

BREXIT DRAFT WITHDRAWAL AGREEMENT

KEY EVENTS
& REACTION



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Timeline of events

14 November 2018

Following a five-hour cabinet meeting discussing the draft of the Withdrawal Agreement that was negotiated with the EU, Theresa May announced they had reached a 'collective' decision to press ahead with finalising the deal in Brussels (subject to a House of Commons majority).

European Council President Donald Tusk and EU chief Brexit negotiator Michel Barnier held a press conference. Tusk reiterated his view that Brexit is a 'lose-lose' situation and the negotiations only represent 'damage control'.

15 November 2018

- 7:32am Minister of State for Northern Ireland, Shailesh Vara, resigns.
- 8:53am Secretary of State for Exiting the European Union, Dominic Raab, resigns.
- 9:58am Secretary of State for Work & Pensions, Esther McVey, resigns.
- 10:20am Parliamentary Private Secretary to the Department for Education, Anne-Marie Trevelyan resigns.
- 10:22am Parliamentary Under Secretary of State at the Department for Exiting the European Union, Suella Braverman, resigns.
- 10:30am Theresa May makes a statement in the House of Commons on the draft withdrawal agreement followed by questions from MPs.
- 12:30pm Parliamentary Private Secretary to the Ministry of Justice, Ranil Jayawardena, resigns.
- 2:58pm Vice Chairman of the Conservative Party for Communities and Prime Ministerial Trade Envoy to Pakistan, Rehman Chishti, resigns.
- 5:00pm Prime minister Theresa May is due to hold a press conference.

19 November 2018

General Affairs Council (Article 50) meeting takes place in which EU-27 ministers convene to discuss the Draft Brexit Agreement and the mandate for the European Commission to finalise the Joint Political Declaration on future relations between the EU and the UK.

25 November 2018

An emergency EU summit will be held, where EU leaders are expected to sign-off on the withdrawal agreement and future relationship declaration.

1 December 2018

Contingency plans for a no-deal Brexit take place.

7 December 2018 (approx)

Theresa May attempts to get her Brexit agreement through the House of Commons, where a majority of MPs need to vote for the deal to be given the green light. If May does not get the vote passed, the Government has until the 21 January 2019 to put forward a new plan.



Timeline of events

11/12 December

The European Parliament will debate and scrutinise the Withdrawal Agreement and vote on a Resolution. This is separate from the vote to approve the Withdrawal Agreement.

21 January 2019

In the event that a Withdrawal agreement has not been reached with the European Union by this date, the Government is required under the European Union (Withdrawal) Act to make a statement within five days on how it intends to proceed. Possible outcomes include a) leaving without a deal, b) seeking an extension to the Article 50 process, c) holding a second referendum, d) a General Election.

January – February 2019

If the UK Parliament approves a Brexit deal, the Government will put forward a new piece of legislation: the EU (Withdrawal Agreement) Bill. This will pass into law some of Brexit's biggest issues, including the agreement on citizens' rights, the financial settlement and the details of the transition.

Early March 2019

If the Brexit deal is passed by the UK Parliament, the European Parliament will need to vote on the deal, closely followed by the European Council, which will need at least 20 countries representing at least 65% of the population of the EU to approve it.

29 March 2019

The UK leaves the EU, the transition period begins (scheduled to last until December 2020, but could be extended). The UK can now begin trade talks with the EU.

31 December 2020

The transition period is scheduled to end on this date, although that could be changed, given the suggestion made by Brussels that it be extended past 2020.

1 January 2021

If the UK has been unable to negotiate a trade deal with the EU that avoids a hard border in Northern Ireland and the transition period has not been extended, then the 'backstop' arrangement in the withdrawal agreement will come into effect.



Key points

The transition period

The transition period is in place to give the UK and EU time to negotiate a future trade agreement and is currently set to end on 31 December 2020. The main point to come out of the withdrawal agreement is that the UK, if it wishes to extend the period, could remain in a transition period indefinitely, with the document only saying it must end by '20XX'. However, UK officials have said that they will agree at a later date the exact limit to the transition period, with May previously indicating an extension of a couple of months.

Both the EU and UK have said they will endeavour to have a future trade agreement six months before the transition period ends on 31 December 2020.

It is important to note that during the transition period, the EU will continue to treat the UK as a Member State on all issues apart from participation in EU institutions and governance structures. This will mean that EU rules will still apply to the UK, but the UK will have no say in setting the rules and will continue to financially contribute to the EU budget.

Ultimately, the transition period is a mechanism used to allow time for a trade deal to be negotiated, but also to help businesses, citizens and administrations to adjust to new regulations.

Businesses will be encouraged by any possible extension, whereas Brexiteers will be concerned by the lack of a specific end date.

Northern Ireland and the backstop

A main issue the text attempts to deal with is the future of Northern Ireland, which has been a major barrier to negotiations. The 'backstop' is a safety net to ensure there is no hard border between Northern Ireland and Ireland. The backstop will come into force if no trade agreement has been made at the end of the transition period and will continue until another agreement 'becomes applicable'.

It will essentially implement a temporary customs union across the whole of the UK, including Northern Ireland. This will maintain a level of regulatory alignment on goods, ensuring that checks at the border do not need to take place. It will also extend existing rules under the Common Travel Area between Ireland and the UK, and the Single Electricity Market will remain across the island of Ireland.

The backstop contains commitments from the UK to respect rights under the Good Friday Agreement, but excludes arrangements for fishing and fishery products.

If the UK wanted to withdraw from the backstop, it must be jointly agreed between the UK and the EU through a Joint Committee. This decision has faced internal criticism from



Key points

Brexiters, who believe the backstop will keep the UK in a customs union and limit the ability to sign free-trade deals with non-EU countries.

Theresa May insists the backstop will not be necessary, as the UK and EU will agree alternative arrangements, but this must be done before July 2020, otherwise the transition period may need to be extended past December 2020.

Governance

The Withdrawal Agreement has established a joint UK-EU committee to govern its implementation, made up of 25 representatives in total. Continued cooperation is expected between the two parties on security issues areas such as the European Arrest Warrant and European Investigation Orders, and in cross-border proceedings.

An area of controversy is the continued role of the European Court of Justice (ECJ). In the case of a dispute that relates to EU law, the committee must go before the ECJ, who would have a role in interpreting EU law. The ECJ would also govern any customs and single market rules under the backstop agreement, if it is adopted.

To Brexiters wanting to 'take back control', the ongoing presence of the ECJ is unacceptable.

Citizens' rights

Citizens rights are a focus of the agreement, which seeks to 'protect the life choices' of both EU citizens in the UK, and UK nationals in the EU. Under the agreement, these individuals, as well as their family members, will be able to continue residing, working or studying as they do at the end of the transition period, for the rest of their lives.

The agreement also enables the family members who do not yet live in the same host state as the EU citizen or the UK national, to join them in the future. These individuals will have the right to the same treatment as host state nationals as set out by EU law.

Children will be protected by the agreement, whether they are born before or after the UK's withdrawal, or whether they are born inside or outside the host state where their parents reside, granted their parents are covered by the agreement. The Agreement does not prevent the UK or Member States from deciding to grant more generous rights in the future.

For UK and EU nationals seeking a new residence status, their host country must guarantee that the administrative procedure is 'smooth, transparent and simple' and that application forms are 'short, simple and user friendly'. To enable these applications to be processed, the UK will continue to take part in European Union IT systems sharing social security information, and will continue to pay 'related costs'.



Key points

The UK Government plans to introduce their own new skills-based immigration system which will probably resemble the Australian points-style immigration model. The Agreement marks the end of freedom of movement of people, however, both the UK and the EU have agreed that citizens will not need visas to travel between countries for tourism and temporary business activity.

Fishing

Fishing has proved to be a controversial issue in the Brexit debate and the Agreement shows that no progress has been made. The Agreement sets out that current rules will apply during the transition period, however, fisheries will not form part of the Single Customs Territory, an arrangement that will come into force if a new arrangement is not ready by the end of the transition period.

While the backstop customs arrangement is in place, British seafood exporters will not be allowed quota or tariff-free access to EU markets and EU vessels will not have access to UK fishing grounds. The EU and the UK will aim to reach an agreement for the 2021 fishing year.

Trade

Under the Agreement, the UK will remain a part of a de facto customs union until the end of December 2020. During this transition period, both the UK and the EU will work to ensure that a long-term trade deal is in place. If no trade agreement has been reached, the option of extending the transition is available, however, the Agreement makes it clear that the UK would have to pay for it. Many believe that Theresa May will not be able to secure a future trade deal with the EU before the December 2020 deadline, meaning the Government would have to rely on the 'backstop' for an extended period.

The 'backstop' implies that Northern Ireland would be in a deeper customs relationship with the EU than the rest of the UK and more closely tied to the EU single market, something the DUP has always opposed. Conservative MPs have said they would most likely reject any deal that would result in the UK being bound to the customs union, as it prevents the UK being able to make its own trade deals.

Financial

The Agreement grants London's financial centres only a basic level of access to the EU's financial markets under the equivalence framework. The equivalence framework is a legal concept that facilitates cross border trading between markets that choose to recognise each other's standards, however, the framework has comparable regulatory regimes as it only covers a limited range of market participation.



Key points

This would mean giving UK financial firms the same level of access as some US and Japanese companies, while at the same time legally binding UK companies to EU financial rules. The equivalence framework implies that the EU can withdraw access with a 30-day notice.

Many major banks fear that May's Brexit deal will undermine London's position as the leading international finance hub. This is because the equivalence rules cover only a quarter of all EU cross-border financial services business, limiting Britain's scope in the financial markets.

A number of banks in London are planning to relocate and open new EU hubs to avoid disruptions to cross-border services. Some have called the Agreement a 'sigh of relief' for European banks and industries fearing a no deal Brexit.

The Conservatives



The position of the Government is that the collective decision of the Cabinet is that the Government should agree the draft Withdrawal Agreement and the Outline Political Declaration meaning a deal will be finalised in the days ahead. The Government is committed to delivering on the vote in the Brexit referendum.



The Brexiteers

As can be seen from the resignations that have happened this is a group that are not supportive of the deal proposed in the slightest. In their resignation letters both [Dominic Raab](#) and [Esther McVey](#) mentioned the risk posed to the integrity of the United Kingdom and UKs future relationship with the Customs Union more generally. On Wednesday night, Jacob Rees-Mogg, Chair of the European Research Group [appeared on Peston](#) and he said the draft is worse than he thought it was going to be, he also said he feels the Prime Minister has broken her own promises.



The Remainers

Former Education Secretary, Justine Greening asked May whether there was any possibility of a second referendum. Ken Clarke asked whether free movement will continue until a final deal is agreed as most of the benefits of the EU come from having free movement. Nicky Morgan, who May sacked when she first took over as Prime Minister said that backing the deal is in the national interest.



Labour



In the House of Commons, Leader of the Labour Party, Jeremy Corbyn has said that the plan presented by May is a failure and does not meet the six tests the Party will apply to any Brexit deal proposed. The agreement published is too vague and does not set out enough detail and does not set out the direction the country will be going in. Shadow Brexit Secretary, Sir Keir Starmer [said](#) the Party will vote against the Brexit deal presented.



The Brexiteers

These MPs are some of the hardest to judge as there is a wide diversity of thought. Kate Hoey said that this is not the deal that people voted for. She feels the UK's negotiators have allowed the EU to take the lead in Brexit negotiations.



The Remainers

Many of these are using this as an opportunity to push for a second referendum, pushing the narrative that May will not be able to get this through Parliament. Chuka Umunna criticised Dominic Raab for resigning accusing him of leaving others to clean up a mess he pushed for. This group are largely having their work done for them at this point, what they are pushing for is being highlighted more and more by the lack of support given to May.



DUP, Lib Dems & SNP



The DUP have labelled the deal presented as a 'poor deal'. They feel the deal would create a constitutional divide between Northern Ireland and the UK. Above all else they are unionists and their main priority is to ensure the UK stays as it currently is. Leader of the Democratic Unionist Party, Arlene Foster [tweeted](#) that she met the Prime Minister and had a frank meeting where their position and concerns were raised. Westminster Leader of the DUP, Nigel Dodds said that May has broken her promises.



Leader of the Liberal Democrats, Vince Cable is using this as an opportunity to push for a 'people's vote'. Like the Labour remainers much of his job is being done for him at this point due to the lack of support for May. It is not the [position of the Labour Party](#) to push stop Brexit and it will be interesting to see whether more Lib Dems highlight this as the debate goes on.



The SNP Westminster Leader, Ian Blackford, pointed out that Scotland is not mentioned in the draft withdrawal agreement. They feel the Scotland is being treated with contempt in the Brexit negotiations and want the UK Government to show more respect to administrations in the devolved regions. Expect the line that Northern Ireland is staying in the customs union to be continuously repeated.



Top 10 Brexit influencers



Keep your finger on the pulse with our top 10 Brexit influencers on Twitter.

Allie Renison (@allierenison)



Allie Renison is Head of Europe and Trade Policy at the Institute of Directors. Her tweets provide insight into a key area of Brexit negotiations which has been a major political battleground: the UK's trading relationship with Europe and the rest of the world. Her clear-sighted analysis makes her an essential Twitter follow. As she recently pointed out, 'businesses are pretty weary of listening to politicians explain how disruption can be avoided when most of them have just learned about how trade actually works day to day for the first time'.

Jill Rutter (@jillongovt)



Programme Director at the Institute for Government, Jill Rutter leads on the thinktank's work on Brexit. She has been responsible for a number of publications examining the Brexit process and possible approaches for the UK's new relationship with the UK. She has described the talks so far as 'a masterclass in how not to run a negotiation', but suggested that May's final deal 'is probably better than other options' even though it will be a 'hard sell'.

Nick Gutteridge (@nick_gutteridge)



Now Brussels Correspondent for The Sun and previously working for the Daily Express in the same capacity, Nick Gutteridge uses Twitter to provide an inside track on Brexit-related goings on at the European Commission and Parliament. The final Withdrawal Agreement effectively confirmed a story that he broke earlier this month – The European Court of Justice will be the ultimate arbiter of EU law in the Withdrawal Agreement.



Top 10 Brexit influencers



Christopher Hope (@christopherhope)



The Daily Telegraph's Chief Political Correspondent Christopher Hope, who also hosts Chopper's Brexit Podcast, regularly provides valuable insight into Brexit-related goings-on, both in Government and on the backbenches. Guests on his podcast have recently included Defence Secretary Gavin Williamson, former Brexit Secretary David Davis, Shadow Brexit Secretary Sir Keir Starmer and Lib Dem leader Sir Vince Cable.

Tony Connelly (@tconnellyrte)



Europe Editor at Irish state broadcaster RTÉ, Tony Connelly's perspective on the Brexit negotiations has been essential given the centrality of the Irish border issue to the negotiations. He was responsible for breaking the details of the Withdrawal Agreement earlier this week before it had been published, cementing his reputation as someone to follow for well-informed news and analysis on Brexit.

David Allen Green (@davidallengreen)



Lawyer, legal blogger and Financial Times Contributing Editor, David Allen Green, perhaps just as well-known under his pseudonym Jack of Kent, has been providing Brexit commentary since the referendum. Given that the process has involved finding a legal solution to a series of political problems, his views have been invaluable. Writing in the FT yesterday, he warned that if MPs voted against the agreement, UK, EU and international law would see the UK automatically leave the EU without an agreement with 'catastrophic consequences'.

Jonathan Isaby (@isaby)



Jonathan Isaby, the Editor of BrexitCentral and former Chief Executive of the TaxPayers' Alliance, is a key figure for understanding the Eurosceptic element of the Conservative Party. His website has quickly become the definitive hub for pro-Brexit thinking, hosting pieces by MPs, MEPs, and other high-profile Brexiteers. His political connections ensure that he's the go-to person for the inside track on what Brexiteers are thinking.

Top 10 Brexit influencers

Henry Newman (@henrynewman)



Henry Newman is the Director of the thinktank Open Europe, which regularly produces must-read research and analysis examining some of the key issues in the Brexit debate, from the backstop to the consequences of a no-deal Brexit. He is also a regular columnist for ConservativeHome. Writing for The Times this morning, he argued that while the agreement was 'far from a triumph', the 'important question' was whether 'there is a better alternative at this stage'.

Charles Grant (@cer_grant)



If you want to understand more about the attitudes of those involved in the Brexit process, you ought to be following Charles Grant, the well-connected Director of the Centre for European Reform. In the last few days he has revealed that ministers are 'confident' that they could win a vote in Parliament on May's deal, and that he thought that should Parliament vote it down the EU would then 'be open to ways of avoiding the no-deal cliff-edge', despite its current 'take it or leave it' stance.

Sam Lowe (@samuelmarclowe)



Sam Lowe, now at the Centre for European Reform but previously working for Greenpeace, is a must-follow on Twitter if you want to deepen your knowledge of trade policy – sure to be a vital issue even after the Withdrawal Agreement is concluded given its centrality to the form of the future relationship. Theresa May will probably welcome his verdict on her deal: 'All things considered, this withdrawal agreement probably the best the UK could have hoped for'.



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