFTA Surveillance Authority. The EEA Agreement also provides for reference of disputes to the European Court of Justice (ECJ) by consent of the Parties. Otherwise, Parties may impose safeguard restrictions in retaliation against a violation where a matter is not referred to the ECJ.

As an EFTA Member the UK would retain its rights to negotiate trade agreements with third countries. It would also have access to the existing network of trade agreements with third countries negotiated by EFTA. The EFTA Convention, Art. 56, provides that “Any State acceding to this Convention shall apply to become a party to the free trade agreements between the Member States on the one hand and third states, unions of states or international organisations on the other.” In other words, the UK could use the EFTA network of third country FTAs to re-establish its own trade arrangements with third countries post-EU and to focus on bilateral arrangements it needed to prioritise where UK interests differ from those negotiated by EFTA. The extension of the trade agreements concluded by the EFTA to the UK would however require negotiations with EFTA’s existing preferential trade partners.

Whether the EFTA/EEA option is viable will depend on UK politics and on the reaction of the EU and of the EFTA states.

b. The Customs Union option

Entering a customs union with the EU would result in free movement of goods between the EU and the UK and imposition of a common external tariff. It may also be possible to include services and other aspects of the trading relationship with the EU but gaining full access to the EU for services would likely entail acceptance of free movement on terms similar to that required of EEA countries as well as acceptance of EU regulatory provisions. The only precedent for a customs union involving the EU is the EU-Turkey Customs Union, which was intended as a temporary arrangement pending Turkey’s accession to the EU and it has not been very effective in practice. It does not include provisions on services.

It may be possible to build on the precedent of the Turkey Customs Union and develop an EU-UK customs union that retained deep links to the EU single market, beyond what most trade agreements offer, while developing it as a different approach to the EFTA/EEA model. It would likely entail acceptance of most EU legislation and possibly the related *acquis* but the precise contours of the commitment to EU laws would be a matter for the negotiations. Customs compliance costs would not apply to trade covered by the customs union between the EU and the UK but independent trade remedies would apply to third country imports into the UK.

One of the biggest problems with the EU-Turkey Customs Union has been that one consequence of a common external tariff is to require Turkey to comply with tariff concessions agreed by the EU with third countries without necessarily getting reciprocal treatment in those third countries for Turkish origin products. In recent years, the EU and Turkey have attempted, where possible, to negotiate parallel FTAs but even where that was possible, the terms of these FTAs remain different.

The UK would not be likely to accept a similar arrangement so some form of engagement with the negotiation of EU trade arrangements and commitment by third countries to extend preferential treatment to UK origin products on the same terms as EU origin products would be needed. The EFTA/EEA model does not include a common external tariff so the problem of coordination with third country trade agreements does not arise.

A customs union would likely include a dispute settlement mechanism to resolve disputes over interpretation of the agreement. There is no dispute settlement model in the EU-Turkey Customs Union other than availability of referrals to the European Court of Justice or establishment of an arbitration panel but with no structures in place for such panels. These options have never been exercised.

c. The FTA option

An FTA would provide preferential access to the EU for UK exporters according to the specific terms of the FTA. This would likely include elimination of tariffs and may include some form of convergence or harmonisation of technical regulations to facilitate compliance costs for products moving between the EU and the UK. It would also likely include a degree of liberalised trade in services but the precise degree would be a matter of detailed negotiations on rights of establishment and rights to supply services in other modes. The negotiation that would include consideration of the degree of free movement of workers that the UK was willing to accept. As services is key to the UK economy the balance between access to the EU for services and free movement of people would be a major issue.

There are numerous precedents for EU FTAs but the Switzerland and Canada models are most often mentioned. The Swiss model is composed of about 120 specific agreements covering areas of trade between the EU and Switzerland, including free movement of persons, all building on a core 1972 FTA. The on-going implementation of these agreements obliges Switzerland to take over relevant Community legislation in the covered sectors. The Commission has often expressed frustration with the complexity of the EU-Switzerland approach and may not be prepared to repeat that approach.

The Canada-EU FTA, or CETA, is the newest of the new generation of FTA agreed by the EU. CETA is not yet ratified and the Brexit process may complicate ratification although it is likely to be available for ratification before the Brexit process is completed.¹ CETA does not include a common external tariff so it does include customs compliance costs, including origin rules, but most tariffs are eliminated by the Agreement.

There is an extensive and detailed set of commitments in respect of bilateral services trade but nothing like the access to the single market enjoyed by the EEA countries or by Switzerland. It is possible to negotiate better terms of access but that will depend on the degree of acceptance of EU regulatory provisions and, crucially, free movement of persons rules.

¹ The Commission has announced that CETA does not need to be ratified by Member States but that is being disputed at the time of writing. The ECJ has been asked for an advisory opinion on the need for Member State ratification of the EU-Singapore FTA. It is likely that any EU-UK FTA would need to be ratified by all EU Member States as well as the European Parliament. Similarly other forms of EU-UK agreement giving any detailed coverage of policy areas within EU Member State competence would likely need ratification by all EU Member States. The process of translation into all EU languages and ratification by Member States can delay entry into force of any agreement by about two years, although provisional application of core provisions may be available on ratification by the European Parliament.

Trade remedies, such as anti-dumping or anti-subsidy/CVD or safeguard measures are typically not covered by the FTA and either party may use trade remedy laws against imports subject to any rules in the FTA as well as WTO rules.

An FTA would almost certainly include provisions for dispute settlement panels and detailed rules on the operation of such panels. The dispute settlement process would include provision for withdrawal of concessions in the event of failure to comply with a ruling.

A post-Brexit UK would be free to negotiate and conclude its own agreements with third parties completely outside the existing EU framework of such agreements subject only to applicable WTO rules.

d. The WTO option

The UK is a founding member of the WTO and Brexit does not change that status. The UK currently coordinates its positions, including dispute settlement actions, with other EU Members through the EU Commission under the EU Common Commercial Policy. Following Brexit the UK would take its own position on WTO issues irrespective of the EU position and would be able to bring its own dispute settlement actions outside the limitations of the Common Commercial Policy.

WTO Membership is, however, driven by commitments on tariffs, services, subsidies, government procurement, agricultural subsidies and other areas specific to each Member. The UK commitments are currently contained within the EU commitments. In order to establish its own schedules of commitments the UK will need approval from other WTO Members. In principle that should be forthcoming as long as the UK proposes schedules offering at least the same level of access to its market as the current EU schedules offer. On the other hand, one or more WTO Members may want to negotiate over aspects of the new UK commitments. This is a significant area of uncertainty.

The WTO option would apply automatically to UK-EU trade relations at the end of the Art. 50 withdrawal from the EU in the absence of some other arrangement being in place. That would result in UK goods and services having access to the EU market under the terms of the EU commitments to all WTO Members on tariffs, services market access and other trade rules, subject to possible questions over the status of the UK's own commitments if any substantial renegotiation becomes necessary. Under the WTO option, exports from countries enjoying preferential tariffs and other preferential terms of access to the EU markets for goods and services would enjoy an advantage over exports to the EU from the UK.

If the WTO option were applied, all trade remedies would be a matter for UK policy within the confines of the WTO rules. Customs compliance would be a matter for the UK but would require full origin determination in the event that the UK established any FTAs of its own with third countries. The UK would be able to negotiate and conclude trade agreements with third countries within the parameters of the WTO provisions on such preferential agreements.

VI. Investment protection

The UK still has in place a series of bilateral investment treaties. These would continue in place. The EU now has competence for investment treaty negotiation but the first agreements containing the new EU model

for investment treaties, the EU-Vietnam and the CETA Agreement with Canada, have not yet been ratified. The UK would need to develop a position on bilateral investment treaties and consider whether to adopt all or some aspects of the new EU model as agreed in the Vietnam and CETA Agreements.

VII. Sanctions and export control

The UK after Brexit would need to apply its own rules on sanctions and export controls to replace the directly applicable regulations, including the Dual-Use Regulation and the various Regulations applying sanctions on financial and trading relationships with Russia, Iran, Libya, other countries and international terrorist groups. Many of these measures originate in international organisations, including the UN, and the UK law would likely just adopt essentially the same detailed rules as those currently incorporated by EU Regulations. Further, the UK retains control of military aspects of trade and has its own provisions controlling exports of military goods and technology.

There are currently small differences between the EU and UK sanctions regime within the scope for the UK to supplement the EU regime and those differences may expand under an entirely independent UK sanctions and export control system, although there is likely to be similarity in most elements of the regime due to the international context of the development of sanctions. All enforcement of EU sanctions and export controls is currently conducted by UK agencies.

VIII. Customs rules and enforcement

The UK currently operates under the law as stated in the EU Union Customs Code and implementing measures. All compliance and enforcement activity is the responsibility of the UK customs authority, HMRC. After withdrawal from the EU, the UK would need to develop its own customs rules, even though these may be based on the EU Code and implementing measures. It would be relatively easy for the UK to implement the provisions of the Union Customs Code and implementing measures, brought into force on 1 May 2016. Compliance and enforcement activity would stay largely the same but many of the details would likely change and become more cumbersome for imports from the EU into the UK and vice versa, especially in a regime other than a full customs union. Where supply chains are complex the detail of origin rules and related cumulation rules will be crucial to the efficient operation of businesses that include the UK in their supply chains. Compliance costs have been estimated, very generally, at between 4-5% of the value of the goods for industrial goods and 8-15% for agricultural goods.

IX. Conclusion

Companies engaged in goods or services trade with the EU or the UK, including those with supply chains drawing on products in both jurisdictions, will need to plan carefully their ongoing trade structures to take account of the changes to trade rules that Brexit will entail, both for EU-UK trade and for UK trade with non-EU countries. It will also be important to ensure that both the UK and the EU authorities understand the implications on specific sectors and traders of the trade and investment rules, including the approaches to regulatory provisions, that they will negotiate in the process of concluding the terms of Brexit. Free movement of workers will be a central element of any negotiation, especially linked to any agreement on

services trade. Free movement of capital rules may also be considered under the various models for negotiation of the EU-UK future relationship.

About BREXIT Briefing

King & Spalding is distributing a periodic BREXIT Briefing to provide analysis of the latest developments regarding the UK's referendum vote to withdraw from the EU. These briefings are intended to provide companies, associations, governments, and other organizations with information and analysis relevant to legal, policy, and commercial implications of the Brexit vote.

Celebrating more than 130 years of service, King & Spalding is an international law firm that represents a broad array of clients, including half of the Fortune Global 100, with 900 lawyers in 18 offices in the United States, Europe, the Middle East and Asia. The firm also represents hundreds of clients with new ventures and mid-sized companies in emerging industries. The firm has handled matters in over 160 countries on six continents and is consistently recognized for the results it obtains, its uncompromising commitment to quality and its dedication to understanding the business and culture of its clients. More information is available at www.kslaw.com.

This Brexit Briefing provides a general summary of recent legal developments regarding the withdrawal of the United Kingdom from the European Union. It is not intended to be and should not be relied upon as legal advice. In some jurisdictions, this may be considered "Attorney Advertising".