



British Prime Minister Theresa May's white paper did not move EU opinion on Brexit | Sean Gallup/Getty Images

On Brexit, it's back to the future (relationship)

For EU officials focused on the UK divorce treaty, Theresa May's white paper looks too far ahead.

By **DAVID M. HERSZENHORN** | 7/19/18, 7:30 PM CET | Updated 7/20/18, 9:15 AM CET

Theresa May's Brexit white paper has come at great political cost. But the response from Brussels will be the same as it always is ... No.

Brussels officials said the white paper left them feeling as if they are in a time warp — with Britain pressing for demands regarding its future relationship with the bloc while the EU mainly wants here-and-now concessions, especially on Ireland.

EU officials have yet to issue an official reaction to the white paper, which calls for an “association agreement” that would establish a “free-trade area” for goods, a looser

arrangement for cooperating on financial services, a security partnership and continued membership for the U.K. in many EU agencies.

But privately, many EU officials and diplomats have disparaged the document as yet another example of Britain trying to “cherry-pick” EU benefits by carving up the single market and dividing the four freedoms, in particular by refusing to accept the free movement of workers.

Still, EU officials have been reluctant to criticize the document for fear of adding to the ongoing chaos in British politics, or even potentially toppling May’s government. May’s push for the plan in the white paper was followed by a series of votes in the House of Commons, which she survived by razor-thin margins.

“From the EU’s perspective, the white paper starts out with some fundamentally flawed premises.

“We are wondering if the white paper was overtaken by events — or undertaken,” said one EU diplomat, adding that the bloc had mostly adopted a wait-and-see approach given the tumult in London. A clearer indication of the EU’s view of the white paper is expected when the bloc’s chief negotiator, Michel Barnier, holds a news conference Friday, after reporting on the status of talks to the General Affairs Council, made up of high-level national ministers working on Brexit.

Just bringing the white paper forward as the U.K.’s official position came at a high political cost for May. Viewed by Brexiteers as endorsing an overly soft exit, the white paper led to the embarrassing resignation of senior Cabinet members David Davis and Boris Johnson, and even seemed to put May’s government at renewed risk of collapse.



ALSO ON POLITICO

Theresa May’s ‘frail grip’ on Brexit

GABRIELA GALINDO



ALSO ON POLITICO

How Theresa May could stumble off the Brexit cliff

TOM MCTAGUE

But for all the effort and political capital expended by No. 10, the white paper has found little audience in Brussels, where officials are more interested in persuading the British side to accept a proposed backstop plan for the Irish border, which they view as essential to finalizing a withdrawal treaty that will guarantee an orderly departure for the U.K. by March 29, 2019.



Boris Johnson resigned as foreign secretary following the white paper's release | Matt Cardy/Getty Images

May has called the EU's backstop proposal unacceptable and insists a new customs arrangement — as called for in the white paper — would solve the border problem.

Cake, anyone?

More than two years after the Brexit referendum, and more than a year after the start of negotiations, the Brussels side views the white paper as 98 more pages of the U.K. demanding to have its cake and eat it. And, from the EU's perspective, it starts out with some fundamentally flawed premises.

“The U.K. recognizes that the single market is built on a balance of rights and obligations, and that the U.K. cannot have all the benefits of membership of the single market without its obligations,” the white paper declares in its very first chapter. “The U.K.'s proposal therefore establishes a new framework that holds rights and obligations in a fair but different balance,” the paper continues, adding: “This would be to the economic advantage of both the U.K. and the EU.”

But in Brussels it is the European Union as a whole that is seen as built on a “balance of rights and obligations,” what European Commission Secretary-General Martin Selmayr — among the EU's fiercest champions — often calls a “voluntary union, based on the belief that sharing sovereignty brings immense benefits.”

The single market, which the white paper seeks to divide, is one of those immense benefits. From the very start, the European Council has made clear that if the U.K. no longer wants to share sovereignty, it loses those benefits. As Brussels sees it, the white paper wrongly applies the concept of a balance of rights and responsibilities to the single market rather than the EU — to the economic arrangement, not the political project.

The EU's official line is that negotiators are combing through the document looking for aspects they can incorporate into the withdrawal treaty or into the accompanying political declaration. EU negotiators have already told the Brits, in negotiating sessions this week, that they have many questions.

One EU diplomat, asked Thursday if he was glad to see the white paper published in all of the EU's different languages, replied tartly: "To be honest, I haven't read the translation yet. My English might not be perfect, but the questions that I have are not related to language but to substance."

“Our challenge will be to find common ground between the fundamental principles that define the EU and the U.K. positions” — *Michel Barnier, chief EU Brexit negotiator*

In one sign of the EU's growing concern about the status of the negotiations, the European Commission on Thursday unveiled a new 18-page preparedness document detailing its readiness for a no-deal scenario.

“We are working very hard for having a withdrawal agreement with the United Kingdom,” Commission spokeswoman Mina Andreeva said, brushing aside a question about whether the EU would be willing to extend the deadline of March 29, 2019 by which the U.K. must leave. She noted that such an extension could only be granted by the unanimous agreement of the EU27 and that such a scenario was not a focus for the Commission.

Raab's debut

Privately, EU officials and diplomats said they still cannot fathom, on a practical level, how the customs arrangement proposed by the U.K. would work, and said it seems extremely similar to a proposal put forward by the U.K. nearly a year ago that Brussels rejected outright.

Officials and diplomats also complained that the U.K. is still refusing to accept that the EU will not — and, in their view, legally cannot — make any concrete commitments

regarding the future relationship until after the U.K. exits. Only then, according to the EU treaties, can a new set of negotiations begin.

EU diplomats, however, said that criticizing the white paper would serve little purpose other than to embolden May's critics and potentially increase the chances of talks breaking down. In addition, Barnier met the U.K.'s new Brexit Secretary Dominic Raab officially for the first time on Thursday afternoon, and officials said they did not want to poison the atmosphere.

Welcoming Raab to the Commission headquarters, Barnier stressed that there are only 13 weeks left until an October EU leaders' summit, where officials had hoped to win approval for the completed withdrawal treaty.



Dominic Raab replaced David Davis as Brexit secretary following the latter's resignation | Tolga Akmen/AFP via Getty Images

“On the withdrawal agreement it is a matter of urgency to agree on a legally operative backstop for Ireland and Northern Ireland,” Barnier said. “We need an all-weather insurance policy.” He also stressed that the EU is open to a strong future partnership but hinted that the bloc's red lines have not changed.

“On the future relationship, the EU proposed in March an unprecedented partnership,” Barnier said. “Not only on economics and trade, where we want an ambitious free-trade agreement that respects the integrity of the single market, but also on internal and

external security, where a close partnership between us is more important than ever given the geopolitical context.”

He added, “Our challenge will be to find common ground between the fundamental principles that define the EU and the U.K. positions.”

Raab, making his first public appearance in Brussels in his new post, said it is “vital that we also make progress on the establishment of a framework for our future partnership; I come out today to discuss the detailed proposals that we have got in our white paper.

“I am looking forward to, with renewed energy, vigor and vim, looking at the detail of all of this.”

Stealing one of Barnier’s favorite lines, though one the Frenchman didn’t use Thursday, Raab added: “As Michel has told us, the clock is ticking, so I am looking forward to intensifying, heating up the negotiations, and making sure we are in the best position to get the best deal.”

One EU official said the white paper is clearly demanding that the EU27 redraw its red lines, which have not changed since the start of the negotiations. “The indivisibility of the four freedoms, integrity of the single market — our principles and values, remain exactly the same,” the official said. “We will look at what is workable within that context.”

Florian Eder contributed reporting.

Read this next: Theresa May’s Brexit chief awarded more than £15,000 bonus