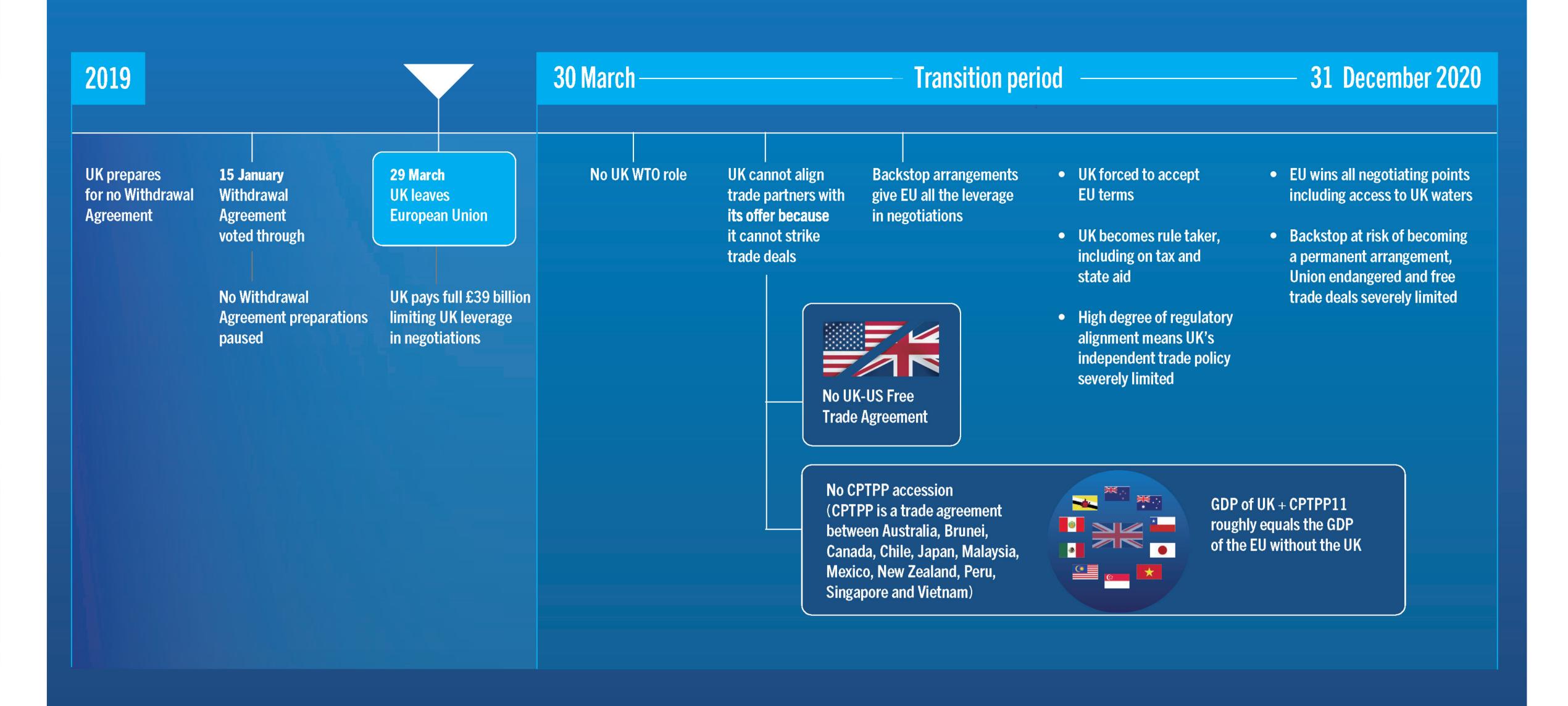
# PATHWAY IF PRIME MINISTER'S DEAL PASSES



# The Fundamentals of Brexit Negotiation

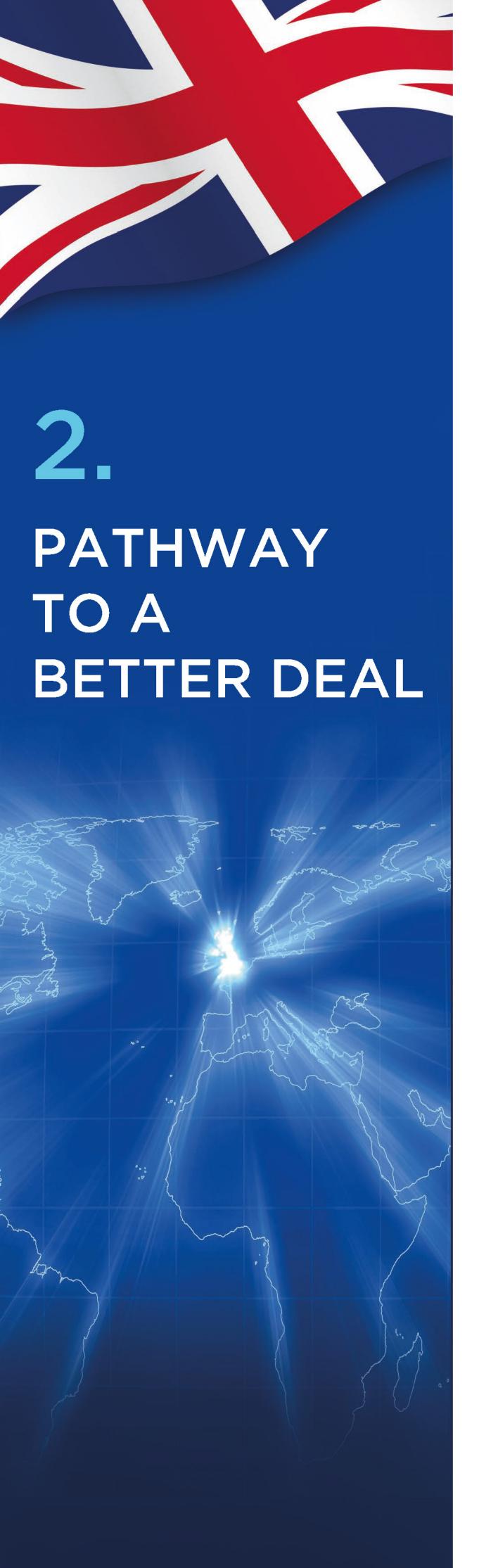
### Do

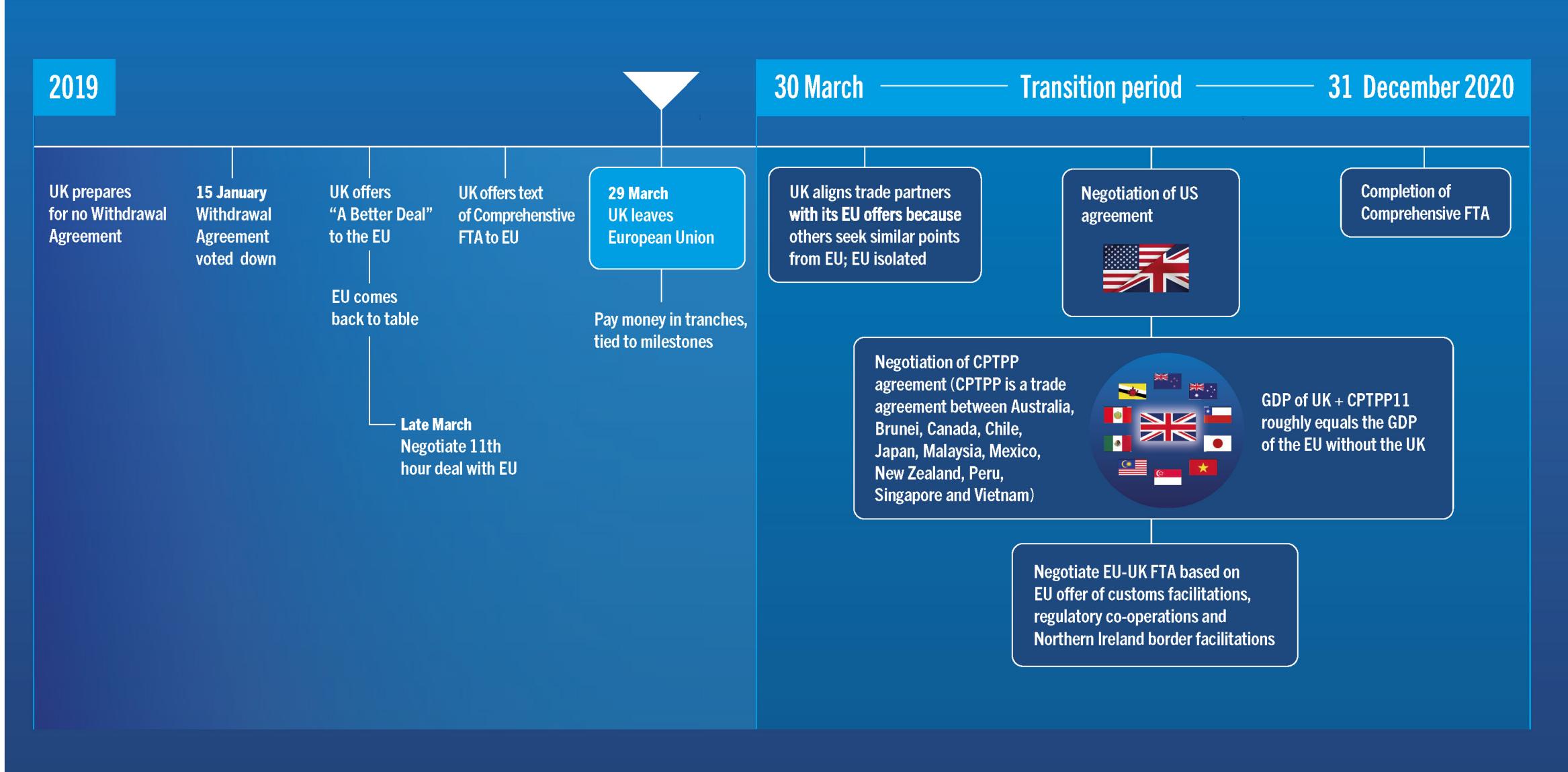
- Make time your friend by ensuring maximum pressure on the other side at the end of the negotiation; seeking Article 50 extension now would be a catastrophic negotiation mistake as it would preclude this
- Work with your trading partner allies to isolate the other side (i.e. US, Australia, New Zealand, Canada, Japan)
- Exploit the weaknesses of the other side (i.e. they are slow, move quickly, they are reactive, be proactive, the EU is the global outlier and moving further away from the global norm)
- Take the initiative by putting text on the table including a revised
   Withdrawal Agreement and draft Comprehensive Free Trade Agreement
- Recognise that Member States and interest groups will remain silent while the Customs Union remains on the table, and will react only when their market access is threatened

# Don't

- Don't assume the EU and UK are on the same side of the table
- Don't take your leverage away by ruling out walking away (i.e. exiting on WTO terms) or not communicating preparedness for no deal to other side, handing over the full £39bn or agreeing to a backstop
- Don't unnecessarily extend Article 50 as this would be a catastrophic negotiating mistake, would communicate maximum vulnerability to the EU, preclude all of the pressure on the EU we seek and guarantee a bad deal
- Don't cede the initiative to the other side
- Don't tell them what you're going to do in advance, allowing them time to respond







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**April 2019** 2019 **31 December 2019 31 December 2020 Basic EU – UK FTA Negotiation of US UK** prepares 15 January **UK offers alternative** 29 March **UK improves EU** comes to table plan to EU for no Withdrawal **Withdrawal** domestic agreed and **UK leaves European** agreement requesting Agreement negotiations on more **Agreement Union on managed** regulatory FTA due to desire comprehensive voted down WTO+ terms environment for agricultural element and other market access UK offers ----- EU and UK -----**End of putative** text of do not agree Withdrawal Agreement **Negotiation of CPTPP agreement** Comprehensive **Transition Period** (CPTPP is a trade agreement between **EU** motivated to FTA to EU Australia, Brunei, Canada, Chile, negotiate quickly Japan, Malaysia, Mexico, New Zealand, due to continued loss **Peru, Singapore and Vietnam)** of market share and our simultaneous GDP of UK + negotiation with CPTPP11 other trade partners roughly equals the **GDP** of the

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### Don't

**UK opens up agricultural** 

and other tariffs to world

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**EU** without

**UK pays limited amount** 

of money (i.e. pensions liabilities)

the UK

