

# Is the Customs Union (or Partnership) option about to be shunted into the siding?

The government has been going round in circles with its Brexit proposals and getting nowhere. We have been saying so on this website for well over a year, but a growing chorus of voices is saying the same thing. Lord Kerslake, the former head of the Civil Service, has called the Government's plans "undeliverable" while Michel Barnier has poured scorn on Mrs May's hopes of breaking the Deadlock in her cabinet, which has been divided into two in order to consider two equally unworkable options – the customs partnership or the alternative "maximum facilitation" model, which relies on as yet untried computer technology. He pointed out that neither would be acceptable to Brussels.

Is it too much to hope that the idea of a customs union or customs partnership is slowly being abandoned? In this article for Cap X, William Davison could not be clearer:- **"A new customs union will not resolve the Irish border issue."** He quotes Richard North, who has provided ample evidence to show that it does not create frictionless trade. The customs union, he correctly states, is a key building block of European integration. There really is no point in pursuing any sort of customs union or partnership if we want to leave the EU. A recent ICM poll, discussed in the *Guardian*, shows that the general public is more on the ball than Mrs May's government. Leaving the customs union is the most popular Brexit option. It is encouraging that, in the current climate where most people are utterly fed up with Brexit, that there remains at least some appreciation of what Brexit must mean among the general public.

So this leaves us with two options – leaving with no deal or

the EEA/EFTA route. The Davison article mentioned above does say that the Single Market is also a “building block of European Integration”, but this doesn’t mean that re-joining EFTA would be a covert back door returning us into the EU. It is a shame that the Davison article, after debunking the Customs Union option so thoroughly, fails to do justice to the freedom which we would enjoy as an EFTA member – accessing the single market but free from the EU’s programme of ever-closer union. Dr Richard North explains very clearly in this piece that accessing the single market via the EEA Agreement is a much better option than is widely believed. He debunks an article in Brexit Central by Hjörtur J. Guðmundsson which claims that “this arrangement was originally designed by Brussels to prepare countries for becoming part of the EU”.

Not so, says Dr North. “What became the EEA originated from an initiative taken by the EFTA member states.” He then gives the reader a thorough history lesson, which is well worth reading through, as is his previous post on “EEA Myths”, where he explains that if we used the EFTA route, we would not end up replicating Norway, Iceland or Liechtenstein but would use the flexibility within the EEA agreement to carve out our own relationship with the EU.

Whether or not this sounds appealing, few could disagree that it is vastly better than the current transitional arrangements. What is more, it looks like being the only Brexit solution which will be acceptable to Parliament. On the one side, the Lords continue to behave mischievously while on the other, a number of MPs including cabinet colleagues have lined up against any sort of customs partnership.

The only other alternative is to walk away and rely on so-called “WTO rules”. Although advocated by a number of leave-supporting MPs it would be fraught with problems. This piece offers a lengthy but readable analysis of what life would be like without any agreement:- disruption for goods crossing borders, major issues with air traffic, no nuclear

safeguarding framework, mutual recognition issues and so on. Especially given the ticking clock – less than ten months remain before Brexit Day, there is no time to address these issues and make bilateral deals to avoid utter chaos.

We have been saying for some time that it will need a crisis to provoke a change of direction from Mrs May. It has yet to break, as latest reports still talk of Mrs May not only pursuing a customs union or partnership for the transitional period, but even extending it for several years. Even so, this unworkable customs union/partnership option is now being openly assailed on all fronts, so there is some hope that, amidst all the muddle, the tectonic plates are slowly shifting.