

The larger implications of the Brexit vote are understandably getting a lot of attention. It's clear, for instance, that the UK will need to negotiate some kind of trade agreement with the EU, and that it will probably want to negotiate one with the U.S. But there are myriads of issues that need to be worked out, providing work for regulatory lawyers for what may be years to come. We can get a sense of this by looking at two countries that have "special relationships" with the EU but are not members, Norway and Switzerland.

Start with Norway. The Brexit advocates actually want a looser connection with the EU than Norway has, because Norway is effectively bound by many EU regulatory requirements but has no voice in creating them. There is a lengthy annex to the European Economic Area agreement that lists dozens of EU regulations that apply within the region (Annex X of the agreement, binding under Article 74 of the EEA). Moreover, a number of EU Directives are explicitly excluded from the EEA, dealing with birds, habitats, shellfish waters, fresh waters needing protection or improvement in order to support fish life, and exchange of information on the quality of surface fresh water. Presumably the UK will need to establish its own policies in these areas — indeed, that might have been part of the appeal of Brexit to rural voters chafing under EU protections for habitat and water. If Britain adopts the Norwegian model, however, it remains very much subject to EU rules in a host of areas. If it wants something different, it will need to negotiate over the dozens of policy areas covered in Annex X to determine which ones will apply.

The Swiss relationship with the EU is more to the liking of Brexit advocates. The rules are complicated — so complex that there's serious concern that the system is unmanageable. There are now over 120 bilateral agreements between the EU and Switzerland. That should give some sense of the sheer number of things that will need to be negotiated after Brexit unless Britain simply adopts the Norwegian model, or areas where the British government will now have to set its own policy directions in the absence of an agreement. Negotiations between Switzerland and the EU are still underway dealing with the EU emissions trading system, the REACH directive on toxic chemicals, eco-labeling, and certification requirements for agricultural products. It's also worth mentioning that the entire fabric of Swiss/EU relations is in danger of unraveling because of anti-immigrant measures adopted by Switzerland — exactly the same kind of measures the Brexiteers want to adopt.

Of course, the environment is only one of many regulatory areas that will require negotiation — financial services, data sharing, aviation, maritime and fishing, taxation, and securities regulation are just a few that come to mind. Unless Britain accepts the kind of quasi-membership held by Norway, it seems plain that Brexit will create work for a vast number of lawyers for years to come. As they say, it's an ill-wind that blows nobody good.

