

Theresa May concedes it will take years to conclude a trade agreement with the EU – Paul Blomfield

In an interview this morning with Sky News, Theresa May said she hoped Britain will have been able to “look at” the future trade deal with the EU by the time Britain formally leaves the EU in March 2019.

“[L]et’s look at the whole question of the where we end up at the end of this negotiation. Have we looked, will we have looked at both withdrawal and the future relationship, that’s what’s important ... That’s what I’m asking for and that’s what I believe increasingly we will see.”

Theresa May, Sky News, 4 April 2017

She also conceded, for the first time, that the UK will have to sign the future trade deal with the EU as a third country. Given that the deal will be a ‘mixed agreement’, it will need to be ratified unanimously by all member states.

FI: Can you clarify that you accept what the European Council suggested which is that the final deal will be done as a third country status under a unanimous vote with everyone having a veto?

TM: There’s obviously a legal situation in terms of how the European Union can conduct trade negotiations.
Theresa May, Sky News, 4 April 2017

This is a significant retreat from what she and the Brexit secretary have previously said – in effect that Britain will be able to negotiate and finalise a new free trade agreement alongside the exit agreement by the end of the two year period. They have until now been adamant that any transitional period would be purely for “implementation” and “adjustment” of systems, rather than for negotiation of the terms of the future trade deal.

**Responding,
Labour’s shadow Brexit minister Paul Blomfield said:**

“It is less than a week since the Prime Minister triggered Article 50, and it seems every day brings another broken promise from the Government. First they said

immigration may go up after Brexit. Now they are backpedalling on trade deals.

“We will hold the Government to account on the pledges made to the British people during the referendum campaign and since. They promised a comprehensive free trade agreement with the EU giving the “exact same benefits” we have now. They said it would be ready for the day we leave, along with new trade deals with other countries.

“Now, as they face reality, they are trying to downplay expectations. They need to spell out the transitional deal that will be in place, to stop the economy falling off a cliff edge without new agreements in two years time.”