

# Article – Brexit deal: how new EU-UK relations will affect you



The UK left the EU on 31 January 2020. There was a transition period during which the UK remained part of the Single market and Customs Union to allow for negotiations on the future relations. Following intense negotiations, an agreement on future EU-UK relations was concluded end of December 2020. Although it will be provisionally applied, [it will still need to be approved by the Parliament](#) before it can formally enter into force. MEPs are currently scrutinising the text in the specialised parliamentary committees before voting on it during a plenary session.

A number of issues were already covered by the [withdrawal agreement](#), which the EU and the UK agreed at the end of 2019. This agreement on the separation issues deals with the protection of the rights of EU citizens in the UK and UK citizens living in other parts of the EU, the UK's financial commitments undertaken as a member state, as well as border issues, especially on the Isle of Ireland.

## **Living and working in the UK or the EU**

EU citizens in the UK or UK citizens in an EU member state who were already living there before January 2021 are allowed to continue living and working where they are now provided they registered and were granted settlement

permits by the national authorities of the member states or the UK.

For those UK citizens not already living in the EU, their right to live and work in any EU country apart from the Republic of Ireland (as the UK has a separate agreement with them) is not automatically granted and can be subject to restrictions. Also, they no longer have their qualifications automatically recognised in EU countries, which was previously the case.

For UK citizens wanting to visit or stay in the EU for more than 90 days for any reason need to meet the requirements for entry and stay for people from outside the EU. This also applies to UK citizens with a second home in the EU.

People from the EU wanting to move to the UK for a long-term stay or work – meaning more than six months – will need to meet the migration conditions set out by the UK government, including [applying for a visa](#).

## Travelling

UK citizens can visit the EU for up to 90 days within any 180-day period without needing a visa.

However, UK citizens can no longer make use of the EU's fast track passport controls and customs lanes. They also need to have a return ticket and be able to prove they have enough funds for their stay. They also need to have at least six months left on their passport.

EU citizens can visit the UK for up to six months without needing a visa. EU citizens will need to present a valid passport to visit the UK.

## Healthcare

EU citizens temporarily staying in the UK still benefit from emergency healthcare based on the [European Health Insurance Card](#). For stays longer than six months, they need to pay a healthcare surcharge.

Pensioners continue to benefit from healthcare where they live. The country paying for their pension will reimburse the country of residence.

## Erasmus

The UK has decided to stop participating in the popular Erasmus+ exchange programme and to create its own exchange programme. Therefore EU students will not be able to participate in exchange programme in the UK anymore. However, people from Northern Ireland can continue to take part.

## Trade in goods and services

With the agreement, goods exchanged between the UK and EU countries are not subject to tariffs or quotas. However, there are new procedures for moving goods to and from the UK as border controls on the respect of the internal market rules (sanitary, security, social, environmental standard for example) or applicable UK regulation are in place. This means more red tape and additional costs. For example, all imports into the EU are subject to customs formalities while they must also meet all EU standards so they are subject to regulatory checks and controls. This does not apply to goods being moved between Northern Ireland and the EU.

Regarding services, UK companies no longer have the automatic right to offer services across the EU. If they want to continue operating in the EU, they will need to establish themselves here.

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**France: EIB Group and BNP Paribas launch new securitisation operation to support French companies facing the consequences of the COVID-19 crisis**



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The EIB Group, made up of the European Investment Bank (EIB) and European Investment Fund (EIF), and BNP Paribas have announced the signature of a synthetic securitisation to support French small and medium-sized enterprises (SMEs) and mid-caps hit by the consequences of an unprecedented pandemic crisis.

The operation, supported by the [European Fund for Strategic Investments](#) (EFSI), consists of an EIB Group guarantee on an existing portfolio of loans to SMEs and mid-caps. This credit protection enables BNP Paribas to free up part of the regulatory capital allocated to this portfolio and to deploy €515 million of new loans to SMEs and mid-caps in France over the next two years.

The financing operations may take the form of bank loans or leasing transactions. The beneficiaries of this financing will have access to favourable financial terms via an onlending deal granted by the EIB.

This operation falls under the European Fund for Strategic Investments (EFSI), the central pillar of the Investment Plan for Europe. It will make it possible to strengthen support for SMEs and mid-caps hit by the consequences of the COVID-19 health crisis by meeting their cash flow and investment recovery needs. As a European operator recognised for its expertise in synthetic securitisations, the EIF was in charge of structuring the operation



on behalf of the EIB.

*"I am delighted to announce this new securitisation transaction with BNP Paribas," said EIB Vice-President **Ambroise Fayolle**. "In the face of the economic consequences of the pandemic crisis, it is our responsibility to strengthen support for weakened companies with a solution tailored to their most pressing financing requirements. By doing so, we will help safeguard economic activity and promote investment recovery."*

EIF Chief Executive **Alain Godard** added: *"The EIF is pleased to work with BNP Paribas and the EIB to provide additional financing access to SMEs and mid-caps. Combining the EIF's investment structuring expertise with efficient EFSI fund deployment by the EIB offers a competitive financing solution for BNP Paribas that will serve to boost the supply of finance in the real economy. In these difficult times, it is important for us to work with trusted partners to provide vital support to French businesses."*

European Commissioner for the Economy **Paolo Gentiloni**, said: *"This agreement between the EIB Group and BNP Paribas in France, supported by the Investment Plan for Europe, is good news for SMEs and mid-caps hit hard by the coronavirus crisis. By enabling new loans to be unlocked on favourable terms for companies, this agreement is a clear signal of our steadfast support for businesses in these difficult times."*

*"With this operation, we are happy to be able to commit to providing €515 million in new financing with reduced rates to SMEs and mid-caps over the next two years. This enables us to continue offering concrete and effective solutions to help companies to cope with the health crisis. As we have since the beginning of the pandemic, we will tirelessly maintain our role of supporting and advising our clients as well as all our financing and investment efforts to serve the economy," said Head of French Retail Banking and Member of the Executive Board of BNP Paribas **Marguerite Bérard**.*

This is the third securitisation transaction between the EIB Group and BNP Paribas since 2015.

### [About BNP Paribas](#)

BNP Paribas is a top-ranking bank in Europe with an international profile. It operates in 71 countries and has almost 199 000 employees, including more than 151 000 in Europe. The Group ranks highly in its three core areas of activity: Domestic Markets and International Financial Services (whose retail banking networks and financial services are grouped together under Retail Banking & Services) and Corporate & Institutional Banking, centred on corporate and institutional clients. The Group helps all of its clients (retail, associations, businesses, SMEs, large corporates and institutional) to implement their projects by providing them with services in financing, investment, savings and protection. In Europe, the Group has four domestic markets (Belgium, France, Italy and Luxembourg) and BNP Paribas Personal Finance is the leader in the field of consumer lending in Europe. BNP Paribas is also rolling out its integrated retail banking model across the Mediterranean countries and in Turkey and Eastern Europe and has a large

network in the western part of the United States. In its Corporate & Institutional Banking and International Financial Services activities, BNP Paribas enjoys leading positions in Europe, a strong presence in the Americas and has a solid and fast-growing network in the Asia/Pacific region.

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## Venezuela: Declaration by the High Representative on behalf of the European Union



The Venezuelan elections of 6 December 2020 for the National Assembly regrettably went ahead without a national agreement on electoral conditions. The European Union considers that the elections failed to comply with the international standards for a credible process and to mobilise the Venezuelan people to participate. The lack of political pluralism and the way the elections were planned and executed, including the disqualification of opposition leaders, do not allow the EU to recognise this electoral process as credible, inclusive or transparent, nor do they allow its outcome to be considered as representative of the democratic will of the Venezuelan people. The EU deeply regrets that the National Assembly assumed its mandate on 5 January on the basis of these non-democratic elections.

Venezuela urgently needs a political solution to end the current impasse through an inclusive process of dialogue and negotiation leading to credible, inclusive and democratic processes, including local, presidential and legislative elections. In that context, the EU will maintain its engagement with all political and civil society actors striving to bring back democracy to Venezuela, including in particular Juan Guaidó and other representatives of the outgoing National Assembly elected in 2015, which was the last free expression of Venezuelans in an electoral process.

The European Union has steadily repeated the obligation to fully guarantee the respect and protection of human rights in Venezuela and will be particularly vigilant with regard to any acts of repression, particularly against members of the opposition.

The European Union calls on the Venezuelan authorities and leaders to prioritise the interests of the Venezuelan people and to urgently come together to start a Venezuelan-led transition process, in order to find a peaceful, inclusive and sustainable solution to the political crisis. The EU stands ready to support such a process. It also stands ready to take additional targeted measures.

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## **ESMA launches a Common Supervisory Action with NCAs on the supervision of costs and fees of UCITS**

The European Securities and Markets Authority (ESMA), the EU's securities markets regulator, is launching a Common Supervisory Action (CSA) with national competent authorities (NCAs) on the supervision of costs and fees of UCITS across the European Union (EU). The CSA will be conducted during 2021.

The CSAs aim is to assess the compliance of supervised entities with the relevant cost-related provisions in the UCITS framework, and the obligation of not charging investors with undue costs. For this purpose, the NCAs will take into account the [supervisory briefing on the supervision of costs](#) published by ESMA in June 2020.

The CSA will also cover entities employing Efficient Portfolio Management (EPM) techniques to assess whether they adhere to the requirements set out in the UCITS framework and [ESMA Guidelines on ETFs and other UCITS issues](#).

The work will be done on the basis of a common methodology developed by ESMA. While, the CSA assessment framework, including scope, methodology, supervisory expectations and timeline, results from a joint effort to carry out comprehensive supervisory action in a convergent manner.

Throughout 2021, NCAs will share knowledge and experiences through ESMA to ensure supervisory convergence in how they supervise cost-related issues, and ultimately enhance the protection of investors across the EU.

Ensuring greater convergence in the supervision of costs is an integral part of ESMA's broader efforts on the cost of retail investment products and is key to improving investors' confidence in financial markets and reducing costs associated with obtaining financial products. The topic of costs and performance for retail investment products was identified as one of the Union Strategic Supervisory Priorities for NCAs. Under [this Priority](#), ESMA said that NCAs would undertake supervisory action in 2021, coordinated by ESMA, on costs and fees charged by fund managers.

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## **Article – Season's greetings from the**

# European Parliament



The Covid-19 pandemic changed lives: “2020 has been an immensely difficult year for all of us. The pandemic and our response reminded us of the importance of focusing not just on our individual needs but also of putting mutual care and support at the centre, preserving the dignity of people, and the principles of cooperation and solidarity,” said David Sassoli, President of the European Parliament. “These are values which should determine how we think and talk about Europe in the year to come.”