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## **MAY CAVES IN TO BREXITEER DEMANDS, RISKING 'NO DEAL'**

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British prime minister Theresa May will face yet another rebellion on Tuesday (17 July) in parliament, this time from her pro-EU Conservative MPs who are upset that the premier caved into hardline Brexiteer demands on Monday, increasing the chances for a no-deal divorce from the EU.

Remainer Conservative MPs will try to soften the UK's Brexit policy with their own amendments to a key piece of Brexit legislation, the customs bill.

On Monday, May gave in to Tory hardliners by accepting four amendments to the bill, underpinned by her Brexit white paper, intended to toughen up her negotiating stance.

May now faces rebellion from the pro-EU flank of her Conservative party, who are outraged by her caving in to these harder Brexiteer demands. On Monday, May managed to narrowly win by three votes, relying on the votes of some anti-EU Labour MPs.

May's decision not to fight the amendments to her Brexit plan (only agreed at Chequers just over a week ago), tabled by hardline eurosceptic Tories, caused her the departure of yet another government member, as defence minister Guto Bebb resigned in protest at the concessions to hardline Brexiteers.

Since the Chequers agreement, May had lost ten government members, including from the cabinet Brexit secretary David Davis and foreign minister Boris Johnson.

One of the amendments practically says that the UK should not be collecting tariffs for Brussels unless the EU does the same for Britain, one of the key ideas in May's original Brexit white paper that was designed to keep the Irish border invisible.

The hardline amendments also foresee the UK having a different VAT system from the EU, and would make any special arrangements for Northern Ireland illegal by excluding the establishment of a customs border in the Irish sea.

These make it extremely difficult for the UK to negotiate a viable solution for avoiding a hard border on the island of Ireland, where the EU's new external border should be after Brexit, and to which May committed to keeping it open.

The EU has been urging since last December for the UK to agree to a so-called 'backstop solution' on Ireland that would see Northern Ireland retain parts of the customs union and the single market

necessary to keep the border invisible until a more permanent solution is found.

### **Early summer holiday**

To dispel the Tory infighting on Tuesday, May is expected to ask MPs to vote to start the parliament's summer recess on Thursday, five days before the expected end to the political season.

The hardliner amendments of several dozen MPs from the European Research Group led by Jacob Rees-Mogg, basically kill off all of May's proposals in the white paper that intended to create workable solutions for both the UK and the EU.

The prime minister's office defended the government's decision, saying that it was still consistent with the previous government policy.

Remainer conservative MPs warned that the Brexit plan amended by hardliners increase the likelihood of a no-deal divorce, and that prospect is becoming more tangible in Brussels as well.

EU affairs ministers will soon have their first chance to discuss the UK's white paper, the UK's policy on its relationship with the EU after Brexit, and how they would tackle key issues, such as trade between the EU and UK.

Negotiations in the meantime are ongoing in Brussels this week. The new UK Brexit secretary Dominic Raab will meet the EU'S chief negotiator Michel Barnier on Thursday (19 July).

The commission has already put together a task force to prepare the member states for the consequences for a possible no deal.

EU leaders urged preparedness for a possible no deal when they agreed at their summit last month to "step up their work on preparedness at all levels and for all outcomes".

The aim was to have a deal on the withdrawal agreement by October to give enough time for ratifications in the British and European parliaments.

That deadline seems more and more elusive as British premier Theresa May is entangled in an ever-deepening leadership crisis.

Under the Article 50 withdrawal procedure, the UK has the right to ask for an extension of the talks, but the EU-27 unanimously need to agree to continue the negotiations.

One EU official said the extension could be given if member states see UK negotiators committed to hammering out a deal day and night.

Another EU official pointed out that a longer than few months extension could be problematic as European elections are scheduled for next May and member states would be reluctant to push the issue onto a new European Parliament and new European Commission.