Brexit negotiations and the UK-EU future relationship

Mostafa Magdy Refaei

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BREXIT NEGOTIATIONS AND THE UK-EU FUTURE RELATIONSHIP

A Masters Project Submitted
in partial fulfillment of the requirements for Global Affairs

By

Mostafa Refaei

December 2018
Foreword

I would like to thank my supervisor, my parents, my wife and all my professors at the American University in Cairo who are the real reason behind any success I have achieved.

I would like also to express my highest gratitude to my supervisor, Prof. Ibrahim Awad whose knowledge, support and patience have helped me write this paper. I have learned many things from you, and I am thankful that I have been one of your students. Thank you for all your efforts that are an integral part of this achievement.

To my parents, your hard efforts and precious sacrifices have made me the person who I am today. I will always be grateful for everything you have done for me, your endless love and support and for believing in me.

To my wife, thank you for your love, support and trust that have been always motivating me to succeed. Your presence have blessed my life with everything that one could need to be a happy and successful individual.

Lastly, I would like to extend my thanks to all my professors at AUC whose knowledge and support have helped me realize one of my dreams that is to obtain my master’s degree from AUC. Thank you all for your great efforts.
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Abstract

In 2016, the government of the United Kingdom held a referendum on the Kingdom’s membership in the European Union, and the majority of voters supported leaving the Union. To withdraw from the EU, the UK triggered Article 50 of Lisbon Treaty, which marked the beginning of a two-year negotiations’ period between with the EU to agree on various issues related to terms of withdrawal and the UK-EU future relationship after Brexit. The British government has been facing serious challenges in the negotiations’ process as first, The UK’s and EU’s objectives and interests have been different, and second, the British political parties and Members of Parliament have different positions and visions on the terms of withdrawal and their country’s future relationship with Brussels. After 20 months of negotiations that were concluded with an agreement between the UK and the EU on terms of withdrawal and a general framework on their future relations, the future of this agreement and probably, the whole UK-EU future relationship is still unclear due to the persistent divisions among the British parties on one side, and the unwillingness of the EU to make further concessions in the negotiations with the UK on the other side. Relying on a qualitative methodology, mainly document analysis, this research studies the Brexit negotiations in light of these different interests and objectives and the parties’ different positions on Brexit. The study’s main conclusion is that this complex situation may lead the UK leaving the bloc without a deal that regulates the two parties’ future relationship, which is a scenario that none of the parties wants due to its potential negative implications.
# List of Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>EU</td>
<td>European Union</td>
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<td>TEU</td>
<td>Treaty on the European Union</td>
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<td>TFEU</td>
<td>Treaty on the Functioning of the European Union</td>
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<td>UK</td>
<td>United Kingdom</td>
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<td>EC</td>
<td>European Community</td>
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<td>EEC</td>
<td>European Economic Community</td>
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<td>EEA</td>
<td>European Economic Area</td>
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<td>FTA</td>
<td>Free Trade Agreement</td>
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<td>FCA</td>
<td>Facilitated Customs Arrangements</td>
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<td>CJEU</td>
<td>Court of Justice of the European Union</td>
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<td>WTO</td>
<td>World Trade Organization</td>
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<td>VCLT</td>
<td>Vienna Convention on the Law of Treaties</td>
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<td>TCE</td>
<td>Treaty establishing a Constitution for Europe</td>
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Chapter 1: Introduction

1.1 Study Overview

In June 2016, the United Kingdom (UK) government carried out a referendum to let the British people decide whether the UK should or should not leave the European Union (EU); an action that has been known as “Brexit” merging the two words Britain and exit. The result was that 51.9% of the voters voted that it should leave, while 48.1% voted that it should not. However, the actual leave did not happen immediately as the UK government – according to the EU Lisbon Treaty – had to invoke Article 50 of the treaty that gave the two sides a period of two years of negotiations to agree on the terms of this split. In fact, this step was taken by the UK Prime Minister, Theresa May on 29 March 2017, which means that the UK’s actual leave from the union is expected to take place on 29 March 2019 (Hunt & Wheeler, 2017).

Scholars explain that the UK has not chosen to join the EU (the European Economic Community then) for the sake of taking part of the European integration project, but this decision came to achieve the British interests in the first place. They also agree that the UK has been struggling in its relationship with the European integration project since it started after World War II for many concerns (Oliver, 2013; Staab, 2013).

Experts and analysts refer to a number of reasons that have influenced the British people’s voting, leading to the winning of the “Leave campaign” in the 2016 Brexit referendum. The EU immigration to the UK, and the fear that this immigration would affect the older, less-skilled and poorer British workers was one of the key reasons why the majority voted for “leave”. The economic consequences of the immigration inflow was not the only concern of the British Euro-sceptics, but they feared the social consequences that may result from this immigration as well. Secondly, the concerns of the pro-leave group over the
sovereignty of the UK was another key motive for some Brits to vote for leave. In other words, the EU membership has been always seen by some of the British political actors and citizens as means of constraining the British government’s sovereignty in various sectors (Ford & Goodwin, 2017, the Economist; 2016).

What matters after Brexit referendum is the content of the withdrawal agreement that regulates how Brexit should happen in addition to the UK-EU future relationship agreement that will tackle the two parties’ future relations in areas such as the rights of UK citizens who are working in the EU countries and EU citizens who are doing the same in the UK, trade in services and goods and security cooperation.. It is still not clear if the free trade between the two parties would continue or not. Would labor in the UK and EU countries enjoy free labor mobility? And would British companies and businesses continue to establish subsidiaries and work without new restrictions after the actual Brexit? Moreover, the future of the borders between the Republic of Ireland (which is an EU member) and the Northern Ireland (that voted to stay in the EU) is still not certain, as none of the parties concerned (the British government, the EU and the Irish government) want hard borders (Harvey, 2017; Roberts, 2017).

In fact, before holding the divorce referendum in Britain, the British government did not draft clear and concrete proposals for what should happen after the actual divorce, neither did the leave campaign have a plan on the negotiations and the future EU-UK relationship. Also, there were no previous exit cases that could have helped the UK political actors or the EU leaders to deal with the actual Brexit by giving at least guidelines on how the relation between the Brussels and London should be regulated (Dhingra & Sampson, 2016). Even the UK’s relationship with the European Community (EC) before the former's accession to the EC cannot be a guide to the two parties future relationship after Brexit, as "the contemporary international context is very different from the Cold War environment in which the UK joined the EC in the early 1970s," (Whitman, 2016, p. 523).
What makes the negotiations of a Brexit deal more complex is the fact that the objectives and positions of the British government and the EU are different and sometimes even conflicting. Besides, the British political actors themselves have different understanding of what Brexit means and how should the government negotiate it. Consequently this leads to different visions and stances over the future UK-EU relationship as well as divisions among the British parties on the withdrawal deal that the government should reach. This has put the British government in a difficult situation where it has to negotiate a Brexit deal that the EU leaders accept, and at the same time, a balanced deal that could be accepted by the British political actors, so that the final withdrawal deal could be voted for in the British House of Commons.

On one hand, the British government, for example, has been trying to negotiate a deal that allows the UK to benefit from the advantages of the EU’s Single Market, reduces the number of migrants from Eastern Europe to London, ends the British financial contributions to the EU budget and ensures the government’s freedom to negotiate new trade deals with third party countries. On the other hand, the EU’s main objective has been to ensure that the UK’s withdrawal from the Union will not inspire other Eurosceptic movements and parties to pressure their governments to exit the Union. The Union wants to avoid a scenario in which the British government could retain all the benefits it wants and at the same time withdraw from obligations that it does not like, which would be an incentive for other Member States to threaten to leave the EU in case they want to opt-out from certain obligations (Patel, 2018).

Domestically, over the past 19 months since the negotiations started, the already-existing divisions on Brexit have been deepened in Britain. There have been strong oppositions to the British government sometimes by “soft Brexit” and “remain” supporters who prefer a deal that keeps the UK as close as possible to the EU, and some other times by “hard Brexit” supporters who seek a Brexit deal that would no longer bind Britain with EU rules and
regulations in different sectors, which are no longer accepted by many people in the UK and resulted in the leave vote in the 2016 referendum.

This study does not seek to speculate what would be the outcome of the negotiations or whether or not would the British government manage to reach a final agreement in light of these splits and different positions on Brexit. This study, instead, focuses on this tough negotiation process, highlighting how this process works as well as the positions of the different parties on many issues related with this negotiation. Employing a qualitative strategy, this study offers analyses on the different interests of the UK and the EU and how their different positions may affect the negotiations and consequently, the framework or features of the two parties’ future relationship. Furthermore, it highlights the divisions among the British political actors and politicians, which makes it more difficult for the British government to present a locally-supported Brexit proposal to the European Union to reach a deal before the deadline of 29 March 2019.

To provide these analyses and perceptions on the Brexit negotiations, this study relies mainly on document analysis of secondary data and –to a lesser extent- on interviews with academics, experts and diplomats who are working on this issue in Brussels and London (more details on the methodology of the study and the interviews will be explained in chapter four).

1.2 Statement of the Problem

Because of the strong and multifaceted relations between the United Kingdom and European Union, the Brexit negotiations were expected to take a long time so as to find a balanced Brexit deal that achieves the conflicting interests of different parties involved in Brexit (i.e. the British government, the European Union and the UK political actors). On one side, the UK-EU future relationship that the British government envisions is not the same relationship that the EU seeks to reach with the London after Brexit. On the other side, as
mentioned before, there is no consensus among the British political actors themselves regarding a certain Brexit deal or model that achieves the UK and the British people’s interests. Even inside the Conservative party of the British Prime Minister, Theresa May, there is no consensus on any of the Brexit proposals or potential deals.

It is argued that this complicated situation may lead to a deadlock, which will result in the UK leaving the EU without a deal that regulates the two parties’ future relationship. This scenario is not welcomed by any of the two sides, considering the catastrophic implications of this “no-deal Brexit”. Thus, the main problem of this research is to study the different stances of London and Brussels in the negotiations as well as the divisions among the British political actors on Brexit, which may affect the negotiations and probably, the future British-EU relations.

1.3 Research Purpose and Significance

In fact, the UK’s withdrawal from the EU is the first case of a country that officially decides to leave the bloc, and it may not be the last one according to some opinions who are concerned about the domino effect of Brexit. Thus, the researcher is interested in studying the case of Brexit, the dynamics of its negotiations and the different positions and objectives of involved parties. In fact, Brexit cannot be seen as merely a vote on the UK’s membership in a 28-nation bloc; it is an important event that may lead to further wide consequences that affect the distribution of power in the international system.

The future UK-EU relationship will be determined after the Brexit negotiations are concluded, ideally, with a Brexit deal that regulates the terms of withdrawal and the two parties’ relationship during the transitional period in addition to another agreement to regulate their future relationship after the transitional period. The purpose of this study, accordingly, is not to predict how negotiations would end or whether or not would it succeed, but to analyze and
provide perceptions on the different interests and positions of the British actors in addition to
the EU, which makes it difficult for London and Brussels to reach a balanced deal that could
be accepted not only by the negotiators of the EU and UK, but also by the majority of British
House of Commons whose positions are significantly different. This can help to identify issues
of contention that may be risen if future in case other Member States decide to withdraw from
the European Union.

The significance of this study is that to explain the different aspects and dynamics of
Brexit, it does not rely only on perceptions of officials or politicians whose views are very
likely to be influenced by their political agendas, affiliations or interests, but it relies on
academic analyses that tackle the interests and objectives of each party involved in the Brexit
talks. This may help decision makers and relevant officials in their negotiations and may help
academics and researchers find different views on the Brexit negotiations and the future UK-
EU relationship. Besides, it can be helpful for scholars who would like to conduct further
research on the dynamics of Brexit negotiations and the stances of the different British political
actors on Brexit, taking into account that one of the future scenarios is that negotiations may
be extended to after 29 March 2018.

1.4 Research Questions

In light of the purpose, significance and research problem of this study, the researcher
finds it essential to explain the EU regulations and procedures that members of the bloc have
to follow to withdraw from the Union. In addition, it is also critical to know the different
interests and visions of the different parties, including the British political actors, the British
government and the EU leaders. Therefore, the study tries to answer the following questions:

1. What are the arguments of the “leave campaign” and “remain campaign”?
2. How does the Treaty on the European Union regulate the exit of EU members?
3. What are the different positions of the British political actors and the European Union officials over Brexit?

1.5 Organization of the Study

The study is organized as follows: the first chapter is the Introduction chapter that provides an overview on the whole study and its main topic. This chapter underlines the research problem, research purpose and significance and the questions that the study tries to answer. The second one deals with the literature review and it is divided into four sections as follows: conceptual framework of the study, the creation and enlargement of the European Union, the roots of Brexit, and the key EU institutions involved in Brexit. Chapter three is mainly about the research methodology and strategies used in this study in addition to the study limitations and issues of ethical considerations. In the following chapter, the study explains in details the process of exiting the European Union according to Treaty on the European Union (TEU). In this chapter, the researcher focuses on interpreting Article 50 of (TEU) and discusses the problems with this article. In chapter five, the researcher focuses on issues of the negotiations, highlighting the conflicting interests of the EU and the UK in the negotiations in addition to the different positions of the British political actors regarding the future UK-EU relationship, which may affect the UK-EU future relationship. The sixth chapter sheds light on the recent outcome of negotiations; the Withdrawal Agreement and Political Declaration. Lastly, the seventh chapter offers a summary of the study and a conclusion.
Chapter 2: Literature Review

For the purpose of this study a historical literature review has been conducted. The literature can be categorized into three main themes in addition a conceptual framework for the study. The first theme is mainly about the history of the European integration and the formation of the European Union. In this part, the researcher goes through some key previous studies that give a comprehensive idea on the very first steps of the EU, how the Second World War motivated the European countries to achieve peace and economic development through integration and how this integration project has been developed from a small community of six countries to a wider community of 28 members who cooperate in a variety of common issues.

The following section of the literature review is mainly about the core of this study which is Brexit. The studies reviewed in this section tackles more than one relevant point including, the history the UK-EU unstable relations and the former's hesitance and concerns towards being part of the European integration project. Furthermore, the literature touches upon the key reasons why the majority of the voters in the Brexit referendum voted to leave the EU as well as the counterarguments of those who wanted the UK to remain in the European Union.

The third theme focuses mainly on explaining the EU institutions involved in Brexit. In fact, the European Union consists of a significant number of institutions/bodies that play different roles in the EU decision making and policy implementation. However, for the purpose of this study, this part sheds light only on four major EU institutions that are greatly involved in Brexit, namely, the European Council, the European Commission, Council of the European Union and the European Parliament.

Lastly, the fourth part of this chapter offers a conceptual framework on the issue of Brexit, trying to identify the different aspects of this phenomenon and explain what Brexit is actually about.
2.1 The European Union formation

2.1.1 Europe from war to integration

While most of the literature explains that today's European Union is the result of a very long process that was started a few years after the end of World War II with the creation of the European Coal and Steal Community (ECSC), experts argue that the European history has witnessed several attempts to create this form of a supranational entity that can bring together different nations and ethnicities (Pinder & Usherwood, 2007; Staab, 2013).

In fact, previous studies on the European Union highlight the significant role of Marshall Plan that encouraged the European countries to cooperate. After witnessing the devastating effects of the Second World War, the United States wanted to motivate the European countries towards conciliation and integration in order to prevent the spread of the Soviet Communism ideas to Western Europe and to prevent the re-emergence of communist and fascist movements. In 1948, the famous Marshall plan (or the European Recovery Programme) offered the European governments $13 billion of financial aid to rebuild their countries under the condition that the governments of these countries work together on developing a joint plan to utilize this aid and to create an international organization that can administer this aid. The purpose of this plan therefore was to push forward capitalist and market-oriented economic system in the European continent, hoping that this would encourage the Europeans to establish stronger relations with the US, not the Soviet Union. The US effort resulted in the creation of the Organization for European Economic Cooperation (OEEC) in 1948 to deal with distributing the fund of Marshall Plan (Staab, 2013; Karns & Mingst, 2010).

There were a multiple political and economic motives for European countries to launch this integration project starting with establishing the OEEC. While achieving a durable peace was a key political motive for them, the literature on the history of European integration refers to the fact that the original purpose of this integration project was to achieve peace and stability
through economic integration (Bolanos, 2016). Pinder and Usherwood (2007) stress the importance of the economic aspect of the European integration and explain that after World War II, establishing the new European community would not have succeeded without paying attention to economic activities to bring the European countries together.

Staab (2013) points out that after the war, all European states were facing the challenges of rebuilding their economies in addition to the whole continent's challenge to achieve peace and stability. The objective of each government of the European countries in this period was to create peaceful conditions under which they can rebuild their economies and infrastructure.

It is obvious that the Europeans' objective to prevent a new war played a major role in pushing leaders and officials to think about the idea of integration and unification in order to rebuild their economies after the devastating war. Schuman declaration predicted that "Europe will not be made all at once, or according to a single, general plan. “It will be built through concrete achievements, which first create a de facto solidarity" (Pinder & Usherwood, 2007, p. 9).

The first significant step taken towards the European integration was in 1950 when the French senior civil servant, Jean Monnet thought of creating a European impartial supranational authority that can regulate the European coal and steel market. The rationale behind this idea was that if a supranational authority could regulate these two commodities that were essential for producing weapons, this would reduce the likelihood of a new war. This plan was presented to the French Foreign Minister then, Robert Schuman and was later called "Schuman Plan". The plan led at the end to the creation of the European Coal and Steal Community (ECSC) by six European countries that were France, West Germany, Italy, the Netherlands, Belgium and Luxembourg (Staab, 2013).
Karns and Mingst (2010) explain that the success of the ECSC in boosting the production of coal and steel encouraged the six courtiers of the community to expand their cooperation under the "European Economic Community" (EEC) and the "European Atomic Energy Community" (EURATOM). The ECSC members recognized that coal and steel sectors would not be developed in isolation from other sectors of economy. In 1958, these two treaties, which were called the Treaties of Rome entered into force. The first treaty committed the EEC members to a twelve-year plan to create a common market through removing all restrictions on trade; applying a common external tariff; reducing barriers on the free movement of capital, people, and services; and establishing the European Investment Bank and European Social Fund. The second treaty aimed at establishing a common market for atomic energy (known as EURATOM).

This important development resulted in taking more serious integration steps in the 1960s. For instance a common Agriculture Policy (CAP) was introduced alongside with a single market for farm products. Moreover, industrial customs union was completed and enough internal trade barriers were removed. The governments of the EEC countries took more measures such as the agreement on external tariff with nonmember states in addition to the principle of economic and monetary union. Karns and Mingst (2010) argue that all these actions were essential to achieving political union regardless of the concerns these countries had regarding the part of their sovereignty they had to give up to the EEC.

Staab (2013) agrees with Karns and Mingst on the importance of these measures. He argues that the EEC treaty adopted extremely ambitious principles and that its content and structure were significant. Article 2 of the EEC treaty for example stated that "it shall be the aim of the Community, by establishing a Common Market and progressively approximating the economic policies of Member States, to promote throughout the Community a harmonious development of economic activities, a continuous and balanced expansion, an increased
stability, an accelerated raising of relations between its Member States," (Treaty Establishing the European Economic Community, p. 3).

Similarly, Pinder and Usherwood (2007) consider the EEC "the basis for the future development of the Community" due to the wide range of economic competences it was given. Unlike the ECSC, the EEC was not established to cover specific sectors, but it covered the entire economy, and it had a significant contribution to the economic integration in Europe (Cuyvers, 2017). The experts' consensus on the importance of establishing the EEC shows that it was a necessary step for the ECSC member states to be able to move forward and adopt new policies of integration.

With regard to the second treaty of the Rome Treaties, EURATOM, it created the European Atomic Energy Community to tackle the issue of the conventional energy shortage and to promote further the idea of integration among the European countries through the creation of a nuclear energy community. The EURATOM treaty explains that the purpose of this nuclear energy community is to lay the foundations of developing a powerful European nuclear industry (Szczepański, 2017).

EURATOM has been playing a key role in the area of nuclear energy as it regulates the civil nuclear industry of the EU member states, which provides almost 30% of energy in the EU. In addition, it protects nuclear materials and technology, promotes research and development in the area of nuclear energy, facilitates investment and ensures equal access of the member states to nuclear supplies. The agreement also has been helping the members with the process of correct disposal of nuclear waste and to ensure the safety of this operation (Szczepański, 2017).

In addition to these agreements, and to consolidate the relations among European citizens, the EU members signed the Schengen agreement. It is one of the most important
agreements in the EU history that guaranteed Europeans the right of free movement across twenty two of the EU countries in addition to four non-EU countries. The roots of the Schengen date back to an agreement signed in 1985 by France, Belgium, Germany, Luxemburg and Netherlands before incorporating this agreement into the EU’s legal framework by a protocol to the 1997 Treaty of Amsterdam (Coleman, 2016).

Coleman (2016) explains that the issue of the free movement of people was being discussed by the ECC members even before the 1985 agreement. The agreement in 1985 was signed in the framework of an arrangement between the governments of the abovementioned five countries outside the ECC agreement. In 1990, the parties of the agreement signed a convention to implement the agreement, intending to remove checks and border barriers on both individuals and goods; however, the political sensitivity and legal complexity related with the implementation of this agreement required more negotiations. Finally, in a meeting in Bonn, Germany in December 1994, the Executive Committee of the Schengen group decided to apply the Convention from 26 March 1995. In 1997, a protocol to Treaty of Amsterdam integrated the Schengen Area into the EU’s institutional framework.

It is worthy to highlight that to maintain its own borders, the UK has not been part of the Schengen Area; yet, it has opted in some of the Schengen provisions such as the Schengen Information System (SIS) and cooperation in police and judicial matters (Coleman, 2016). This can be related to the UK's general stance from the European integration and its sovereignty concerns.

In 1987, EEC members adopted the “Single European Act (SEA)” that was described by Margaret and Mingest (2010) as “the most important step since the treaty of Rome”. The authors explain why this step was vital as follows:
“This meant a complicated process of removing all remaining physical, fiscal, and technical barriers to trade, harmonizing different national health, food processing, and other standards, varying levels of indirect taxation such as value-added taxes, and removing barriers to movement of peoples such as professional licensing requirements. . . . The changes, however, allowed banks and companies to do business throughout the community; allowed EC residents to live, work and draw pensions anywhere in the EC; and ended monopoly in sectors such as electricity and telecommunications.” (Karns & Mingest, 2010, p. 164).

The signing of the SEA therefore played a role in unifying the European countries not only on the level of governments, but on level of people as well. Pinder and Usherwood (2007) stressed the importance of this step, arguing that the SEA “strengthened both the Community’s powers and its institutions, with influence from a combination of governments, economic interests, social concerns, the Commission, the Parliament, and a variety of federalist forces.” Staab (2013) as well affirmed that the signing of the SEA pushed for institutional reform and the adoption of new policies to maintain the members’ efforts exerted to achieve a higher level of integration.

The ECC members in 1992 (before the deadline for completing the Single Market) signed the Maastricht Treaty on European Union (TEU); a treaty that called for "an ever closer union" (Karns & Mingest, 2010). Staab (2013) describes this treaty as "unique and far-reaching in content and structure" because of its significant impact. The TEU came with institutional innovations and new policies that made a balance between inter-governmentalism and supranationalism by establishing three pillars for the European Union. The first pillar was the Economic Community that contained the previous treaties and their revisions in addition to introducing new policies, most notably "the single currency and Economic Monetary Union (EMU)". The second one provided the member states with the required framework for a unified presence in international diplomacy by introducing a "Common Foreign and Security Policy
(CFSP)," while Justice and Home Affairs –which was the third pillar- provided regulations to coordinate policies and arrangements concerning vital issues such as drug trafficking, asylum and customs.

What is significant about the TEU is that it managed to balance between the intergovernmental concerns of the EU members’ governments and the aspirations of the EU for a stronger unified bloc (Staab, 2013). This is reflected in the substantial difference between the first pillar on one hand and the second and third pillars on the other hand. Pillar I (the economic pillar) was about supranational economic policies such as the EMU that envisaged not only a single currency, but a unified monetary policy for all the members as well. On the other hand, the other two pillars of the treaty (CFSP and JHA) relied on intergovernmental negotiations between the governments of the member states. The common defence policies, the EU diplomacy as well as policies of police cooperation and asylum are examples of intergovernmental issues.

The Treaty on European Union was followed by a number of other important treaties. In 1997, the Treaty of Amsterdam was signed, but entered into force in the following year, giving a green light for the Union to deal with more social policy issues including, but not limited to, environment, consumer protection and immigration. In a few years, exactly in 2001, the Treaty of Nice was signed, and it entered into force in 2003. This treaty brought important changes for a more democratic Union with more efficient institutions. Among many important changes, it led to the increase of seats in the European Parliament, introduced a new modified system of "qualified majority voting" and gave the Commission's President more power and limited the number of commissions to one per state Parliament (Karns & Mingst, 2010).

Furthermore, in December 2009, the ratification of Lisbon Treaty introduced some substantial institutional changes such as the reform of the system of voting in the EU’s Council
of Ministers. Lisbon Treaty, according to Devaney and Poptcheva (2014), came to change the old weighted-vote system of the Council which was imposed by the Treaty of Nice that required “74% of Member States’ weighted votes cast by a majority of Member States, and, optionally, a check that the majority represented 62% of the EU’s total population” (Devaney and Poptcheva, 2014, p. 1). The main criticism addressed to this system is that the threshold of a Qualified Majority Voting (QMV) was too high that it could have hindered the Union’s ability to take substantial decisions. The authors explain that to fix this issue, the Lisbon Treaty introduced a new voting method that considered the demographic weight of the EU Member States, which came in line with the principle of “one citizen – one vote”. To new acts by the Council of Ministers, this new system required the approval of 55% of the Member States (16 members) representing 65% of the whole EU population. Besides, to prevent the larger EU countries from forming a bloc to stop proposals, the Lisbon treaty required that a blocking coalition has to include at least four EU members representing at least 35% of the EU population.

Most importantly, the Lisbon Treaty introduced for the first time the right of an EU member state to withdraw from the Union as explained by the treaty’s Article 50. In five paragraphs, Article 50 of the treaty states clearly that any Member State has the right to withdraw from the Union and explains the procedures that a member would need to follow in case it decides to exit (Poptcheva, 2016). This article is the one that the British government had to invoke in March 2017 to start the Brexit negotiations with the EU and it is the article that explains the procedures that have to be followed by the EU member states that would like to withdraw from the Union.

2.1.2 Enlargement of the European Union

The number of EU (or EC) member states has not increased suddenly from six to 28, but the Community has witnessed phases of enlargement. The six founding members of ECSC
considered integrating new members as part of their integration plan, and that is why they tended to leave the door open for other European countries to join (European Commission — Directorate General for Enlargement, 2011). Emmert and Petrovi (2014) point out that since the six founding members signed the Treaties of Rome in 1957, there have been seven phases of enlargement, one every six-eight years on average. And if one takes into consideration that the accession of a new member takes years for negotiations and transitional periods for the new member(s), then one can say that the EU has been carrying out a never-ending enlargement process since 1957.

The first enlargement of the Community took place in 1973 with the accession of Denmark, Ireland and Great Britain after more than one attempt to join. The focus of the literature that covers this first round of enlargement is mainly on the UK accession due to the weight of this country and the change of its stance towards joining the ECSC, which is explained further in the third section of this chapter. Yet, it is worthy to mention here that in addition to Britain's undecided stance towards the European integration, its attempts in the sixties to join the European Economic Community were hindered by the rejection of former President of France, Charles de Gaulle. After the step down of de Gaulle in 1969, Britain, Denmark and Ireland applied again to join the EEC and they acceded in 1973 (Emmert & Petrovi, 2014).

In the eighties, Greece (in 1981), Spain and Portugal (both in 1986) acceded as well. Spain, like the UK, tried more than once to join the EEC, and there were many concerns (political and economic) on its accession. On contrary, the applications submitted by Portugal and Greece were welcomed by the members of the Community for political reasons although the members had doubts concerning the economy of Portugal and its ability to withstand the pressures the EEC would bring (Emmert & Petrovi, 2014).
There was another enlargement wave in 1995 when Finland, Sweden and Austria were admitted (McIver, 2011). The negotiations started in February 1993 and were concluded in less than two years. It should be mentioned here that the three new members had to hold referenda for their citizens to decide on the EEC membership, as the accession was objected by a significant number of each country's citizens. In fact, Norway was the fourth country that tried to join the EC in this enlargement round, but unlike the results of the national referenda in Finland, Sweden and Austria, the majority of votes of the national referendum in Norway chose not to join the European Community (Emmert & Petrovi, 2014). This was the second attempt of Norway to be part of the European integration project as the first was in 1972 (Bjorklund, 1997).

The two years 2004 and 2007 witnessed another two rounds of enlargement by the accession of twelve countries; ten of them in 2004, and the rest followed in 2007. These first ten were Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia, and Romania and Bulgaria followed them in 2007. The ten Central and East European states that joined in 2004 had to transfer their economies and political systems from centralized communist control to the market economies and pluralist democracies to join the EU. By 1997, only five candidates were ready with enough progress of the required changes and three years later, another five followed them (Pinder & Usherwood, 2007). This enlargement wave is described by Murphy (2006) as one of the most ambitious initiatives in the European integration history. He explains that the accession of those ten countries with their different economic profiles had a positive effect on investment, facilitated migration flows and created new regional cooperation initiatives.

The last enlargement round that was in 2013 witnessed the accession of Croatia. It is believed that the 1991-1995 war with Serbia and the priorities of the successive Croatian governments did not help the country to be part of the previous enlargements in 2004 and 2007.
The EU also had concerns on democracy and respect of human rights and rule of law in Croatia. However, the breakthrough happened when Croatia signed the Stabilisation and Association Agreement (SAA) in 2001. In the following years, Croatia has been trying to meet the criteria to join the EU, and there was a screening process by the latter started in October 2005 to evaluate how Croatia was doing with 35 required changes in different areas to accept the candidate country's membership request. The country concluded its accession negotiations in mid-2011, and the country held the accession national referendum in January 2012 when more than 66% of the voters voted in favor, giving the green light to the government to ratify the agreement and announce officially that the country has become an EU member (Emmert & Petrovi, 2014).

The accession of Croatia in 2013 might not be the last EU enlargement wave, as there is a number of European countries that are willing to join the Union in future. According to the European Commission’s official website, there are five candidate countries that are Albania, Former Yugoslav Republic of Macedonia (FYRoM), Montenegro, Serbia and Turkey. These five countries have already applied for the EU membership and were declared officially as candidate countries, but the negotiations with these candidates are still ongoing. Moreover, there are other two potential candidates that are Bosnia and Herzegovina and Kosovo. They have a serious intention to join the EU in future, but they still have not received the official candidate status. ("Candidate countries and potential candidates", 2018).

2.2 Brexit

2.2.1 The roots of Brexit

The great majority of literature agrees that the UK has been having unstable relationship with the EU even before Britain's accession to the European Community. According to report by Global Economic Dynamics (2015), the UK in the early stages of European integration has been rejecting to be part of the European integration process until 1961 when the UK
government decided to join the European Economic Community (EEC). After more than one attempt, the UK finally managed to join the European Community in 1973. Yet, after two years, the British government then conducted the first referendum in the UK’s history to leave the EU (European Community then), but 66% of voters chose to remain.

The literature refers to different reasons behind the UK decision to not take part in the ECSC. For example, Karns and Mingst (2010) argue that the two major political parties in the UK – the Conservative Party and the Labour Party – were against the idea of joining the ECSC as they did not want their country to give up its sovereignty and control over coal and steel.

Staab (2013) explains that the UK did not have the same vision of other European countries because the government then adopted an ambitious economic plan that included the nationalization of the coal and steel sector. Even in a later stage in the 1960s, EURATOM proposed the inclusion of the UK and invited representatives from London to attend the meeting at Messina, but the UK’s stance supported only a very limited integration, which was inconsistent with the other countries’ stance.

This hesitance towards its membership can be attributed to the fact that the UK aimed at achieving only self-interests by joining the EU. Oliver (2013) explains that the EU option was not considered as the choice Britain wanted to make, but the choice that it had to make as a requirement for its survival. Even Britain’s former Prime Minister, David Cameron said in his speech in May 2016 that the British “have always seen the European Union as a means to an end” to boost Britain’s prosperity.

For some reasons (that will be discussed in the coming section), there has been a growing opposition the UK’s membership of the EU. As a result of the growing opposition, Euro-skeptic movements have emerged in the UK. The most successful and influential among them was the United Kingdom Independence Party (UKIP) that was established in 1993 and
that –in a period of 22 years only- has managed to become one of the most successful newly established parties in Britain (Ford and Goodwin, 2017).

The party played an important role to make Brexit happen. It managed to influence the public opinion and convince British voters with the advantages of leaving the EU through fusing its messages of departing from the union with the strong opposition to immigration. The rise of the UKIP and the pressure by some Euro-skeptic conservative Members of Parliament were a main factor that led David Cameron to commit in 2013 to holding the abovementioned Brexit referendum.

In June 2016, the British government carried out a referendum to let the British people decide whether the UK should or should not leave the European Union (EU); an action that has been known as “Brexit” merging the two words Britain and exit. The result was that 51.9% of the voters voted that it should leave (this camp has been known as the leave campaign), while 48.1% voted that it should not (this group has been known as the “remain campaign”). However, the actual leave did not happen immediately as the UK government –according to the EU Lisbon treaty- had to invoke Article 50 of the treaty that gives the two sides a period of two years of negotiations to agree on the terms of this split. In fact, this step was taken by the UK’s Prime Minister Theresa May on 29 March 2017, which means that the UK's actual leave from the union is expected to take place on 29 March 2019 (Hunt & Wheeler, 2017).

2.2.2 The leave and remain campaigns

The British Euro-skeptic voters had social, economic and political reasons to vote to leave the EU. The literature on Brexit over the past couple of years has been referring to the debates between leavers and remainers concerning these reasons or arguments to withdraw from the Union. In fact, the two campaigns focused on different issues that reflected the priorities and profiles of their supporters (Ford & Goodwin, 2017). Generally, the anti-EU/leave campaign’s key message was “taking back control” of the UK’s borders, law-making,
the EU threats to the UK’s national sovereignty and the financial contributions that the British
government pays to the EU budget. On the other hand, the pro-EU/remain campaign’s main
arguments focused on the economic gains of the EU membership or, in other words, the
economic risks of departing from the Union. They also focused on maintaining the UK
influence in the world and its image as a globalized marketplace. (Ford & Goodwin, 2017;
Swales, n.d.).

On the social level, experts emphasize that the result of the Brexit referendum was
expected, as British citizens have been “the most Eurosceptic electorate in the EU ever since
the UK joined in 1973” (Hobolt, 2016, p. 1260). According to Ford and Goodwin (2017), since
2004, the issue of immigration has featured strong debates and strong demands for imposing
more control of inflows. The repeated failure of the British governments to meet these demands
led anxious voters to lose faith in the ability of the UK major parties to control the inflow of
immigrants from other European countries, which they thought was a key factor that affected
the public services, welfare and the British identity. The citizens' concerns about immigration
were the motive for a growing opposition in Britain concerning its EU membership that has
been believed to be the key reason of this uncontrollable migration inflows and the obstacle in
front of any effective solution.

The British Euro-skeptic group believed that immigration from Eastern Europe to
London was a main reason behind many social issues as well. They argued that it burdened
British taxpayers as well as the British government that had to increase the welfare spending.
Furthermore, they saw that immigration negatively affected public services such as health care
and education. Also, it is argued by this group that immigration results in further economic and
socio-economic problems such replacing Britons by others in some jobs, reducing wages and
aggravating the housing crises (The Economist, 2016).
Oliver (2017) refers to another important motive for the UK citizens to vote for leave, which is the communities that have been negatively affected by the UK’s and EU’s globalized and open economies. The author explains that the immigrants’ inflow under the framework of globalized style of economic relations harmed older, less-skilled and poorer workers who of course pressured the government and voted for leave in the referendum.

In 2014 for example, the decision of the British as well as other EU governments had to lift the temporary restrictions imposed on Romanian and Bulgarian citizens' rights to work in the United Kingdom led to a significant increase of the number of the European immigrant workers to the UK. In less than one year after the decision, the number of Bulgarian and Romanian workers in the UK was raised by nearly 50,000 to a total of 189,000 workers (Travis, 2014). Furthermore, statistics show that the number of Bulgarian and Romanian citizens living in Britain has increased by almost 80% (from 230,000 to 413,000) between 2014 and 2016 (Travis, 2017). This major increase in numbers of workers who migrated to the UK played a key role in convincing the leave campaign supporters to vote for leaving in the Brexit referendum.

In fact, the literature shows that the pro-EU group did not have a solid counterargument on the social or economic effects of the immigration from the EU members to the UK. They rather stressed that the issue of immigrants’ inflow will persist anyways and that exiting the EU would not help solving this problem. On their official website, the main pro-remain campaign, “Britain Stronger in Europe” addressed this point and argued that:

Leaving the EU will not stop immigration to the UK. Countries such as Norway and Switzerland, who are not part of the EU, have to accept free movement and have higher rates of EU migration than the UK. If we adopted the Australian points system proposed
by Vote Leave, would give us double the levels of immigration. ("Immigration", 2016, para. 1)

Similarly, the report of the Economist (2016), claimed that departing from the EU would not lead to overcoming the EU migration challenge because after the withdrawal takes place, Britain may seek to maintain full access to the Union’s Single Market (like Norway and Switzerland), which would require London to accept the free movement of people. Furthermore, the “remain campaign” was claiming that the EU migrants benefited the British economy as they made net contributions to the UK budget through paying taxes (Chappell, 2016).

On the economic level, leavers claimed that the economy of the European Union had failed (especially after the Eurozone crisis) and that the Union’s regulations hindered the British businesses more than it helped them. Moreover, they saw that withdrawing from the EU would not threaten employment as job opportunities are linked to trade not to political union. Hence, they assumed that when the British companies are freed from the costs and restrictions of the EU, the economy would do better (Chappell, 2016).

These claims have been refuted by “remainers” who saw a better economic situation for the UK inside the Union. They assumed that the EU supported the British businesses, created job opportunities for Britons and contributed in delivering lower prices for consumers. Besides, they stressed that by withdrawing from the EU, investments would significantly decrease and that the UK would lose millions of jobs as global manufacturers would move their businesses to other lower-cost EU members (Chappell, 2016).

The cost of the EU membership was also present in the debate between the two camps. Brexiteers assumed that departing from the Union would help the government save a significant amount of money that it paid as a contribution to the EU budget every year. In 2016, for
instance, the British government paid £13.1 billion; yet, it received £4.5 billion worth of spending. This means that in this year, the UK’s net contribution to the EU budget was £8.5 billion ("Brexit: the pros and cons of leaving the EU", 2018).

On the other side, the pro-EU camp believed that the benefits that the UK made through being a member of the EU Single Market far outweighed this cost. For example, according to remainers, while the contribution of the UK to the EU budget is equivalent to £340 per British household annually, the increased trade volume, investments and lower prices because of the EU membership contribute with around £3000 per British household annually (Chappell, 2016).

Trade also has received a special attention during the Brexit campaign. Some British Euro-skeptics thought that after Brexit, the UK would actually withdraw from the political aspects of the EU, so it would no longer be bound by the latter’s laws on justice, home affairs and agriculture, but would still be a member of the Single Market of the Union. In addition, the anti-EU camp claimed that the EU membership restricted the trade activities of the vast majority of Britain’s small and medium-sized firms that did not trade with the EU countries, but had to abide by the bloc’s laws and regulations. Hence, some Brexiteers such as the former British Secretary of State for Foreign and Commonwealth Affairs and prominent Brexit supporter, Boris Johnson called for a Canadian-style trade agreement between London and Brussels to ensure that the former would have access to the Single Market without having to be a member of the Market and accept the EU rules ("Brexit: the pros and cons of leaving the EU", 2018).

Nonetheless, addressing this point, anti-Brexit campaigns excluded such an optimistic scenario, arguing that the EU would intentionally put Britain in a tough situation in order to avoid the domino effect of Brexit and prevent the withdrawal of other Member State. For
instance, former British Prime Minister who was against Brexit, David Cameron saw this scenario inapplicable as the Canadian deal required seven years of “painful negotiations” and would result in a poorer deal than what the UK had as an EU member. In addition, the remain campaigners argued that introducing trade barriers and implementing tariffs would expose the UK’s economy to serious risks, taking into account the fact that the EU is the largest trading partner ("Brexit: the pros and cons of leaving the EU", 2018; Chappell, 2016).

On the political level, the UK sovereignty and whether or not the EU undermined this sovereignty has been debated by the two camps. The report by the Economist (2016) highlights that Brexiteers such as former British Secretary of Justice and prominent Brexit supporter, Michael Gove complained that the UK’s membership of the EU prevented London from making critical decisions that affected the lives of all British people. Furthermore, the report also quotes Johnson who said that the sovereignty of the British parliament was nonexistent under the UK’s membership of the EU. Furthermore, for some Brexiteers, the EU membership has been considered as a sovereignty sacrifice as it led the British government to give up part of its control over domestic affairs. They also that being a member of the Union made the British parliament as the EU institutions were more powerful and influential ("Brexit: the pros and cons of leaving the EU", 2018).

These claims have been rejected by the anti-Brexit camp that had a more realistic interpretation of the concept of sovereignty. First some commentators such as Foster (2016) argued that in today’s globalized world, all countries are required to make trade-offs on sovereignty and that even after Brexit, the UK would still have to accept to give up part of its sovereignty. The author, for example, refers to the membership of the North Atlantic Treaty Organization (NATO) that imposes an obligation on members to be part of the mutual defence of fellow members, according to the treaty’s Article 5.
In addition, remainers also argued that the primacy of the EU laws over the national British laws did not necessarily mean that the UK has no sovereignty, but this was part of the UK’s commitment to the EU treaties that the former voluntarily chose to be part of. This choice in itself as well as the decision to leave the Union, according to the anti-Brexit groups, represented sovereignty of the British government and institutions (“What is sovereignty?”, n.d.).

2.3 The European Union Institutions

In order to take decisions, follow up with their implementation, discuss common issues among the members and maintain relations with other countries, the EU members created a number of institutions that help the organization and its members in these matters. The researcher sees that to understand the Brexit process and negotiations, one should first understand the function of each of the EU organs that are involved in Brexit. Therefore, in light of the recent negotiations between Britain and the EU, this section of literature review does not tackle all the EU’s organs, but it focuses mainly on the ones that are relevant to the issue of Brexit in terms of negotiations and the implementation of the future Brexit deal.

The institutions discussed here are the European Council, the Council of the EU, the European Commission and the European Parliament. It is worthy to mention here that three of these institutions (namely, the Parliament, the Council and the Commission) are the three main institutions involved in decision-making in general in the EU.

2.3.1 The European Council

The European Council is the body responsible for the EU’s general political directions and priorities. Although the European Council became an official EU institution only in 2009, it existed as an informal forum since 1974 and gained a formal status in 1992. It brings together the heads of state or governments of the EU members to set the Union's political agenda, which
represents the highest level of political cooperation between the EU members. The Council takes form of summit meetings that take place at least four times a year in addition to extraordinary or informal meetings that are held when needed to address urgent matters. The work of the council is coordinated by the Council's president who is appointed for a two and a half year term and can be re-elected for one more term on the basis of a qualified majority vote by the Council's members. The president plays a vital role by convening and chairing the Council's meetings, representing the Union and its interests to the outside world ("European Council", n.d.; European Union, 2014; AGE Platform Europe, 2010).

As part of the Council's tasks, it deals with complex and sensitive issues that are hard to be resolved at lower levels of intergovernmental relations; it sets the EU's common foreign and security policy; and nominates and appoints candidates in high profile EU positions ("European Council", n.d.).

The European Council does not have a legislative power, but after each meeting, it issues conclusions that reflect the main points of the discussions and evaluates the decisions taken. The importance of these conclusions is that they identify the major issues that the council will be dealing with (European Union, 2014).

With regard to Brexit, the role of the European council (without the UK) was to draft guidelines that outline the key principles for the negotiations. The approved version of these guidelines should be sent afterwards to the European Commission and Council of the European Union to be adopted as a starting point upon which the Commission can draft a detailed mandate and recommendations for Brexit negotiations ("The EU’s role in Brexit negotiations", n.d.).

2.3.2 The European Commission

In the literature, the European Commission –that was established in 1958 - is referred to as "the executive arm of the EU that proposes laws policies agreements and promotes the
It is consisted of a team or "College" of Commissioners (only one commissioner from each EU member state) in addition to the President and Vice-President of the Commission who all meet once a week in Brussels. It is important to clarify here that although those Commissioners are appointed by the member states of the Commission, they do not represent their countries' own interests, neither do they take instructions from their governments, but they are committed to acting in the common interest of the whole EU (AGE Platform Europe, 2010, "European Commission", n.d.; European Union, 2014). The Commission is tasked with four main responsibilities. The first is proposing new laws to maintain the interests of the Union and EU citizens, especially when it comes to issues that national governments cannot deal with effectively. The Commission is the only EU institution that has the "right of initiative" that allows it to draw up proposals for new European legislations. Secondly, the Commission is responsible for managing EU laws and allocating EU funding. In other words, jointly with the Council of European Union and European Parliament, the Commission sets the Union's spending priorities, draws up its annual budget and supervises how the money is spent. A third task for this vital institution is enforcing the EU laws by ensuring that the EU law is applied properly in all the EU member states, which happens in coordination with the Court of Justice. Lastly, the Commission is responsible for representing the EU internationally. It speaks on behalf of all the EU countries in international platforms and negotiates international agreements for the Union ("European Commission", n.d.; European Union, 2014).

Based on this vital role, the Commission is involved in Brexit and its role is to draft a detailed mandate for the Brexit negotiations after it receives the European Council's guidelines of Brexit negotiations. The Commission's mandate should include recommendations on each
area of Brexit negotiations and cover the process through which the negotiations will be conducted.

2.3.3 Council of the European Union

In the Council of the European Union, all EU members have a ministerial-level representation where ministers meet to discuss different issues, take decisions and pass laws. The ministers who represent their countries in the Council differ according to the policy area to be discussed. This council, together with the European Parliament, is considered the European Union's main decision-making institution and jointly with the European Parliament, it has the authority to approve, amend or reject laws proposed by the European Commission. In general, the Council works on proposals submitted by the Commission, while the latter is responsible for making sure that the EU legislated laws are correctly applied. Accordingly, it can be said that the ministers in this council have the power to make their governments committed to implement decisions taken in the Council's meetings (AGE Platform Europe, 2010; "European Council", n.d; The European Union, 2014).

In addition to the previously mentioned tasks, the Council of European Union is also responsible for concluding agreements between the European Union and the outside world (whether countries or organizations) and adopts the Union's annual budget with the Parliament ("Council of the European Union", n.d.).

In the issue of Brexit, the role of the Council of European Union is to discuss the mandate that has been already drafted by the Commission and to agree by a qualified majority vote (excluding Britain) on this mandate ("The EU’s role in Brexit negotiations", n.d.). In January 2018, the Council adopted complementing directives and submitted them to the Union’s Commission to negotiate with the UK the transition period after withdrawal in addition to other issues related to Brexit ("Brexit: Council (Article 50) adopts negotiating directives on the transition period", 2018).
2.3.4 The European Parliament

The European Parliament is the legislative arm of the EU. It consists of 751 members who are directly elected by the EU citizens for a five-year term. The European Parliament seats are distributed among the member states on the basis of each state's share of the EU population (European Union, 2014).

Concerning its functions, the European Parliament, like any other parliament has three key functions. The first and most important one is legislating laws together with the Council of the European Union based on the Commission's proposals. This includes deciding on international agreements, EU enlargements and asking the Commission to propose new laws. Besides, the Parliament also plays a controlling role through practicing a democratic monitoring of all EU other institutions; looking at EU citizens' petitions and setting up inquires; questioning the Commission and Council; observing elections and discussing the monetary policy with the European Central Bank (AGE Platform Europe, 2010).

Lastly, the Parliament’s third function is to give Europeans their right of representation. In other words, the European Parliament is considered “the voice of the people” who are the ones who directly elect the Parliament’s members who represent the people’s interests.

Concerning its involvement in the issue of Brexit, the Parliament, theoretically, has a limited role in negotiations. Nevertheless, the final Brexit agreement will have to be passed by the Parliament's simple majority vote, or otherwise, there will be no withdrawal agreement. Consequently, to guarantee the Parliament’s approval, the parliament should be deeply involved in the negotiation process and must be kept fully informed with the negotiation progress ("European Parliament", n.d.).
2.4 Conceptual Framework

The United Kingdom-European Union relationship has not been stable since the UK joined the EEC in 1973. This unstable relationship is the result of many social, economic and political factors as explained earlier in this chapter. In June 2016, these different motives led British people to vote to leave the European Union, marking the first incident of a country that chooses to leave the European Union.

In fact, Brexit is not just an unprecedented phenomenon that is worth to be studied or analyzed, and it is not only about a vote on the UK’s membership in a 28-country bloc. It is a critical event that may - on the long-run- have a wider consequences on Britain’s position in the world as well as the European integration project, and it may also affect the distribution of power in the international system and the influence of the European Union.

However, while it is still too early to study all these long-run consequences of Brexit, it is important to study the reasons why the UK decided to leave the EU, how Member States can leave the Union and how the future relationship after the withdrawal of any member could be regulated. The first important aspect of Brexit is the internal factors that led British people and political actors to pressure their government to hold a Brexit referendum in addition to campaigning and voting against their country’s membership in the bloc.

Secondly, as Brexit is the first case of an EU member to withdraw from the bloc, studying this event required a very critical and detailed review by scholars to Article 50 TEU of the Lisbon Treaty that identifies regulations of withdrawal and procedures of negotiating how should this withdrawal take place. This legal aspect of the Brexit issue is also important as it is has been the first time to apply this article that has not been applied before since the Lisbon Treaty entered into force. It is substantial to understand and analyze how a Member State can leave the Union and how can they regulate their future relations, as this does not only
affects the two parties’ future relationship, but it may also have an impact on the bloc itself and its ultimate objective of boosting integration between its members.

A third important dimension of studying Britain’s withdrawal from the EU is the difficult negotiations process of this withdrawal. To leave the EU, there needs to be a process of negotiations between the exiting member, the United Kingdom and the European Union to agree on how the withdrawal should happen in addition to how the multifaceted future relationship between London and Brussels should be regulated. The challenge here is that the UK government does not negotiate with only one party that is the EU, but practically, it is a multilateral negotiation where the government negotiates with the EU officials on one side and the UK political parties one the other side.

The UK-EU negotiations are based on extremely different objectives and positions. What the British government ultimately seeks is to agree with the EU officials on a deal that delivers on the result of the Brexit referendum. This, for the UK, means a deal that ends free movement of people as well as the jurisdiction of the CJEU over the UK, stops UK’ significant financial contributions to the EU budget, ensures the government’s freedom to have its independent trade deals with other countries, and, at the same time, allows London to benefit from advantages of the bloc’s Single Market in specific areas.

On the other hand, the European Union ultimately seeks to reach a deal that does not encourage other members to think of exiting the Union and at the same time limit the losses that will occur as a result of the UK’s withdrawal. In practice, this means a deal that first, ensures that there would be a cost for the UK’s decision and that EU members cannot simply leave the Union and still benefit from its many advantages. Second, the EU’s desired deal is a one that should make the withdrawal process as organized as possible to prevent the potential repercussions of a “messy” Brexit or a “no-deal” Brexit that experts warn of.
These extreme positions and objectives are not the only factor that makes Brexit negotiations difficult. In fact, the internal British divisions on Brexit among the UK’s political actors makes this process more complicated. Generally, there is a group that calls for what has been called “hard Brexit”, pressuring for the government to negotiate a Brexit deal that makes London’s future relationship with Brussels as limited as possible. On the other hand, there is a second group that supports what has been described as “soft Brexit”, which accepts the UK’s withdrawal from the Union, but at the same time, calls for maintaining a close relationship between Britain and the EU to benefit from the latter’s Single Market, agencies and cooperation programmes.

While this puts the British government in a difficult situation where it is asked to negotiate conflicting interests with the EU that originally has a different objective and position from the UK, the divisions among members of the ruling party make the situation even more difficult. The UK’s Conservative party is divided on Brexit as follows: a group that supports “hard Brexit”, another group that calls for a “no-deal Brexit”, a third one that demands “soft-Brexit” and a fourth group that calls the government to hold a new referendum on Brexit.

Thus, all these different positions and objectives of different parties and groups are expected to affect the negotiators of the UK and EU to reach a final deal that has to be accepted by the British government, the EU and most importantly, the majority of the British House of Commons where there has not been a clear majority for any of the above-mentioned views.
Chapter 3: Research Methodology

3.1 Research Strategy and Data Collection

This study employs a qualitative methodology as it seeks to provide analysis on the Brexit negotiations, mainly the different interests of the British government and the EU on one side and the different positions and views of the British political actors on the other side. Due to the nature of the topic studied and the purpose of this research, the researcher chose to conduct a qualitative study to be able to review and analyze previous studies that tackle Brexit and the UK-EU relations as well as recent reports, documents and news on the Brexit negotiations to see how the previously-mentioned different stances and objectives may affect the Brexit negotiations.

Qualitative methodology is interpretative in nature. It is used to interpret different phenomena by using detailed observation and explanation. In addition, it is used when researchers try to study the whole situation so as to evaluate the complexity of a certain phenomenon (Atieno, 2009). As explained by Kothari (2004), qualitative methodology is used when researcher seeks to study or assess attitudes, behaviors or opinions to generate results in a non-quantitative form. This makes qualitative approach suitable for studying the issue of Brexit, the different arguments on the UK withdrawal from the EU and the developments of the negotiations.

This study depends mainly on document analysis and –to a lesser extent- interviewing to support the analysis of the documents.

3.1.1 First: Document Analysis

Document Analysis as a qualitative research strategy involves a systematic review or evaluation of different types of documents –whether printed or electronic- materials. This method requires data to be examined and interpreted by the researcher to deduce meaning, understand a certain phenomenon and develop empirical knowledge. Document analysis is
used in combination with other qualitative strategies as a means of triangulation – "the combination of methodologies in the study of the same phenomenon" (Bowen, 2009, p.28). Bowen (2009) points out that the document analysis as a qualitative research method can be used as a method for data triangulation or even as a stand-alone method. Documents help investigators collect background information in addition to historical insights, which help them understand the historical roots of certain issues under investigation. Besides, they allow investigators to track changes and developments, especially when researchers have access to various documents and can compare them to identify the changes.

In this study, the researcher has relied on various types of documents to collect and analyze data. This included reports issued by research centers and think tanks, books, dissertations, journal articles, newspapers, press statements and news. Although most of these documents reviewed had to be recent ones to study such a recent phenomenon, the researcher also had to rely on some older documents for the literature review and conceptual framework. These documents were found in libraries and on internet websites and databases, and they helped the researcher collect information on the history of the UK-EU relationship, the roots and different arguments on Brexit, the withdrawal procedures to exit the EU and the parties’ different positions in the Brexit talks. In addition, some speeches, remarks and interviews of political figures and officials have been analyzed to give a comprehensive understanding of the issue being studied.

There are some advantages for relying on document analysis as a qualitative research strategy. First, it is an efficient method that requires data selection rather than data collection, which is less-time consuming. The availability of documents, especially in this age when almost everything has become available on internet, is another advantage. Third, document analysis is a cost-effective method; all what the researcher needs is to use the internet or to visit a library, which is not costly compared with other qualitative methods. Moreover, document
analysis provides broad coverage in terms of time and events related to the phenomenon or topic being studied (Bowen, 2009).

3.1.2 Second: In-depth Interviewing

Interviewing as a qualitative research strategy is "a conversation during which the researcher gathers information by questioning one or more people (respondents)" (Van Thiel, 2014, p.93). It is a flexible research method that allows investigators to collect data through conducting conversations with the research participants. During these conversations, one can ask supplementary questions to have a better and fuller understanding of the respondents’ answers (i.e. detailed background information or further explanation to their answers) (Van Thiel, 2014).

In addition to document analysis, this study required conducting a limited number of interviews (particularly elite interviewing) to support the information and analysis of the documents analyzed for this study. As mentioned previously, the purpose of this research is to explain how the Brexit negotiations work in addition to the different objectives and positions of the British government, the British parties and the EU and how these differences may affect the negotiations and the future relationship between London and Brussels. For this purpose, elite interviews conducted with a number of officials, academics and experts who are following up closely with the developments of Brexit have enriched the study with different points of view and perceptions concerning positions of the parties in the negotiations, the redlines of each side and how the different objectives may affect the final withdrawal deal that Britain and the EU may reach. Yet, it is important to emphasize here that these interviews were not the main method for this study, but they were still important to support the document analysis conducted by the investigator.

This study employed semi-structured interviews that are defined by scholars as a more flexible version of structured interviews as they allow interviewers to obtain deep information
by giving them the opportunity to probe and expand the responses of their interviewee’s. Another advantage of using semi-structured interviews is that they are useful in reporting detailed views of informants and enables them to express their own ideas and feelings (Alshenqieti, 2014). In addition, they help the investigator not only to collect very rich information from his research participants, but also to have an opportunity to ask them follow-up questions, explore additional information, justify the participants' answers and establish a link or relation between several topics. Moreover, it helps to create a comfortable atmosphere for participants, which makes them feel comfortable to engage in a conversation and express their opinions. Besides, in-depth interviews do not require the participation of a high number of participants, but only a few and carefully chosen ones are enough to provide useful and relevant insights (Almeida, 2017).

Given these strengths of in-depth interviews and the fact that the majority of the research participants are officials or senior experts who are usually cautious when asked to give their opinions or participate in an interview on such a critical topic, the semi-structured interviews were very useful in data collection in this study. They helped the researcher engage the participants in interactive discussions where they were able to give their opinions and views on Brexit and its negotiations accurately with the ability to use their own expressions and words without being limited to choose between certain answers.

For the purpose of this study, the researcher needed to conduct a total number of 5 interviews with officials and experts in the field who are working on the issue of Brexit. Due to the political sensitivity of the topic being studied and the cautiousness of officials to release information or conduct interviews on Brexit and its updates, the researcher could not obtain first-hand information from officials who are directly involved in the Brexit negotiations. In addition to the political sensitivity and the nature of this recent issue, the researcher has not managed to reach offices of British or EU officials who are involved or at least are highly
informed about the negotiations because of the high cost of travelling to Europe as well as the
time limitations.

Thus, the researcher resorted to Egyptian diplomats who are based in London and
Brussels and who are in charge of following up with the issue of Brexit. Moreover, he also has
interviewed a current member of the House of Lords in addition to two British academics
whose research interests lay in the area of EU law and governance; the relationship between
national parliaments and the EU institutions within the context of the decision-making process;
and the developments of the Brexit negotiations.

Due to having limited time in addition to the high cost of travelling, the researcher could
not travel to London or Brussels to conduct these interviews. Therefore, these interviews have
been conducted via video conferences and emails. The researcher relied on note-taking to
document the participants’ answers, tending not tape the interviews so that the participants
would feel more comfortable to take part in the study.

3.2 Sampling

For the purpose of the study, the researcher did not need to conduct many interviews.
He relied on elite interviewing because the nature of the topic and the perceptions on the Brexit
negotiations required highly informed participants to share their views. Accordingly, the
followed sampling approach used in this study is a non-probability purposive sampling.

Semi-structured interviews were conducted with two Egyptian diplomats; one of them
is serving in the Egyptian Commercial Office in London, and the other is a First Secretary who
is currently serving in the Egyptian Commercial Office in Brussels. The two participants are
closely following up with the negotiations and developments of Brexit as part of their jobs.
Also, another interview was conducted with a current Liberal Democrat Lord at the British
Parliament who is well-informed about the developments and updates of Brexit. Furthermore,
the study employs another interview with Professor of EU Law at School of Law of Leicester University in the UK and who also has a number of publications on Brexit published by the Economic and Social Research Council that is based in the UK.

Through these interviews, the researcher received first-hand information and views on the Brexit negotiations and developments from officials and academics who have wide access to information on Brexit and who –based on the nature of their jobs- meet with British and European officials who are involved in Brexit.

Table 1: Interviews’ details

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Place of interview</th>
<th>Date of interview</th>
<th>Duration of interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professor of EU Law at University of Leicester, Adam Cygan</td>
<td>Video conference</td>
<td>17 July 2018</td>
<td>30 Minutes</td>
</tr>
<tr>
<td>Member of the United Kingdom’s house of Lords, Jeremy Purvis</td>
<td>Video Conference</td>
<td>20 July 2018</td>
<td>26 minutes</td>
</tr>
<tr>
<td>An Egyptian diplomat serving in the Egyptian Commercial Office in London.</td>
<td>Phone call</td>
<td>21 July 2018</td>
<td>30 minutes</td>
</tr>
</tbody>
</table>
First Secretary Mohamed Wahish. He is an Egyptian Diplomat serving in the Egyptian Commercial Office in Brussels.

Dr. Tim Oliver, a Senior Lecturer at the University of Loughborough’s London Campus.

<table>
<thead>
<tr>
<th>First Secretary Mohamed Wahish</th>
<th>Phone call</th>
<th>25 July 2018</th>
<th>30 minutes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. Tim Oliver, a Senior Lecturer at the University of Loughborough’s London Campus</td>
<td>Email</td>
<td>27 September 2018</td>
<td></td>
</tr>
</tbody>
</table>

3.3 Study limitations

One of the major limitations of this study is that the researcher was not able to travel to meet with European or British officials to interview them on the challenges and developments of the Brexit negotiations and their views on the future relationship between Britain and the EU. However, the interviews conducted with the research participants mentioned above, in addition to the document analysis employed in this study, were gave enough information on the negotiations and the different stances of the EU and UK in the negotiations.

Two things should be taken into consideration here. First, the study does not require very technical or secret information on Brexit and the UK-EU relationship. Instead, it focuses on the views of the interviewed participants on the different interests and perspectives of the parties involved Brexit, in addition to their views on the post-withdrawal relationship between Britain and the EU. Second, the purpose of the interviews is to support the information and
data in the secondary resources that the study relies on as the main research methodology. Besides, another purpose of these interviews was to analyze the different perceptions on the Brexit negotiations and the future EU-UK relationship, especially that these negotiations are still ongoing and that some developments of these negotiations may take time to be analyzed and explained in future reports and studies.

Therefore, the researcher believes that conducting interviews with the aforementioned participants was useful and necessary to provide a wider perspective on Brexit talks in addition to the future UK-EU relationship when the actual divorce takes place.

Another limitation of the study has been the fact that this study is conducted in limited time that coincides with the Brexit negotiations that have witnessed a significant progress, but have not been finished yet. Therefore, the nature of the topic and the developments in the negotiations should be taken into consideration when reading the analysis that this study provides.

### 3.4 Ethical considerations

Since the study required conducting a number of interviews as a source of primary data, the researcher has carefully followed the instructions of the Institutional Review Board (IRB) of AUC and provided the research participants with consent forms to provide them with all the information they needed to know about the research before starting the interview. In addition, the researcher tended to explain the purpose and focus of the study verbally and asked the interviewees to read carefully and sign the consent forms prior to the interviews.

Furthermore, for the sake of participants’ comfort in taking part of this research, the researcher reassured the participants that their names would not be mentioned if they do not prefer to in order to ensure that they give their opinions freely. Although the interviews did not aim at reaching confidential information or data, but the researcher still found that anonymity
of the participants would ensure their comfort and encourage them to provide their views and perceptions on the topic studied. In fact, only one participant out of the 5 participants preferred not to be named.
In this chapter, the investigator explains in details how the withdrawal process should work. The chapter focuses mainly on Article 50 TEU of the Lisbon Treaty that is the first article of EU treaties to introduce the right to withdraw to the EU Member States. The first section sheds light on the withdrawal process before the Lisbon Treaty and the previous attempts to introduce this right in the so-called the EU Constitutional Treaty that did not enter into force. The following section offers a comprehensive interpretation to Article 50 TEU, explaining the procedures that the country and the Union should go through in case of the withdrawal of one of the members. In addition, the third and fourth sections of the chapter deal with the problems and criticisms addressed to the Article, including the short period of time for the negotiations and the ambiguous wording of some parts of the Article, that makes it unclear on some issues such as the possibility to revoke a withdrawal notification and the number of agreements that should be concluded by the EU and the exiting member.

4.1 Withdrawal before the Lisbon Treaty

In fact, the Treaty of Lisbon was the first EU treaty or document that gives Member States the right to withdraw from the Union and specifies the procedures that the exiting member and the EU should go through when a member chooses to withdraw, which will be explained in details in the following section. However, some scholars tackle the debate on whether - before December 2007 when the Treaty of Lisbon was signed - the EU members had the right to withdraw from the EU (or its predecessor organizations) under international law, particularly, the Vienna Convention on the Law of Treaties (VCLT).

Oomens (2017) for example, refer to three articles of the VCLT that some scholars use as an argument that before the Lisbon Treaty, the EU members could withdraw from the EU (or its predecessor organizations). For instance, Article 54 of the VCLT, states that termination
of a treaty or the withdrawal of one of its parties can take place if this comes in conformity
with the treaty’s provisions, or at any time as long as all the parties to the treaty agree.
Moreover, Article 56 of the Convention states that in case a treaty includes no provision on the
withdrawal of its parties, an implicit right for parties to withdraw or terminate a treaty if this
right can be implied by the nature of the treaty. Also, the VCLT’s Article 62 gives parties to
treaties the right to withdraw unilaterally in case “a fundamental change of circumstances” take
place.

Nonetheless, many scholars and experts rejected the argument that the withdrawal or
termination cases mentioned in the VCLT could be applied on the EU or its predecessor
communities (Oomens, 2017). Moreover, according to Poptcheva (2016):

The application of international law to fill in alleged gaps in the EU Treaties has been often
seen as flawed, due to the specific character of the EU as a supranational organisation that drew
from international law for its own creation but then established an autonomous legal order with
its own rules. (p. 2)

This shows that experts considered the nature of the EU treaties that sought to establish
an autonomous and supranational authority that has objectives and certain rules to achieve
them. The ultimate objective of this authority is to strengthen integration and boost cooperation
among members. Thus, one can argue that withdrawal cases mentioned by the VCLT could not
be applied to EU treaties whose aims and goals are against the withdrawal of the members.

Some scholars believe that the EU/EC treaties have been silent on the issue of the
members’ withdrawal because this contradicted with the nature of the European integration
project and the EU and its predecessor organizations as supranational entities that imposed
permanent limitations on some of the sovereign rights of their members (Gatti, 2017). In other
words, as Oomens (2017) explains, the EU/EC Member States found that explaining and
facilitating the procedures for a member to withdraw was not in consistency with the ultimate
objective of the members to strengthen and expand the European integration. In addition, Oliver (2013) claims that the main reason behind the negligence of this article was that the EU–before the Treaty of Lisbon–had fears that including explicit procedures of withdrawal in any of its treaties could encourage members to use this right to withdraw as a tool to pressure the bloc in case they fail to impose a certain decision or policy in any issue, which would have hindered the progress of the bloc towards more policies of integration.

It is true that the Lisbon Treaty was the first EU official treaty that introduced the right of an EU member to withdraw and the procedural requirements, but it is worthy to clarify here that before the Lisbon Treaty, the draft Constitutional Treaty or the “Treaty establishing a Constitution for Europe (TCE)”, particularly Article I-60, included a provision on the possibility of withdrawal and its procedures. Yet, the inclusion of this provision was met by opposition for different reasons, according to Oomens (2017). First, the EU Commission, was concerned that such a provision will open the door for members to threaten that they would leave in case they fail to convince others with their policies or demands. Another reason for objecting the provision on withdrawal was the concern that Eurosceptic members may use it to leave the bloc but still benefit from some of its economic advantages provided by the European Economic Area (EEA) for example. Thirdly, some members such as Ireland and Denmark objected the inclusion of the withdrawal article in the TCE in order not to give the Eurosceptic groups in these countries the chance to use it to pressure their governments.

Regardless of the different positions over Article I-60 of the Constitutional Treaty that was drafted between 2002 and 2003, the proposed treaty did not enter into force since it was rejected by France and Netherlands in the national referenda that the governments of the two countries held on the Treaty. Consequently, in 2007, serious work was carried out by the members to draft a new treaty that would replace all previous treaties of the EU. This effort resulted in drafting and signing the Treaty of Lisbon in December 2007. And with regard to
Article I-60 of the TCE, it was replaced by Article 50 of the Lisbon Treaty (Cuyvers, 2017; Oomens, 2017; Staab, 2013).

4.2 The treaty of Lisbon and the procedures of withdrawal from the EU

In December 2007, the heads of state and government of the EU signed the Treaty of Lisbon that came to replace the Constitutional Treaty that was objected by some members. The new Treaty is divided into two parts; the Treaty on the European Union (TEU) and the Treaty on the Functioning of the European Union (TFEU). The main objective of the Lisbon Treaty was to reform the functioning of the Union and its bodies, especially after the two waves of enlargement since 2004 that increased the number of the EU members from 15 to 27. The treaty entered into force in December 2009, introducing many significant institutional and organizational changes in EU, including the inclusion of a withdrawal article that guarantees the members the right to leave from the Union as well as the procedures of the exiting process (Staab, 2013; "The Lisbon Treaty", 2008).

In five clauses, Article 50 of the Lisbon Treaty has introduced EU law mechanism of the process of exiting the Union. The first clause of the Article came to guarantee the Member States the right of withdrawal from the Union in accordance with their own “constitutional requirements”. According to this part of the Article, unlike the unilateral withdrawal from treaties under the International Law, Member States of the EU are not required to provide their reasons when they want to withdraw. The only requirement is that this decision has to be in accordance with the exiting state’s constitutional requirements (Oomens, 2017; Poptcheva, 2016).

The inclusion and affirmation of the members’ right to withdraw in this Lisbon Treaty was important for many reasons. One reason is that it was a clear message that the EU recognizes the sovereignty of its Member States and considers them the “Masters of the Treaty”, ensuring them the right to withdraw at any time. Moreover, this recognition has been
seen by some experts as a legitimization of a deeper European integration. Given that members now have the right to leave, any expanded or deeper integration would always show an implicit consent of the members (Cuyvers, 2017).

Secondly, Article 50.2 makes clear that the withdrawal procedure would be officially initiated when the Member State that decides to quit sends a notification in writing to the European Council, which has been done by the UK government on 29 March 2017. Accordingly, the Union shall commence its negotiations with the exiting state to conclude a withdrawal agreement based on the guidelines that the European Council (without the participation of the exiting member) designs in accordance with Article 218(3) of the TEFU. This agreement should also cover the future relationship between the departing member and the Union.

It should be clarified here that the timing of notifying the EU with this decision is completely in the hand of the exiting member and that this step does not have to be done immediately after the country fulfils the constitutional requirements to withdraw (Poptcheva, 2016). In the Brexit case, the British government triggered Article 50 TEU officially in March 2017, while the results of the national referendum were officially announced in June 2016 (Foster, 2018). Analysts explain that the time before triggering the withdrawal may give the exiting country the opportunity to prepare itself for the withdrawal negotiations through having informal discussions with the other Member States or officials of the EU institutions (Poptcheva, 2016).

Article 50.3 and 50.4 tackle what happens after a withdrawal agreement between the exiting country and the EU is concluded. According to 50.3 TEU, once the agreed withdrawal agreement/s enter into force, the exiting member will no longer abide by the treaties of the Union that it was obliged to apply before. Taking into consideration the complexity of such an
agreement due to the deep integration of the Union, the article gives the two sides a period of two years to negotiate their different interests and objectives so that they can reach a mutually agreed withdrawal agreement/s that also would cover the different aspects and domains of their future relationship.

Obviously, during the two-year period of negotiations (that can be extended if the withdrawing country and the European Council unanimously decide to), the member seeking to withdraw from the Union would still enjoy all its rights and powers and would be committed to all its responsibilities and obligations as a full EU Member State, until the withdrawal agreement enters into force. However, the only exception according to Article 50.4 TEU is that during the negotiations period (whether two years or more), the UK has no right to participate in any formal discussions or decisions in the European Council dealing with Brexit (Oliver, 2013; Oomens, 2017).

Article 50.4 TEU also states that for the EU, the withdrawal agreement that may be reached during the negotiations period has to be approved by a “Qualified Majority” of the European Council in accordance with Article 238.3(b) TFEU. According to this article, a “Qualified Majority Vote” of the Council requires the voting of at least 72% of Council’s Member States that represent at least 65% of these states’ total populations (excluding the withdrawing state). This means that at least 20 members of the 27 EU Member States should vote for the agreement (Nystrom, 2017; Oliver, 2013).

In case the Council rejects the proposed withdrawal agreement, the country that wants to leave can still leave the Union. “The wording of Article 50 places no obligation on the UK to negotiate, only an obligation on the Council to do so” (Oliver, 2013, p 13). This means that according to Article 50, negotiating a withdrawal agreement is not a precondition for a country to leave the EU, which means that if the European Council rejects the proposed agreement, this
should not prevent the UK from leaving. And in this case, the UK-EU relationship would be akin to the relationship of the Union and any other state that is a member of the World Trade Organization (Oliver, 2013).

Lastly, Lisbon Treaty’s Article 50.5 makes clear that after the withdrawal, if the country that has withdrawn would like to join the Union again, it will be treated like any other non-EU country that seek to become and EU member. Therefore, the country that has already withdrawn would follow the accession procedures that are mentioned in Article 49 of the same treaty.

Although Article 50 TEU of the Lisbon Treaty is in general clear on many of the specific procedures that a withdrawing member would have to go through to leave the EU, scholars and experts still refer to some of the problems in this article, which will be discussed in the coming section of this chapter.

4.3 Problems of Article 50 TEU of the Lisbon Treaty

The UK decision to the leave the European Union was the reason why many scholars have been analysing and looking carefully into the Lisbon Treaty’s Article 50 over the past two years. Unlike the accession to the EU, the withdrawal, according to Article 50 TEU, does not seem to be complicated, neither does it require the fulfilment of many requirements. However, in many studies, experts have referred to some problems with this article concerning the short period of negotiations, the wording in some of the Article’s clauses that may be confusing and the possibility of revoking the withdrawal notification.

The first problem with Article 50 TEU that many experts and scholars highlight is the relatively short period of negotiations to reach a withdrawal agreement. There is a wide agreement in different studies and reports that the two-year negotiations period is too short to discuss and negotiate the various aspects of the future relationship between the EU and one of
its members after the latter exists (Nystrom, 2017, Oomens, 2017). Trying to explain the possible reason behind this very limited time, Cuyvers (2017) states that most likely, this was done on purpose “to make the process of leaving the EU unattractive” (p. 38), as the member that wants to leave the EU would find itself in a difficult position in the negotiations that have to be concluded in only two years.

A counterargument here may be that the negotiations period could be extended according to Article 50.3. Yet, the condition to extend the two-year period is practically difficult to be met as the article makes clear that the withdrawing state and the European Council “unanimously” have to agree on extending Article 50. Otherwise, the two-year negotiation’s period can never be extended. At this critical time, some scholars argue that it is less likely that this unanimity would exist as any of the EU members may face strong pressures that may affect its decision (Syrpis, 2016). In other words, while theoretically, the negotiation’s period could be extended until the two sides settle all issues that need to be resolved for a future relationship agreement, the political reality make this extension too difficult to happen.

Furthermore, the ambiguity of this clause represents another challenge to the possibility of extending the negotiation’s period. Some opinions refer to the fact that the Article 50.3 has not specified “how much time and how many times this period can be extended” (Oomens, 2017, p. 25). Consequently, it can be argued that in case the condition on extending Article 50 is met, another disagreement among the EU members concerning the extension period and the number of extensions that the exiting country could be given may arise, which would hinder the negotiations and make the situation more complex.

Although Article 50 of the Lisbon Treaty did not include any clauses on the possibility of revoking the withdrawal notification, many scholars have tackled this issue, considering the possibility that during the negotiations period that may take more than two years, the exiting
country may want to change its decision for many reasons such as the coming into power of a new government with different policies, a serious economic shocks that may happen and force the exiting country to change its decision, etc (The UK in a Changing Europe, 2016).

The ambiguity on this matter is another problem of the Lisbon Treaty’s Article 50 that resulted in a debate trying to answer the question on the possibility of revoking a withdrawal notification during the two-year period of negotiations. On one hand, a group of scholars go for the opinion that if a state decides to revoke its withdrawal notification during the two-year negotiation period, then it may do so and it will continue to be an EU member. While this is not directly mentioned in Article 50 TEU, those who support this opinion believe that rejecting the revocation of a withdrawing member that changed its mind would contradict with the EU’s policy of an “ever closer union” as well as the bloc’s obligations to strengthen cooperation between its members (Cuyvers, 2017). Therefore, they assume, the Union would not reject the country’s request to revoke its withdrawal notification.

Moreover, other experts believe that a withdrawing country that changes its mind can stay in the EU based on the fact that the main aim of any treaty in general, and the EU treaties in particular, is to keep its members as parties to the treaty, which suggests that a withdrawing member that have already sent its withdrawal notification can revoke this notification and stay in the Union without having to apply to re-join the EU. What makes this opinion more convincing is the fact that the exiting EU member has, according to Article 50 TEU, to abide by all the EU treaties till the very last moment before its actual withdrawal. Also, if it actually withdraws, then it has to apply and go through the accession procedures of the EU if it wants to re-join the Union. Hence, it is more convincing to argue that during the period between sending the withdrawal notification and the actual withdrawal of the country, the exiting member can revoke its notification and stay at the Union. (Wyatt, 2016 as cited in Miller, Lang & Simson-Caird, 2017).
On the other hand, another group of experts such as Gatti (2017) see that the unilateral stop of the withdrawal process is not an implied right of the departing member according to the Lisbon Treaty’s Article 50. He claims that if an EU member state knows that it can unilaterally stop the withdrawal, it would not be negotiating in good faith with the EU, knowing that it can end the negotiation when it goes in a direction that this member does not want. In addition, the researcher stresses that the wording of the Article 50 TEU makes it clear that once a withdrawal notification is invoked, the process would have only one end that is the actual withdrawal of the member whether it manages to reach an agreement with the EU or not.

However, Gatti (2017) still assumes that while the unilateral termination of Article 50 by the leaving member is very difficult, stopping the withdrawal process is still possible if the exiting member manages to convince the rest of the EU members to unanimously agree to that, which may not be an easy task. Poptcheva (2016) supports this opinion and argues that the withdrawal process could be suspended “if there was mutual agreement between the withdrawing state, the remaining Member States and the EU institutions, rather than a unilateral revocation” (p. 5).

A third critical problem that many researchers have referred to is that the Article’s wording on some vital issues is vague and not definitive, leaving the door open for different, and sometimes contradicting, interpretations of the Article and consequently the procedures that shall be followed in the withdrawal process. For instance, Oomens (2017) states that the provisions of Article 50 TEU “can be interpreted in more than one way and are therefore not straightforward and in addition, the actual wording of the Article is said to be incomplete or unclear” (p. 25).

As explained in this part of the chapter, the unclear wording of the Article 50 TEU is materialized in some debates such as the one on whether a withdrawal notification can be
rescinded or not. Furthermore, as a result of the unclear wording, there have been a debate on another matter concerning the scope of the TEU’s withdrawal article and the number of agreements that the withdrawing country and the EU would need to negotiate. This issue will be discussed in the forthcoming section.

4.4 Scope of Article 50 TEU and how many agreements should be concluded

As explained in the first section in this chapter, Article 50.2 TEU states that the EU shall negotiate a withdrawal agreement with the departing state to agree on how and when the withdrawal happen as well as the framework of the future relationship between the exiting member and the Union (Nystrom, 2017; The UK in a Changing Europe, 2016). The important question that this section tries to answer is how many agreements shall be concluded by the EU and the withdrawing member? And does the scope of the Article 50 TEU cover any agreement that may be concluded to regulate the two sides’ future relationship? Or is it only limited to the simple agreement on withdrawal, leaving other issues to be settled by another agreement?

Some experts see that there are no definitive answers to these questions as “the scope of the withdrawal negotiations can be as narrow or as wide as the negotiators choose, because Article 50 TEU does not specify how far-reaching a withdrawal agreement should be” (Miller, Lang & Simson-Caird, 2017, p. 22). This opinion sees that Article 50.2 has not been clear on the scope of the withdrawal agreement and whether all issues and arrangements related to the future relationship between the EU and its withdrawing member could be settled in one agreement or require a separate agreement other than the one of withdrawal.

Yet, the great majority of opinions of academics and experts suggest that looking into the wider picture of the process and the withdrawal mechanisms set by Article 50 TEU, it is more conceivable to say that there need to be at least two agreements; one to regulate the withdrawal of the country that seeks to leave the Union, while the other one, which may take
longer than two years to be concluded, would tackle the different areas of the future relationship between the EU and the departing member.

Cuyvers (2017) for example, interprets that Article 50 of the TEU makes it clear that at least two agreements must be concluded in case of the withdrawal of any member. While the first agreement should be a simple one that is on the withdrawal itself, a second agreement will be required to define the new relationship between the EU and the UK (or any other member that may want to leave in future), he explains. The author argues that because the agreement on the future relationship between the UK and EU is much more complicated than the withdrawal agreement in terms of the procedures and substance of each, it is possible that the latter could be completed before the former.

As the author sees that the two-year negotiation’s period is a short time to conclude those two agreements, he warns that if the withdrawal agreement enters into force before the parties manage to conclude their new relationship agreement, Britain will be a de facto non EU member without a new deal. To avoid this hard Brexit scenario, Cuyvers suggest two options: whether to link the entry into force of UK’s withdrawal agreement to the entry into force of the second agreement on the new UK-EU relationship, or to draft a third "transitional agreement" and link it to the withdrawal agreement to regulate the relationship between the two parties until they manage to conclude a comprehensive agreement on their new relationship after the divorce.
Chapter 5: Brexit negotiations

As discussed in the previous chapter, the European Union, according to the Lisbon’s Treaty Article 50, is responsible for starting negotiations with the exiting member in light of the guidelines drafted by the European Council. During the period of negotiations, there are many issues in different sectors that need to be discussed to determine the future relationship between the withdrawing state and the Union.

In any negotiations, the parties usually have different objectives, visions and stances on the issues being negotiated. This chapter, therefore, underlines the key issues that have been addressed in the negotiations as well as the positions of the British government and the European Union on these issues, which will affect the outcome of the negotiations process and the final agreement on the future UK-EU relationship.

Moreover, this chapter discusses the different positions of the British political parties/actors and their contradicting views on Brexit and the ideal future UK-EU relationship. These local divisions are also important to be analysed because they have a direct effect on the final agreement/s that the British government and is trying to reach, taking into consideration that this final agreement should be voted for by the British parliament in order to be effective.

5.1 Issues of the Brexit negotiations and the stances of each party

On 29 April 2017, the European Union announced its guidelines for Brexit negotiations. This document that was issued by the European Council is a very important document as it defined the framework for negotiations under Lisbon Treaty’s Article 50 and made clear the Union’s principles and position in the Brexit talks. One of the core principles that the Union stated clearly in this announcement was the “phased-approach” of negotiations. The Council decided that all Brexit issues cannot be discussed together and that there should be phases of
negotiations to avoid a chaotic Brexit and to minimize the harms of the British withdrawal from the Union (Foster, 2017).

According to the negotiations’ guidelines, there have been two phases of negotiations. The first phase discussed withdrawal issues that included citizens’ rights, financial settlements and the borders between the Republic of Ireland and Northern Ireland. After “sufficient progress” had been achieved in the first phase, the second one has been focusing on negotiating a comprehensive understanding and a framework for transitional arrangements as well as the post-withdrawal relationship between the EU and Britain (Poptcheva & Cirlig, 2017; The European Council, 2017).

On the other hand, the UK’s initial approach was different from the EU’s approach. The United Kingdom initially wanted to discuss all issues together to avoid being put in a weaker position compared with the EU’s position in the negotiations. London saw that all issues should be discussed in parallel, so that it can use its leverage in some areas (like security) to pressure Brussels to offer concessions in other areas (Patel, 2018).

5.1.1 Phase one

This first phase of Brexit negotiations required the two sides’ negotiators to hold six rounds of talks over seven months (from June to December 2017). The discussions, as mentioned above, tackled three critical issues. First, the rights of the EU-27 citizens’ who are in the UK and the rights of those of the UK who are in any of the EU 27 members. The financial obligations and commitments incurred by Britain were the second issue. Lastly, the third issue was about how would the borders between the Republic of Ireland (which is an EU member) and Northern Ireland (which is part of the UK) would be managed after withdrawal takes place (Poptcheva & Cirlig, 2017; The European Council, 2017).

a) Citizens’ rights
First, on citizens’ rights, the dilemma in this issue was about what rights and treatment that citizens of both sides could enjoy after Brexit takes place, taking into consideration the significant number of EU citizens living in the UK (estimated to be 3.6 million in 2016) and the number of British people living in the EU (about 1.2 million in 2015). In addition, another key problem was which court should arbitrate disputes after the actual leave takes place, taking into account that the British government would no longer accept the supremacy of the Court of Justice of the European Union (CJEU) (Bennett et al., 2018).

Poptcheva & Cirlig (2017) explain that while the EU wanted citizens (whether of the UK or EU) to retain their rights under the Union’s laws and regulations (as interpreted by the CJEU) and to allow free movement after the divorce, the UK, in contrast, wanted to end free movement of people. The Kingdom suggested that citizens of the EU-27 living in the UK, regardless of when they came, apply for a “new immigration status under the UK law.”

According to the joint report issued in December 2017 on the progress during phase one, the two parties reached a compromise on this issue. They agreed that the withdrawal agreement would preserve certain rights deriving from the EU law, particularly, the right of the EU citizens and the UK citizens as well to continue studying, working and living in their host state even after the actual withdrawal. They agreed also to confer those citizens the rights they used to have under the EU treaties and “the Free Movement Directive 38/2004” as interpreted by the CJEU. The negotiators agreed that these laws should be applied for citizens who have already exercised their right of free movement under the EU law maximum by the date of the UK’s actual withdrawal.

In addition, the compromise was that for the EU-27 citizens in the UK after the withdrawal, any residence restrictions (such expulsion or entry ban) in cases related with public policy or security concerns will be governed by the British not EU laws. Most importantly, the
joint report on phase one introduced the new “settled status” by which EU citizens—according to certain criteria and scope detailed in the report—could apply to stay indefinitely by obtaining “settled status” (Poptcheva & Cirlig, 2017).

b) The Irish borders

The second critical issue addressed in this phase was the borders between the Republic of Ireland and North Ireland after the UK departures from the bloc. The Irish borders issue is one of the rare Brexit issues that all parties adopted the same stance on. All parties agreed from the beginning that there should not be a hard border between Ireland and Northern Ireland that would introduce again customs and immigration checkpoints (Miler, 2017).

The issue of the Irish borders is a complicated issue as the UK withdrawal from the EU would also affect the continuing operation and future implementation of the 1998 Belfast Agreement (also known as the Good Friday Agreement) between the UK and the Republic of Ireland that ended almost thirty years of violence and tensions between the conflicting communities in Northern Ireland; the Protestant Unionists who wanted Northern Ireland to remain as part of the United Kingdom and the Catholic Republicans who wanted separation from the UK to join the Republic of Ireland (Serhan, 2018).

Briefly, the problem is that in the Brexit referendum in 2016, unlike the majority in England, the majority in Northern Ireland (55.8%) voted to remain in the EU. By this vote, the multifaceted relations and cooperation between the Republic of Ireland and Northern Ireland have been threatened by the UK’s decision to exit the EU, and consequently, its Single Market or Customs Union (Poptcheva & Cirlig, 2017). Therefore, to avoid any political or economic implications that would affect the Belfast Agreement, London and Brussels in many occasions stressed that they would try to ensure that the Agreement is not affected by Brexit.
The EU in its negotiations’ guidelines issued in April 2018 made clear that “the Good Friday Agreement ‘in all its parts’ and the peace process should be protected” (Phinnemore & Hayward, 2017, p.12). Also, the British government emphasized that the Good Friday Agreement “must be considered and safeguarded throughout the withdrawal process” (Phinnemore & Hayward, 2017, p.12). In addition to other statements by officials from both sides as well as Irish officials, these examples showed that all parties were keen on ensuring that during negotiations, there should be an agreement to avoid hard borders.

According to the joint report on the progress of the negotiations’ phase one, the British and European negotiators agreed to some principles and commitments that should be turned into detailed arrangements in the second phase of negotiations and that should ensure the full implementation and protection of all aspects of the Belfast Agreement. For example, the agreed that in all circumstances, regardless of the future relationship between London and Brussels, all aspects of the Good Friday Agreement would still be applied. They also agreed that the UK should avoid any measures that may lead to a hard border on the island of Ireland. The UK government, in addition, committed to preserve “full alignment” to the EU’s rules of the Internal Market and Customs Union in case it fails to propose specific and practical solutions to protect the North-South cooperation and flexible borders in the island of Ireland (Poptcheva & Cirlig, 2017).

c) Financial settlements

The third key issue discussed in phase one of Brexit talks was the financial settlements or what has been known in the media as the “divorce bill”. The two expressions, briefly, refer to the United Kingdom’s financial obligations as a member of the European Union. Although the UK is leaving the EU, it still has to fulfil its financial obligations that it committed to during its membership of the Union. In fact, due to the “multiannual nature” of the Union’s various
projects and programmes, the EU members usually make decisions of long-term plans that impose financial liabilities on them over a number of years (D’Alfonso et al., 2017).

Many experts considered this subject as one of the most contentious issues in the negotiations. Poptcheva and Cirling (2017) and illustrate that while the EU made clear from the beginning (particularly in the negotiations’ guidelines document) that the financial commitments made by the EU 28 members must be delivered by the EU-28, the UK has not recognized these financial obligations towards the Union after withdrawal until the first phase of negotiations was concluded. Moreover, although in September 2018, the British government vowed to respect its financial commitments towards the EU, it did not define what these commitments were, which added to the ambiguity of the British stance. In addition, what made the situation more complicated was that while London wanted to link the financial settlement to a transition period following the actual divorce, Brussels, in contrast, insisted that the financial obligations should not be linked to any other discussions or arrangements.

The negotiations’ phase one resulted in a principle agreement by both sides to a methodology to calculate the financial settlement, including the bill’s items, the principles for calculating them and how should this bill be paid (D’Alfonso et al., 2017; Poptcheva and Cirling 2017). According to the joint report, the UK should still contribute to the EU’s budgets for 2019 and 2020. Britain, in addition, committed to pay its share of other financial commitments and liabilities that were agreed upon by the EU-28 to be completed by the end of 2020. Also it agreed to pay its contribution to the Union’s contingent liabilities (such as staff pensions). Lastly, the parties agreed that these payments related to the financial settlement agreement will be delivered by the UK when they become due and that these payments will be paid in Euro (House of Commons of the United Kingdom, 2018). Although the joint report did not specify the exact amount of the financial commitments for the UK, the total divorce bill for the Kingdom was estimated by some to be about 40-45 billion Euros (Mix, 2018).
In addition to the three key issues discussed above, there have been other withdrawal issues that the two parties could not reach a final agreement on; yet, they agreed on some aspects thereof. Among these issues are the Euratom-related matters, mutual judicial and police cooperation in criminal matters, issues related to civil and commercial cooperation and issues related to the functioning of European Union’s agencies and institutions ((Bennett et al., 2018; Poptcheva and Cirling, 2017).

5.1.2 Phase two

After the UK and EU negotiators had stated in their joint report in December 2017 that “sufficient progress” has been made in negotiating the priority issues of phase one, the second phase of Brexit talks started, seeking to reach an overall understanding on the framework of the EU-UK future relationship in addition to time-limited transitional arrangements (The European Council, 2017). Unlike phase one that focused on certain issues, phase two has been much more complicated as it sought to reach a more comprehensive withdrawal deal that would regulate the post-Brexit relationship between the two sides in addition to the terms of withdrawal.

With regard to the future economic partnership between London and Brussels, the positions of the two parties have been different, taking into consideration the parties’ different interests and objectives. For the UK, the British interests and position in the negotiations have been stated clearly in the statements and speeches of the British officials, especially the Prime Minister, in addition to some key documents such as the so-called White Papers issued by the government in February and July 2018. On its turn, the EU, particularly the European Council has issued guidelines by which it presented its objectives and redlines for the negotiations.

The main goal for the UK in the second phase’s talks has been to negotiate an ambitious free trade agreement (FTA), hoping that the agreement would allow for free trade in goods and
services between London and Brussels and include new customs arrangements with the EU (Cîrlig & Puccio, 2018).

The European Union, on the other hand, has expressed recognition to the results of the Brexit referendum, believing that the UK’s withdrawal process has to be organized. The EU’s main goal has been to ensure that the UK’s withdrawal from the Union will not inspire other Eurosceptic movements and parties to pressure their governments to exit the Union. Brussels wants to avoid a scenario in which the British government could retain all the benefits it wants and at the same time withdraw from obligations that it does not like, which would be an incentive for other Member States to threaten to leave the EU in case they want to opt-out from certain obligations (Patel, 2018).

a) Transitional/Implementation period

In September 2017, the UK Prime Minister, Theresa May delivered a speech on the UK-EU future relationship and Brexit negotiations. In her speech, May stated clearly that she seeks to agree with the EU on a time-limited implementation period (transitional period) during which the two sides would have a chance to smoothly implement the arrangements for the UK withdrawal. She said that a two-year transitional period would be enough.

There was no differences between the UK and EU on this matter. In January 2018, the European Council announced the EU’s vision on the transitional period. It stated that the transitional period should start from the day the withdrawal agreement enters into force and that this period should end maximum by 31 December 2020. Assuming that the UK would leave on 29 March 2019, this means that the implementation period will be about 20 months, which is not greatly different than what the UK government wanted (House of Commons of the United Kingdom, 2018).
But in fact, the talks on the transitional period were not only limited to how long should it be, but, most importantly, they were also about the rules and regulations that should be applied during those 21 transitional months. The EU’s position was that it wanted its rules and regulations should be applied in many sectors during the 20-month implementation period. For example, the European Council made clear in its guidelines for the second phase of Brexit negotiations (issued in December 2017) that “all existing Union regulatory, budgetary, supervisory, judiciary and enforcement instruments and structures will apply, including the competence of the CJEU” (Poptcheva and Cirling, 2017, p. 10).

Furthermore, the Council’s guidelines also highlighted that as Britain would continue to be in the EU’s Customs Union and Single Market during the implementation period, it has to “comply with EU trade policy, to apply EU customs tariff and collect EU customs duties, and to ensure all EU checks are being performed on the border vis-à-vis other third countries” (European Council, 2017, para. 4).

Besides, the European Council’s guidelines have also underlined that the UK would not have a say in formulating or voting on these laws that it would have to accept during the 21 months of the transitional period. The UK “will no longer participate in or nominate or elect members of the EU institutions, nor participate in the decision-making of the Union bodies, offices and agencies” (European Council, 2017, para. 3).

On the other side, before the EU announced these guidelines, Theresa May had expressed her government’s willingness to accept the EU rules in her speech in September 2017. She emphasized that “current terms” of the EU for market accessing as well as the Union’s rules and regulations should prevail during the 21-month transitional period. However, on the free movement, her initial position was that starting from 29 March 2019, all new arrivals from the EU should be registered to be able to come, live or work in the UK (Henley, 2017).
b) Future economic partnership

The British Prime Minister, in March 2018 presented her vision on the future UK-EU relationship, emphasizing that she seeks “the broadest and deepest possible partnership—covering more sectors and co-operating more fully than any Free Trade Agreement anywhere in the world today” (Mix, 2018, p. 8). This means that the UK government was actually seeking a customized or tailored economic relationship with the bloc rather than choosing one from the already-existing models (such as a free trade agreement like the Canadian model or the membership of the European Economic Area of the Norwegian model) (Mix, 2018).

When asked about the UK’s desired agreement, Professor of EU Law at University of Leicester, Adam Cygan argued that the already-existing models will not be accepted by the British government. For instance, he clarified, the Canadian model would not be useful for the British economy as it focuses mainly on trade in goods, while it covers a limited number of services, which represent almost 80% of the British economy. In addition, Cygan also stressed that the UK cannot also accept the so-called Norwegian model that first, does not cover some important sectors of trade in goods such as fisheries and agricultural products, and second, requires free movement people and obliges London to accept the EU rules and regulations, without having any influence on these laws.

In the so-called “White Paper” issued by the British government in July 2018, London advocated for a future relationship with the EU that would be structured around economic and security partnership in addition to cooperation in some other important domains such as science and innovation, culture and education, fisheries and protection of personal data (Cîrlig & Puccio, 2018).

For the economic partnership, July’s White Paper and the statement agreed by the British Cabinet at Chequers in the same month made clear that the UK wanted and FTA-based
relationship with the EU. It suggested a free trade area for goods with no tariffs, no quota or requirements of rules of origin for the UK-EU goods, including agri-food goods (George et al., 2018). The British document also proposed a “common rulebook” for these goods. This rulebook is about “the standards and regulations followed by all EU Member States and non-EU EEA States and facilitates the functioning of the Single Market in goods and services” (Fella, Miller, De Mars & Curtis, 2018, p.5). These agreed standards and regulations cover a wide range of areas that include, for example, health, automotive, emissions, environmental protection, pharmaceuticals and food safety.

Besides, to avoid UK-EU customs barriers, the UK government proposed a new “facilitated customs arrangements” (FCA) by which the UK imposes the EU duties on goods going to the EU and UK tariffs on goods going to the British market. This proposal by the UK intended to facilitate frictionless trade between the UK and EU and at the same time, it should achieve what the UK wants by leaving the Single Market (Cîrlig & Puccio, 2018; Walker 2018).

As for trade in services, which is vital for the British economy, the UK wanted an agreement that is even more flexible than any current arrangements that Brussels has with any non-EU countries, and at the same time still not equivalent to what the UK enjoys as an EU member (George et al., 2018). Britain also wanted the new arrangements on services to ensure the freedom of the government to “to chart its own path in the areas that matter most for its economy” (Walker, 2018, para. 12).

As part of the UK’s proposed partnership with the EU, the White Paper suggested the participation of Britain in the EU agencies; particularly the ones that are relevant to the free trade area for goods such as the “European Chemical Agency” and the “European Medicines Agency”. By this proposal, the government tried to fulfil the demands of businesses that need
facilitated access to the EU market. Not only that, but the White Paper has also accepted that the British government would make financial contributions to these agencies and that it would have no rights to vote on matters related to the way these agencies run their businesses (Cîrlig & Puccio, 2018, George et al., 2018, Morris, 2018).

Another key issue that has been focused on in phase two of the negotiations was the **free movement of people**. The White Paper of the British government tried to get the best deal for the UK citizens and businesses, and at the same time end free movement (which was one of the main reasons why the majority of the British voters voted to leave and one of the British government’s redlines in the negotiations). The Paper affirmed that “any future mobility arrangements will be consistent with the ending of free movement, respecting the UK’s control of its borders and the government’s objective to control and reduce net migration” (Government of the United Kingdom, 2018, p. 32).

What the UK also proposed for the free movement of people was to apply “reciprocal arrangements” such as those related with certain benefits and social security. Among other arrangements, the White Paper proposed to allow citizens to travel without visa for tourism and temporary business activities as well as allowing students to study abroad (Morris, 2018, Walker, 2018).

The EU, in fact, did not accept the British ambitious plan to have an economic partnership that gives London more advantages than other non-EU countries that have trade agreements with the bloc. This future UK-EU economic and trade relationship that the UK government envisioned was seen “unrealistic” by the EU (Mix, 2018). Some analysts explain that the UK’s approach of trying to sustain close relationship with the EU in certain economic areas and to eliminate it in other areas was already ruled out by Brussels according to different
statements of EU officials as well as the bloc’s guidelines for Brexit negotiations (Payne, Bienkov & Colson, 2018).

For Brussels, the UK can only choose between either being a member of the EU’s Single Market based on an EEA agreement (known as the Norwegian model) or a more limited FTA (similar to the Canadian Economic and Trade Agreement with the Union). In other words, the EU wanted to ensure that the balance between rights and obligations is maintained and that the UK would not receive certain privileges without committing to its obligations. The EU, therefore, limited the choices available for the UK; whether to enjoy the benefits of the Single Market and respect its obligations, including the free movement and budgetary contributions, or a limited access to the Market with more regulatory sovereignty and autonomy for the British government (Patel, 2018).

Tackling the issue of the Irish borders in the second phase’s talks, the UK’s objective from the beginning was to avoid hard borders between Ireland and Northern Ireland. Nonetheless, analysts see that May did not offer a practical solution for the Irish borders’ issue after Britain leaves the customs union and Single Market. May reiterated in her speech in March that the UK government was still committed to avoiding hard borders between Ireland and Northern Ireland (Payne, 2018a). She also expressed clearly her rejection to the EU suggestion to solve this issue by calling for Northern Ireland to remain within the bloc’s customs union and to abide by the rules of the Single Market after Brexit, which would avoid hard borders in the island of Ireland (Payne, 2018b).

This stance has been reaffirmed in the UK’s White Paper in July. It emphasized London’s commitment to protect the peace process and the open borders in the island of Ireland in addition to protecting the economic and constitutional integrity of the United Kingdom. The Paper stated clearly that London will agree with Brussels on a “backstop” plan to be applied in
case the two parties could not manage to reach other alternative solutions for the issue of Irish borders (Government of the United Kingdom, 2018).

Nevertheless, the EU still suggested to keep Northern Ireland in the EU customs union, aligned with the rules of the bloc’s internal market on goods to avoid customs and regulatory checks at the Irish borders (Patel, 2018).

5.2 British divisions over Brexit

During the debates on the desired UK-EU relationship after London withdraws from the European Union, terms of “soft Brexites” and “hard Brexites” appeared and have been used to refer to the positions of political actors in the UK on Brexit and how the future relationship between the UK and EU should be.

“Hard Brexiteers” are those who prioritise Britain’s full control over its borders, reject compromises with Brussels on issues like free movement of people and prefer the UK to make new trade deals and apply its own laws. This group, therefore, prefers the UK to leave the Single Market and customs union of the EU. On the contrary, “soft Brexiteers” and those who initially wanted the UK to stay in the EU (the so-called remainers) have expressed support to maintain a close relationship with the EU after Brexit which means that they accept paying financial contributions to the EU and allowing free movement in exchange for the UK remain in and benefit from the EU’s Single Market (Hunt & Wheeler, 2018; Sims, 2016).

In fact, the actual situation in the UK has been more complicated than this. Political parties and Members of Parliament (MPs) are strongly divided to the extent that one can even see these divisions inside the same party. When asked about the situation in the British House of Commons, Liberal Democrat Lord, Jeremy Purvis said “the UK was in a fluid situation” and that “there [was] no clear majority in the House of Commons for any of the [Brexit] options” that have been proposed during the negotiations.
The Conservative party issued a 12-point statement on its stance on Brexit negotiations in January 2017, describing this 12-point plan as “the right Brexit.” The ruling party expressed in this statement that it supports the end of free movement and the UK “taking back control of its borders.” To restore the supremacy of the British courts (which is considered an integral part of the UK sovereignty), the party made clear that they support ending the supremacy of the CJEU in the UK. The Tory party has also emphasized that the British government should stop contributing significant amounts of money to the EU budget so as to spend this money on the priorities of the British people. Besides, the party also called for frictionless trade in goods and flexible trade in services between London and Brussels, security cooperation with the EU and leaving the Union’s common agricultural policy and common fisheries policy. In addition, the conservatives have also called for a Brexit that ensure the UK would be free to have an independent foreign and defence policy as well as ensuring that no hard borders would be introduced in the island of Ireland or between Northern Ireland and Great Britain. Most importantly, the party expressed its rejection to postponing the UK’s departure from the Union, stating clearly the UK should leave the European Union by 29 March 2019 ("Where UK parties stand on Brexit", 2017).

On the other hand, the opposition Labour Party’s initial position was to stay in the European Union. However, the party respected the results of the referendum afterwards, but unlike the Conservative Party, the Labours have been supporting “soft Brexit”. They have been calling for protecting workers’ rights and a “tariff-free access” to the EU Internal Market. Furthermore, the opposition party has rejected the calls for a second referendum on Brexit as well as rejecting leaving the EU without a deal; a scenario that many experts and scholars argued would result in serious problems for both London and Brussels. Unlike the Tory party, the Labour party have not called for limiting the number of EU migrants to Britain ("Where UK parties stand on Brexit", 2017).
Furthermore, there are some other parties represented in the House of Commons who are calling for a second referendum regardless of their different motives to do so. When asked in July 2018, Liberal Democrat, Lord Purvis stressed that his party (which is a strong supporter of remaining in the UK) was calling for a second referendum as a solution for the “deadlock” and lack of unanimity on any of the Brexit options, including the British White Paper issued in July 2018. Lord Purvis, nonetheless, recognized that that a second referendum would be very difficult because the British government clearly rejected this suggestion.

Similarly, the Scottish National Party (SNP), which was a “remain” supporter has been calling for a special status for Scotland after Brexit in addition to a second independence referendum for Scotland before the actual Brexit takes place. The SNP wanted Scotland to remain in the EU’s Single Market. The party believed that the EU membership delivered significant “social, economic and cultural benefits” for different communities and businesses in Scotland (Harris, 2018). Also, in October 2018, leader of the party, Nicola Sturgeon affirmed that the party’s MPs would not back any deal that keeps the UK out of the Single Market and customs union of the EU and that the party supported second referendum on Brexit (“SNP would back 'People's Vote' on Brexit”, 2018).

It is worthy to highlight that the divisions and different opinions on Brexit have not been only among the different political actors, but there have been even divisions among members of the same party, particularly the Conservative party. What makes the situation even more complicated is the fact that these divisions are not about simply hard and soft Brexit supporters, but analysts refer to at least five different positions on Brexit inside the Tory party. For example, there is a group that calls for a no-deal Brexit (about 62 MPs); another group that supports a hard Brexit; a third group that, in contrast, backs a soft Brexit (around 12 members); a fourth group of Tory MPs who demand a second referendum on Brexit (around 4 MPs); and lastly, those who would support any deal (around 50 MPs), focusing mainly on helping the
British Prime Minister in this complex situation as well as delivering on the referendum results to leave the EU by 29 March 2019 (Dickson, 2018; Wheeler, 2018).

In an interview with Senior Lecturer at the University of Loughborough, Dr. Tim Oliver made clear that this complex situation was the result of the fact that the 52% of voters who chose to leave the European Union did not know what kind of a relationship the UK and EU should have after London leaves the Union. He stressed that since June 2016, there have been unresolved debates in the UK on this, which resulted in a situation of no majority in the British House of Commons for any of Brexit models, no majority for a “no-deal” Brexit and no majority for reversing the decision to leave.

These severe splits have resulted in tens of calls for a vote of no confidence against the British Prime Minister by her party members who oppose her Brexit proposals (Sabbagh, 2018), which represents a serious threat to the negotiations between London and Brussels in case there would be a change of government before the two sides finish their negotiations and endorse the withdrawal agreement.

First Secretary in the Egyptian Commercial Office in Brussels, Mohamed Wahish was asked about the consequences of these internal divisions on Brexit. Wahish assumed that these “widening differences”, especially the ones among May’s Cabinet and party may lead to a vote of no confidence against May’s government. He added that if this happens, the new government may call for a second referendum on Brexit as a solution for this complicated situation.

Another expected outcome if the British political parties and MPs remain divided is that the UK may leave the bloc without managing to reach a withdrawal deal that ensures an organized Brexit. When asked about this scenario, Professor Cygan emphasized that a “no-deal” Brexit will be problematic for both sides and that is why they try to avoid this situation. He also made clear that the consequences of this scenario will be harder for the British
government that, in this case, will have to negotiate new trade deals and agreements with many other countries. However, Cygan did not completely exclude this scenario, especially if the British House of Commons remains divided on Brexit proposals.
Chapter 6: Brexit negotiations concluded

In November 2018, it was announced that the European Commission and British negotiators managed to reach an agreement on the withdrawal of the United Kingdom from the European Union. The objective of this 585-page agreement is to set the arrangements for the divorce to ensure that it will happen in an orderly manner. It is important to clarify here that this document is meant to only regulate the two parties’ relationship during the 21-month implementation/transitional period. For their future relationship after the implementation period, the UK and the EU have agreed on a political declaration that accompanied the Withdrawal Agreement (WA) and that sets out the framework of the two parties’ future relationship that is planned to be negotiated by the end of the implementation period.

6.1 First: The Withdrawal Agreement

The Withdrawal Agreement covers common provisions, rights of UK and EU citizens, the financial settlement, a transition period, an overall governance structure, a “backstop plan” for the Irish borders and other separation issues.

First, the agreement has referred to a number of provisions seeking to ensure the correct application of the WA and to make sure that both parties adopt the correct understanding and interpretation of the Agreement. Among the key issues tackled in this section of the WA is the supremacy of the CJEU and EU laws which have been widely rejected by British people and hard Brexiteers.

According to the Agreement, the UK will have to remain under the CJEU jurisdiction during the implementation period. For example, to issues relevant to the WA, Article 4(2) gives EU laws supremacy over national laws. Moreover, the UK courts will be required to stop applying domestic laws and legislations that are not consistent with the WA or EU laws.
applicable under the Agreement. Furthermore, to take into consideration the demands of Britons who reject the supremacy of the CJEU, the agreement suggested a compromise that settle disputes on the interpretation of the WA, a joint UK-EU committee will be established (European Union Committee of House of Lords, 2018; Morris, 2018).

Second, on **citizens’ rights**, the withdrawal agreement came with a balanced terms that protect citizens’ rights and at the same time limits the free movement after the transitional period by specifying some regulations and procedures to be applied to guarantee citizens a “settled status”. However, only during this period, EU citizens residing in the Kingdom and British citizens residing in the EU27 until the end of the implementation period will continue to enjoy all their residency and social security rights in accordance with the EU’s Free Movement Directive (Peers, 2018).

After December 2020, free movement will end, and citizens of the UK who want to reside in any of the EU 27 Member States as well as EU citizens who want to reside in the Kingdom would have to meet some specified conditions (such as, among other conditions, staying in the host country for at least five years) to be able to apply for permanent residence (Morris, 2018).

Third, with regard to the **financial settlement**, the WA does not mention a specific figure on the total amount that the UK government would pay, but it suggests a mechanism that help to calculate the total amount that London owes to Brussels based on the former’s outstanding commitments and its share of assets and liabilities. This net cost, however, is expected to be about £35-39 billion, taking into consideration that the final figure will depend on future events (European Union Committee of House of Lords, 2018; Morris & Kibasi, 2018).
In fact, while there has been a wide opposition to the UK’s contributions to the EU budget, the UK will continue to benefit from the EU programmes that London pays to be participate in such as the European Development fund. Therefore, the British beneficiaries of these programmes should respect the EU regulations for these programmes, including co-financing. In addition, as mentioned in earlier in Chapter 5 of this study, part of this amount will be paid to cover the financial obligations made when the UK was still a member of the EU. Besides, some commentators argue that without giving concessions on this controversial issue, progress on other issues of negotiations would not be possible. Lastly, the British government acknowledged that these financial obligations should be paid regardless of the final outcome of the Brexit negotiations (European Union Committee of House of Lords, 2018; Morris, 2018).

Fourth, the arrangements during the transition period, the UK government could not manage to reach a deal that considers the concerns of the many Brexit supporters who do not want the EU laws to be applied to the UK. What the government manage to reach is expected to face strong criticisms and opposition by “hard Brexiteers” who will not accept the EU laws to continue to apply to the UK during the implementation period and at the same time, as the WA states, the UK government and its citizens will be deprived from many privileges of the EU membership.

According to the Withdrawal Agreement’s provisions, during the implementation period, the UK will be treated as an EU member and it commits to follow the vast majority of EU laws. Yet, the exception is that Britain will no longer have the right to participate in the decision-making within institutions of the EU (Morris & Kibasi, 2018). Which means, in other words, the UK will accept EU laws, participate in the Customs Union and Single Market (with its four freedoms) and automatically accept and apply any changes to EU laws without having a say on any of these changes. The kingdom will, therefore, accept the supremacy of the
Union’s supervisory, budgetary, regulatory, trade and judiciary laws (European Union Committee of House of Lords, 2018).

Furthermore, for British citizens, they will lose their rights to vote in or run for European elections. They will no longer have the right to participate in European citizens’ initiatives in addition to ceasing the eligibility to be recruited as officials or servants in EU’s agencies and bodies (European Union Committee of House of Lords, 2018).

These commitments do not comply with what the majority of British voters have voted for, neither do they comply with the government’s promise of “taking back control” of UK’s domestic laws (Morrise, 2018). Therefore, the WA and Theresa May are expected to receive wide criticisms because of this part of the agreement in particular.

Fifth, the governance of the Withdrawal Agreement may be another contentious part of the Agreement as it gives supremacy for the CJEU in some cases. In general this section of the WA provided institutional arrangements that seek to guarantee that the Agreement and all its provisions would be implemented and enforced effectively, especially when disputes arise, which would require a dispute settlement mechanism.

The two parties agreed to establish a joint UK-EU committee to supervise the implementation and application of the WA. This committee should operate on the basis of mutual consent and will have sub-committees that would be specialized in different areas (Morris & Kibasi, 2018). However, what may be widely objected, especially by the “hard Brexit supporters who do not accept the supremacy of the EU Court, is how the Agreement deals with disputes concerning the interpretation of the WA. In this case, and if the joint committee fails to find a solution, any of the parties can refer the dispute to a binding arbitration panel that must request the CJEU’s binding ruling where the dispute is related to a question of the EU law. The final decision of the arbitration panel would be binding for the two sides and
there would be sanctions and financial penalties imposed in case of non-compliance by any of the parties (The European Commission, 2018).

Sixth, with regard to the controversial issue of the **Irish borders**, the UK and the EU agreed in the WA to the terms of the so-called “backstop” plan/solution for the issue of Irish borders. This plan should be applied if the two sides fail to reach a long-term trade deal that avoids hard borders in the island of Ireland by December 2020, and if there is no extension to the transition period. The Agreement states clearly that the backstop plan consists of “a single customs territory between the Union and the United Kingdom,” (Morris, 2018, para. 19) having Northern Ireland involved in a deeper customs relationship with the EU than the rest of the UK. Moreover, the backstop plan will require close alignment of Northern Ireland to the Single Market’s rules and regulations. The plan will also restrict London’s freedom to make its own trade policy choices as it will be required to comply with relevant parts of the Union’s commercial policy, particularly, tariffs imposed on imports from third countries and rules of origin (Morris & Kibasi, 2018).

In fact, the arrangements of the backstop plan “does not prevent an independent trade policy, but it does severely constrain its policymaking in this field” (Morris & Kibasi, 2018, p. 5). It is expected that supporters of “hard Brexit” would not accept the WA’s arrangements for the “backstop plan” as they always argued that the whole UK must exit the customs union to be able to negotiate the free trade deals it wants with other countries (Henley, 2018).

**6.2 Second: The Political Declaration**

Unlike the Withdrawal Agreement, the Political Declaration (PD) is not a legally-binding document. As explained earlier, the WA covers only the EU-UK relationship in the transitional period, as the actual agreement that regulates the two parties’ relationship after December 2020 will still be negotiated during the transitional period. Therefore, the two sides negotiated an agreed on this declaration to be the general framework within which they will
negotiate their future relationship agreement, which will not be limited to trade, but rather a comprehensive agreement to regulate the two sides’ future partnership. According to the PD’s original text, the Declaration “establishes the parameters of an ambitious, broad, deep and flexible partnership across trade and economic cooperation, law enforcement and criminal justice, foreign policy, security and defence and wider areas of cooperation” (Council of the European Union, 2018, para. 3).

First, the PD has reiterated the **red lines** of both parties that have been clarified by their officials in many previous occasions. For the EU, it stressed that its future relationship with the UK should be consistent with the Union’s principles that respect the integrity of the Internal Market and the Customs Union in addition to the “indivisibility” of the four freedoms. As for the UK, the Declaration emphasized that the future partnership agreement must ensure the sovereignty of the Kingdom, protect its internal market, allow London to have its own “independent trade policy” and end the free movement of people (Council of the European Union, 2018). This shows a significant incompatibility in the positions of the two sides, which may hinder their ability to compromise and reach the desired “ambitious, broad, deep” partnership they seek (Cardwell, 2018).

In addition, on the role of courts and mechanism to settle future disputes, the Political Declaration was not different from the Withdrawal Agreement. In the PD, the parties agreed on a system to resolve disputes through a joint committee and an arbitration panel. And in case the matter is related to the EU law, the final say would be for the CJEU (Morris, 2018). This makes it clear that the UK government had to sacrifice by allowing the CJEU to have a superior role in exchange for a future ambitious and comprehensive partnership deal in goods and services with Brussels (Foster, Isaac & Crisp, 2018).
Third, on **free movement of people and citizens’ rights**, the PD has clearly recognized the British government’s desire to end free movement, and accordingly, it expressed the parties’ commitment to establish future “mobility arrangements” that will be based on non-discrimination and reciprocity in areas such as visa free travel for short-term visits. Also, the UK and the EU agreed to ensure temporary entry for business purposes in certain areas, consider conditions for entry and stay for study and research purposes as well as training and youth exchanges (House of Commons Library, 2018). This has been seen by some analysts as a success for the British government as it managed to reach an agreement on this point that considers the demands of almost everyone in the UK. On one side, it makes clear that the Union’s free movement rules will no longer apply to London after Brexit. While the future arrangements to apply this will still be negotiated, the British government promised in previous occasions that it is willing to introduce a “permit system” that favours high-skilled migrants. On the other side, the British government also did not ignore the demands of businessmen and holiday travellers, ensuring them visa free travel to Europe on reciprocal basis (Foster, Isaac & Crisp, 2018).

With regard to **the future economic partnership**, the negotiators of the two parties expressed their commitment in the PD to “develop an ambitious, wide-ranging and balanced economic partnership” that includes a “free trade area” and sectoral cooperation in areas of mutual interest (Council of the European Union, 2018). What can be deduced from the Declaration’s general framework on trade in goods is that the two parties seek a trading relationship on goods that is “as close as possible”, committing themselves to ambitious economic partnership and open and fair competition (Morris, 2018). For some experts, this may refer to the fact that the aim of an agreement that ensures “frictionless” trade has been downgraded as there is no reference to “frictionless” trade in the document, which is unlikely to be accepted by Brexit supporters in the UK (Cardwell, 2018).
As for trade in services, which is more critical for the British economy than goods, the PD does not show serious commitments to a deep relationship, leaving trade in services open for future negotiations. The Declaration stated that the future agreement should aim at a deal that takes liberalization in trade in services into a higher level beyond the WTO commitments (Cardwell, 2018; House of Commons Library, 2018).

Fifth, for the critical issue of the Irish borders, the Political Declaration has expressed the two parties’ commitment to avoid hard borders in the island of Ireland without providing details on future solutions to replace the backstop plan of the Withdrawal Agreement. The Declaration stated that “the Parties recall their determination to replace the backstop solution on Northern Ireland by a subsequent agreement that establishes alternative arrangements for ensuring the absence of a hard border on the island of Ireland” (Council of the European Union, 2018, para. 19).

In addition to the above-mentioned issues, the Political Declaration has set out the general framework on “comprehensive and balanced security partnership” between London and Brussels that includes internal police cooperation in addition to on border foreign policy and defence cooperation (Morris, 2018).
Chapter 7: Summary and Conclusion of the Study

7.1 Summary of the study

This study has focused on the complicated Brexit negotiations in light of the different positions and objectives of the British government and the European Union’s leaders in addition to the divisions among the British parties. This tough process of negotiations may not succeed in reaching a deal that first, achieves the different objectives of the British government and the EU, and second, fulfils all the conflicting demands of the UK’s political actors. This scenario, which has been referred to as the “No-deal Brexit”, is not a desired scenario neither for London nor Brussels because of its potential catastrophic implications that have been analysed in many other studies.

In order to study the Brexit negotiations’ process and how it may affect the future EU-UK relationship, it was necessary first to interpret Article 50 TEU of the Lisbon Treaty of the EU, which is the first Article of an EU document that gives the EU Member States the right to withdraw from the Union and defines general rules for this withdrawal process.

By signing Lisbon Treaty that entered into force in 2009, the treaty introduced the first article of an EU treaty that allows Member States to leave the Union and specifies the steps that should be taken by the withdrawing member and the Union. In its first paragraph, Article 50 TEU gives the EU members the right to decide to withdraw from the Union whenever they want without having to provide reasons for this decision. Giving its members this right to withdraw at any time, the article showed that the EU recognizes its members’ sovereignty and that they consent to be part of this integration project.

Moreover, Article 50.2 TEU states that the withdrawal process would not be officially initiated until the exiting member sends a written notification with its intention to leave to the European Council. From this point, the Council and the exiting member can start a two-year
negotiations to conclude an agreement on the withdrawal as well as the future relationship between the European Union and the withdrawing country. The British government on 29 March 2017 took this step and triggered Article 50, which means that the UK should officially leave the Union maximum by 29 March 2019 whether or not the two sides would manage to reach a withdrawal deal. In case they succeed, this agreement will not enter into force until the European Council votes for the agreement by a qualified majority after obtaining the consent of the European Parliament.

According to Article 50.3, the EU treaties will cease to apply to the withdrawing member after a withdrawal deal with EU enters into force or when the two-year negotiations period is over even if it is over before reaching a deal. However, the article also added that the period of negotiations could be extended for more than two years only if the departing member and the European Council unanimously agree to extend it.

During the negotiations’ period, the member that seeks to leave the Union enjoys almost all its rights as a member and should stay committed to all its responsibilities and obligations. Nonetheless, the only right or power this member cannot exercise, as per Article 50.4, is its right to take part in the European Council’s discussions or decisions dealing with the member’s withdrawal from the Union.

Lastly, Article 50 of Lisbon Treaty points out that to re-join the European Union after withdrawal, the country should be treated like any other non-EU country that wants to be an EU member. This means that it will have to follow all the accession procedures mentioned in Article 49 TEU and that it will not receive any special treatment from the EU.

Although the withdrawal procedures may sound simple and clear, this study, in Chapter 4, has highlighted some of the problems and criticisms to Lisbon Treaty’s Article 50. The first criticism the study referred to was the relatively short period of negotiations that is a two-year
period. Although theoretically, this period can be extended, it is very difficult to meet the condition to extend the negotiation’s period, which requires a unanimous consent by the European Council.

Secondly, the study highlighted that a key problem with Article 50 TEU is that its wording was not clear enough on some vital issues, which resulted in some contradicting interpretations of the article. The article, for example, was not clear on the possibility of revoking the withdrawal notification in case a withdrawing country changes its mind and decides to remain in the EU. Although this issue has been debatable because it was ignored by Article 50 TEU, this study claims that a country may revoke its notification to withdraw, but this would be difficult and most likely cannot be a unilateral revocation by the exiting member.

Thirdly, the study addressed another problem concerning the scope of Article 50 of Lisbon Treaty and the number of agreements that need to be concluded by the departing member and the EU for withdrawal, which have not been clearly explained by the article. This issue has been subject to many debates; nevertheless, some experts as well as the negotiations’ developments have shown that there should be two agreements; one to regulate the terms of withdrawal itself, and another one that would focus on the future relationship between the Union and the withdrawing member.

In addition to explaining the withdrawal procedures, this study, in its fifth chapter, focused on the different positions and objectives of the UK and EU on one side, and the different stances and views of British political actors on the other side through explaining the key issues that have been discussed over the past nineteen months since the negotiations started in April 2017. In fact, one study cannot be enough to cover all issues of negotiations and all the details of each of these issues. Therefore, for the purpose of this study, only some critical
issues have been explained in order to analyse the different positions and objectives concerning the desired withdrawal agreement and the future UK-EU relationship.

In contrast with to the UK’s desired approach in negotiations, the European Union decided that Brexit negotiations would be held on two phases in order to avoid a chaotic Brexit that may be the result of negotiating all issues of Brexit at once. The first phase has focused mainly on citizens’ rights, the borders between the Republic of Ireland and Northern Ireland and financial settlements. After achieving a “sufficient progress” in phase one, the second phase – that was built on the first one’s progress – started to discuss the terms of the UK’s withdrawal from the Union as well as the relationship between both sides during the implementation/transitional period.

The first and second phases of negotiations showed that there has been a significant difference between the UK’s objective and the EU’s one. Britain for example, wanted an FTA-based relationship, including a tailored, broad and deep economic partnership that covers areas that matter for the UK’s economy such as trade in services. At the same time, Britain has been trying to reach a deal that allows the government to have its freedom to make its own trade deals with third party countries and impose a new system to limit the free movement of people. However, for the European Union, these ambitious proposals were seen unrealistic as they give the UK more advantages that other non-EU countries that have trade agreements with Brussels (such as Norway, Switzerland and Canada). The EU’s negotiations’ guidelines were clear and strict from the beginning emphasizing that the UK cannot benefit from the EU’s privileges without committing to the required obligations of these advantages.

Also, although the two parties agree in principle that that there should not be hard borders between Ireland and Northern Ireland, the negotiations showed that they have a different position on the practical solution for this matter. While the British government
affirmed that the whole UK should leave the Single Market and Customs Union of the EU in order not to threaten the unity of the Kingdom, the EU’s negotiator still saw that a practical solution would be keeping Northern Ireland in the Customs Union while the rest of the UK would leave.

In November 2018, the negotiations were concluded by reaching a Withdrawal Agreement that sets the arrangements for the divorce in addition to a Political Declaration that identifies the general framework of the two parties’ future relationship that is planned to be negotiated by the end of the Brexit implementation period.

The Withdrawal Agreement came with several proposals that sound to be difficult to be accepted by the British Brexit supporters who do not accept the supremacy of the CJEU and the EU’s laws. The WA makes it clear that the UK, during the implementation period, will have to accept the EU laws in many areas in exchange for being able to participate in the Union’s Single Market and Customs Union. In addition, London will have to accept the supremacy of the CJEU in some cases when disputes on the WA arises. Yet, on the other hand, the UK managed to reach a balanced agreement on citizens’ rights and free movement as part of the WA. Lastly, for the Irish borders issue, the UK and EU agreed that in case they fail to reach a long-term trade deal that avoids hard borders in the island of Ireland by December 2020, they will apply the so-called “backstop plan” that involves Northern Ireland in a deeper customs relationship with the EU than the rest of the UK.

Besides, the negotiators also agreed on a Political Declaration that identifies the general framework within which they will negotiate the UK-EU future relationship agreement after the end of the transitional period. The PD reconfirmed the red-lines of the UK and EU, which shows a significant difference in the positions of the two sides concerning their future relationship. Furthermore, the PD showed the intention of the two parties to have a future
ambitious, wide-ranging and balanced economic partnership based on a free trade area and cooperation in some sectors. It also offered a promising framework on free movement and citizens’ rights that will end free movement after the transitional period, but at the same time will ensure that businessmen and holiday travellers can have visa free travel to EU members on reciprocal basis. However, on the role of EU courts and the mechanism to settle disputes, the PD allowed the EU Court of Justice to have a superior role in some cases. In addition, the Declaration also did not offer new arrangements to solve the Irish borders issue in future as it only emphasized the commitment of the two parties to avoid hard borders without mentioning any practical details on how this could be done.

7.2 Conclusion
This study has focused on studying the Brexit and its negotiations to see how this negotiations’ process may shape the future relationship between the United Kingdom and European Union. The main conclusion of this study is that in light of the different objectives, interests and positions on Brexit that have been illustrated in the previous chapters, the UK and EU may not be able to reach a final withdrawal agreement as well as a balanced future partnership agreement that will be accepted by the divided British political actors. This may lead to a no-deal Brexit that is expected to lead to catastrophic implications for both sides’ economies.

The British government had not prepared for the Brexit negotiations before triggering Article 50 to start the two-year negotiations’ period with the EU. In addition, the British withdrawal from the Union was the first case of a Member State that leaves the bloc, which means that there was no previous cases that could have guided the two parties concerning how the withdrawal should happen and how their future relationship should look like. This has resulted in more debates on Brexit among the British political actors who supported different
proposals for Brexit and the future UK-EU relationship. These proposals are not simply different, but they indeed carry conflicting views in some areas.

Besides, the positions and objectives of the UK and EU have been also significantly different. Although the Withdrawal Agreement and Political Declaration that were announced in November 2018 showed that the two sides managed to offer compromises in some areas, there are still some other critical issues that they could not agree on such an alternative solution for the Irish borders and a deal on trade in services that allows the UK to benefit from the EU’s Internal Market and at the same time have its own independent deals with other countries. Even if the two sides manage to reach a common ground on these substantial matters, the British government would still face a serious challenge that is the strong opposition to the WA and PD by the majority of the Members of Parliament (MPs), including a serious number of Conservative MPs.

In light of this complicated situation, the future of the Withdrawal Agreement and Political Declaration is not clear. The study has showed that they will most probably be voted against in the British Parliament unless the Conservative MPs who do not support these proposals change their opinion before the voting takes place. There is a number of potential scenarios in case the House of Commons votes down the proposed Brexit deal. First, the British government may still have time to renegotiate the deal with the EU to try to find better solutions for issues of contention. However, to change the position of those who do not accept the government’s deal, significant concessions need to be made by the EU, which is unlikely to happen because the latter has been following a strict approach in negotiations to avoid a Brexit agreement that allows the UK to benefit from the EU’s privileges without committing to the required obligations.
Second, regarding the wide calls inside the parliament for a second referendum as a possible solution for this impasse, the British government has expressed in many occasions its strict rejection to this suggestion, insisting that there should not be a second referendum as people have already voted to leave in June 2016. In addition, May argued that if the government agrees to hold a second referendum, there may be future calls on a third referendum which will delay the UK’s withdrawal from the EU and create wider divisions instead of bringing together the British political actors to make Brexit happen orderly.

A third possible scenario, therefore, is that the UK may withdraw without a deal. In light of these widening divisions among the British parties and the unwillingness of the EU to give more concessions to London, a “no-deal” Brexit is very likely to happen, which will negatively affect the future relationship between the two parties as the UK will leave the Union without any deals on the very critical issues that have been negotiated for almost twenty months.


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