

## **If the EU will not negotiate...**

The Prime Minister has made an offer to the EU to get talks started to allow us to leave with their blessing on October 31. The EU has responded in their time honoured way by rubbishing any feature of the proposal that is better for the UK than the unacceptable Withdrawal Agreement which perished in Parliament and got under 9% support in the Last European elections. It is most important now that the UK does not do what it always did under Mrs May and make further concessions. The EU has found it all too easy to refuse to budge and watch as the UK negotiates with itself and against itself.

I voted for Boris Johnson as leader because he promised to take us out by 31 October, and he confirmed the Withdrawal Agreement was dead. He must learn from the bitter experiences of Mr Cameron and Mrs May that the EU does usually overplay its hand and radicalises many UK voters against it by its conduct.

Mr Cameron asked for too little in his attempted renegotiation and was offered even less as a result. That led directly to the referendum defeat, as he did not even secure the return of UK control over benefits when we had often be assured by UK governments that social security remained under our control.

Mrs May always refused to dig in or to cease making concessions. Every time the EU dug in she gave more ground. The result was a disastrous Withdrawal Treaty which united Leave and Remain in opposition to it.

The present PM needs to tell the EU that his Irish border proposals to get talks going are neither an invitation to assume the text of the rest of the Withdrawal treaty is fine, nor an invitation to get rid of all the best bits of the border fix from the UK point of view in subsequent one sided compromises.. The press when the PM launched the ideas said it was take it or leave it. To change that approach now would be seen as weakness in Brussels.

The best way forward now is to offer a Free Trade Agreement and no Withdrawal Agreement.

---

## **Save our fish and fishing industry**

It was thoughtless of the Dutch to arrive in our waters with their huge factory ship the Margiris so close to the PM's leaving date from the EU, as if to Hoover up as much of our fish as possible before we leave.

This vessel can catch and process 250 tonnes a day. It was barred from Australia owing to its size and possible impact on their fishing ground. The

ship and its nets are designed, we are told, to target pelagic species. The ship is guided by radar to the shoals, and we are assured the nets do not scrape the bottom damaging the sea bed. We are also told this vessel was fishing entirely legally under the rules of the EU's Common Fishery Policy.

Other large factory ships with nets that do drag the bottom can do grave damage to the sea bed and the marine environment. These vessels can catch a lot of fish very quickly and may sometimes catch species of fish in low supply which we want to be left to allow recovery of stocks.

The practice of dragging heavy and strong nets across the sea, especially if close to the sea bed, can drag up many species you do not want to catch at the same time as the ones you wish to attract. If the net size is too small it can catch and kill young fish. The net can damage the sea bed and general environment if lowered too far.

Once we have left the EU we will be able to set our own standards for net size, size of vessel, and impact of fishing style on the marine environment. It is another great argument for just leaving on 31 October and for not making our fish any part of continuing negotiations over our future trade relationship. Mrs May's unpopular Withdrawal Agreement left our fish at risk.

---

## Noise from planes

On Monday during the Manchester conference I talked again to the management of Heathrow airport concerning aviation noise over the Wokingham constituency.

They told me of the progress they are making with encouraging quieter jets and better flying techniques and operating practices to try to control noise, in line with suggestions I have advanced before in discussion with them.

They also gave me the bad news that there is a further delay in reconsidering the current routes over the constituency, where changes were imposed without consultation but are now subject to extensive consultation to try to amend them.

They agree that people need respite from aircraft noise, and accept that noise is particularly bad when they are operating in easterly winds. They will call for more evidence from local people as they approach making more changes. In the meantime I think it most important people adversely affected by noise should always use the Noise complaint line for Heathrow to remind them of the continuing dislike of what they have done.

---

# EU trade policy ends up with new tariffs on Scotch whisky

The World Trade Organisation is a body designed to lower tariffs and enforce the common global rules on trade to the benefit of consumers. It is a blow when after long and careful deliberation and investigation it feels it has to make a judgement which entails another country imposing tariffs on a trading counterparty. That is what happened this week thanks to the behaviour of Airbus and the EU.

The WTO found that Airbus had received subsidies that broke the rules of fair trade, which in turn had cost Boeing sales of planes. They therefore have allowed the USA to impose tariffs on goods up to a value of \$7.5bn which reflects their calculation of the amount of sales damage done to the US company. The USA has decided to impose a 10% tariff on Airbus planes, which will hit future sales. The UK makes the wings for these products.

The USA has also chosen some high profile food and drink products from EU countries for a 25% tariff. This includes Scotch whisky, which is particularly unwelcome. It is a reminder that the EU which makes us impose high tariffs on food and drink from non EU parts of the world can through its wider policies end up costing us exports in these same areas as countries impose retaliatory tariffs.

None of this is helpful at a time of manufacturing downturn. There is already an intense tariff based trade spat between the USA and China. The refusal of the EU to lower its high 10% tariff against non EU cars is also a continuing sore with the USA which charges only one quarter of that level on EU cars. The danger is this WTO judgement will take us closer to a broad based trade war between the USA and the EU, just as we have seen develop with the USA and China.

---

## The EU response to the offer

The three features I like most about the UK proposals are

1. The whole UK leaves the Customs Union
2. Great Britain leaves the single market
3. Northern Ireland leaves the single market unless Stormont meets to vote to stay in

This is in accord with what both sides said in the referendum, that leaving the EU means leaving the single market and customs union at the same time.

It turns out these are the three key features of the proposals which the EU dislikes and now wishes to remove or water down.

The Prime Minister was right to say this offer represented still more UK concessions on other things and they should not expect more concessions . I recommend stressing the free trade offer within the letter, which could change the nature of the discussions, given the problems with the draft Withdrawal Agreement and costly and cumbersome so called transition period. .