

TC Communiqué on Brexit: an Update from Civil Aviation

On March 29, 2017, the United Kingdom of Great Britain and Northern Ireland (hereinafter referred to as "the United Kingdom") notified the European Council of its intent to withdraw from the European Union on March 30, 2019. This withdrawal from the European Union is commonly referred to as "Brexit".

At the time of the United Kingdom's departure from the European Union, the United Kingdom will cease to be considered a party to European Union treaties and thus lose those treaties' benefits and obligations. This will affect all treaties between Canada and the European Union, including the Bilateral Aviation Safety Agreement (BASA).

As the European Union and the United Kingdom negotiate the terms of the United Kingdom's withdrawal from the European Union, Transport Canada (TC) and the United Kingdom Civil Aviation Authority (UK CAA) continue their active efforts to minimize disruptions to air transportation services that could result from Brexit. Transport Canada is closely following those negotiations and supports the United Kingdom and the European Union reaching an agreement as soon as possible to minimize any uncertainty.

One of those possible outcomes includes the possibility for a time-limited transition period following Brexit during which the United Kingdom would, in some aspects, continue to be treated like a Member State of the European Union. Depending on the details and other outcomes of such a transition period, Canada would consent to the United Kingdom remaining party to the BASA and all other Canada-European Union agreements.

Should the European Union and the United Kingdom not reach a withdrawal agreement that includes a transition period in time for Brexit, then the European Union-Canada BASA would cease to apply to the UK. In case this occurs, TC and the UK CAA are working together to maintain predictable and stable market conditions for our respective aviation and aerospace sectors and ensure the continuity of services. The aim is to replicate current provisions under the BASA to the extent possible. Two new arrangements are being prepared between TC and the UK CAA in time for Brexit: the first covering maintenance and production, and the second on the acceptance of type certificates. Both documents will likely take the form of technical arrangements, and the two authorities have committed to completing their preparations before the end of March 2019.

The Government of Canada will continue to inform Canadians as it continues to actively engage the European Union and the United Kingdom in an effort to minimize disruptions from Brexit for Canadians. For more information on Canada's continued trade relationship with the United Kingdom post-Brexit, please view the article published by Global Affairs Canada in the Canada Gazette <u>here</u>.