Michel Barnier's recent speech – some salient points

Either Michel Barnier, the chief EU negotiator for Brexit, is off his head or there are fundamental misconceptions being held by our government's Brexiteer Big Beasts. The following is a summary of the most salient points apparently made by Mr Barnier speaking 'frankly and sincerely' about Brexit recently in Brussels to the European Economic and Social Committee. A more detailed analysis is provided on EUreferendum.com, *Brexit: Barnier – "that is not possible"*.

Point 1 – on being outside the Single Market and Customs Union

"There will be no business as usual. The UK will become a third country at the end of March 2019".

Point 2 – on the UK cherry-picking (through negotiations)

"There can be no sector by sector participation in the single market: you cannot leave the single market and then opt-in to those sectors. You cannot be half-in and half-out of the single market"

Point 3 – on being able to 'influence' the EU from the outside

"The EU must maintain full sovereignty for deciding regulations: the EU is not only a big marketplace. It is also an economic and social community where we adopt common standards. All third countries must respect our autonomy to set rules and standards. And I say this at the moment when the UK has decided to leave this community and become a third country."

Point 4 – on the British Side being out of touch with the reality of the EU

“I am not sure whether they have been fully understood across the Channel”. “I have heard some people in the UK argue that one can leave the single market and build a custom union to achieve ‘frictionless trade’, ……that is not possible”.

Point 5 – on the status of UK having left the EU – comprehensive free trade agreement (even if agreed before then doesn’t change this status)

“Whatever the outcome of the negotiations, at midnight on 29 March 2019, the United Kingdom will at the present stage be a third State, which will therefore not have the same facilities and rights as a State Member of the European Union. It’s its choice. Not ours”.

Point 6 – on trading from the outside being more difficult (e.g. customs duties and non-tariff barriers exist)

“A trade relationship with a country that does not belong to the European Union obviously involves frictions”.

Point 7 – on no deal (trading under World Trade Organisation Rules) being a practical non-starter

“I therefore want to be very clear …to my mind there is no reasonable justification for the ‘no deal’ scenario. There is no sense in making the consequences of Brexit even worse”.

Point 8 – on cutting losses arising from the new relationship between the UK and EU

“Business should assess, with lucidity, the negative consequences of the UK’s choice on trade and investment. And prepare to manage them”.

To conclude

Mr Barnier has a conception of Brexit negotiations that is not shared (publically at least) by our government. The main takeway from M. Barnier’s speech (and assessment) is that he

feels the UK is unprepared for Brexit or even to negotiate realistically based on the reality of dealing with the EU. A comprehensive free trade agreement finalised within two years isn’t going to happen, he claims, and would not solve all problems of seamless access to the Single Market. And it will not be all right in the end unless the UK’s Brexit negotiators understand what is actually involved.

Photo by EPP Group in the CoR