

Why the Withdrawal Agreement is bad for the UK

I have been asked to spell out more details on the features of the WA other than the Irish backstop which make it a bad deal.

The first point is it contradicts the Conservative Manifesto and 2017 government policy of negotiating the Withdrawal issues and the future partnership together. You must stick to this to get leverage from concessions made on Withdrawal to benefits in the future partnership. Nothing should be agreed until everything is agreed. It is why we have got a bad Withdrawal Agreement, and are being set up to get a bad future partnership as well.

The second is the provision to pay them very large sums of money, stretching for many years into the future. No sensible person would sign an agreement which allows one side to send bill after bill for years after we have left, claiming we owe them money under many general heads set out in the Withdrawal Agreement. The Treasury estimate of £39bn is likely to be far too low. Some of the future liabilities stretch forward a hundred years, relating to payments to people not yet born who might come here before the end of the transition period. Paying to belong until 2020 opens up more future commitments under the 2019-20 budget, with liabilities until 2028. The settlement on the European Investment Bank is mean to the UK. Every conceivable future liability for the EU is recorded with as much liability as possible attaching to the UK under various clauses.

The third is the institutional architecture for the Agreement. Until we do leave the UK faces the full panoply of existing and additional EU law enforced by the EU's own court. The UK in transition will have no veto over big new advances in EU controls, and no ability to form qualified minority blocking groups to stop an unfavourable law passing under qualified majority provisions. The EU would be at liberty to legislate in ways that harmed our economic interests and helped theirs and we would have to comply. We would even not be able to prevent the imposition of new taxes on us.

Disputes over the money or over the laws fall to be resolved by a joint committee. In the event of there being no resolution, an independent Arbitration panel decides the matter. However, if at issue is the interpretation of EU law – which is likely in most cases – that is settled by the European Court of Justice who instruct the Arbitration Panel what to say! Who ever thought the UK should accept such a one sided arrangement?

The fourth is the State Aids provisions and applicability of Competition law. This will give the EU the right to authorise state aids to attract business away from the UK, with the right to block us doing the same back.

The fifth is the continuing influence the EU will have over our welfare and benefits system.

There are many other features of this Agreement which are one sided, as it is a thorough piece of work by the EU determined to take as much of our money as possible for as long as possible, and keen to keep as much legal control over us as possible.

The Agreement does not even live up to its name and billing. It is meant to just be about the past and so called withdrawal costs and issues, yet a big chunk of it including the Irish backstop, protected trade names and other issues is about the future trading arrangements and partnership. The UK negotiators should have pointed this out and insisted on dealing with all the future issues at the same time, as the government promised to do in 2016-17.