

EUROPE

# Brexit Deal Hangs in Balance as Deadline Looms

Diplomats say no breakthrough reached; talks set to continue ahead of summit



British Prime Minister Boris Johnson PHOTO: ALASTAIR GRANT/AGENCE FRANCE-PRESSE/GETTY IMAGES

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British Prime Minister Boris Johnson heads into the most important week of his leadership as an elusive Brexit deal hangs in the balance.

European Union and British negotiators, facing a deadline this week to reach a deal, spent the weekend trying to find an agreement that would ease the U.K. out of the bloc.

However, diplomats said Sunday evening there had been no breakthrough. They said even the outline of a deal looked difficult to clinch given the gap between the sides and the complexity of the issues. Any agreement must satisfy EU governments and Britain's deeply divided Parliament.

The talks will continue Monday. "A lot of work remains to be done," the EU said in a statement after the bloc's chief negotiator Michel Barnier briefed EU diplomats.

The message was echoed in London where Mr. Johnson told his cabinet that “a pathway to a deal could be seen” but there is still “a significant amount of work to get there,” according to a spokesman.



## Brexit Negotiations Enter Pivotal Week as Deadline Looms



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The talks, which intensified late last week

after the U.K. put forward new proposals, are targeted to conclude at a summit Thursday in Brussels between Mr. Johnson and leaders of the other 27 EU countries.

One diplomat said aspects of the U.K.’s proposals to address the key sticking point—how to avoid a physical border on the island of Ireland—still needed to be clarified and that the U.K.’s ideas could involve a major overhaul of the legal text of the divorce agreement that couldn’t be done in a few days.

“No breakthrough yet. But the good news is intensive talks are continuing,” said another EU diplomat.

Any deal must also pass the British Parliament. The reality of the Brexit negotiations so far has been that any deal that is acceptable to the EU has struggled to gain majority support in Parliament.

“If you squint hard enough you can see a deal,” says Mujtaba Rahman, Europe director of the Eurasia consulting firm. “The challenge is going to be the domestic politics in Britain.”

If a deal with the EU is agreed, Britain would enter a period of 14 months where relations with the EU are maintained while a new trade deal is negotiated, although that could be extended for a year.

If no deal is reached by Oct. 19, then a law passed by the British Parliament forces the government to request an extension to the negotiations. In that case, Thursday’s summit discussions would likely focus on conditions, if any, under which the bloc would grant an extension to delay Brexit, already twice delayed, a third time beyond the current Oct. 31 deadline.

European Commission President Jean-Claude Juncker said this weekend that he would “consider it unhistoric” not to give the U.K. more time, if the government asked for it.

Meanwhile, a frenzied week is expected in British politics. Parliament resumes Monday after a short recess with the ceremony of a state opening of Parliament by Queen Elizabeth, where she will lay out the government’s agenda. Given Mr. Johnson’s Conservative Party is in a minority, the agenda would be more of a wish-list and an election manifesto than a real legislative program.

On Oct. 19, Parliament will sit on a Saturday for only the fourth time since 1939. Depending on what happens in between, lawmakers will be rushing to consider a Brexit deal or holding discussions about a Brexit extension and what to do then.

After Mr. Johnson returns from Brussels, there is expected to be a vote on the government’s new legislative agenda. Mr. Johnson’s Conservative Party is expected to lose that vote. That opens the path for a confidence vote in the government, which could lead to an election scheduled for late November or early December. Pro-EU lawmakers could force any deal to be subject to another Brexit referendum.

Government officials say they will respect the law requiring an extension to Brexit talks if no deal is found by Oct.19. But Mr. Johnson has repeatedly said he won’t ask for such an extension. Face-saving alternatives are being discussed. One minister suggested that the U.K. government could send a letter to Brussels asking for an extension, while also sending another letter urging EU countries not to grant one.

On Oct. 21, if the government hasn’t made a request, Scotland’s top court is due to hear a case by pro-EU campaigners who say the court itself should request an extension if Mr. Johnson hasn’t.

If a deal has been agreed, Mr. Johnson will need to get lawmakers to back it. Parliament rejected three times the deal negotiated by Mr. Johnson’s predecessor, Theresa May.

A cluster of British euroskeptic lawmakers fears a gradual transition out of the EU would prevent the U.K. quickly signing trade deals and setting its own rules. The ruling Conservative Party’s political allies, the Northern Irish Democratic Unionist Party, meanwhile are against their province operating under different rules than the rest of the U.K.

At the heart of the latest British proposal is a push for some kind of customs partnership which would leave Northern Ireland in the U.K. customs union but with rights and obligations enjoyed by members of the EU’s customs union. That includes carrying out regulatory and some customs checks between Great Britain and Northern Ireland. However this system could be complicated

to operate and the EU fears such a dual customs system could pose threats to the integrity of its single market and would take more time than is available for the U.K. to fully detail.

Lawmakers say they are waiting for the details of any agreement to pass judgment, but only a small defection could sink the deal because Mr. Johnson's Conservative Party is in a minority in Parliament. Much depends on Mr. Johnson's personal ability to sway those lawmakers behind an agreement.

The reverberations of yet another Brexit impasse are unclear. The most obvious way out of the deadlock is for lawmakers in Britain to trigger one of the most crucial elections in the country's recent history, pitting a Labour Party led by left-wing Socialist Jeremy Corbyn that pledges to hold another Brexit referendum, against a Conservative Party that wants out of the EU at all costs. Mr. Johnson's Conservatives currently lead in the polls. Opposition lawmakers could also band together to form a temporary government to call for another Brexit referendum directly.

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