

The Commons tries to undermine the government's negotiating position

Yesterday was another Groundhog day when we are asked once again to debate the customs union. Twice we have had major debates and decisive votes on this issue, and twice the Commons has voted to leave the Customs Union when we leave the EU. One was on an amendment to the Queen's Speech, and one was on an amendment to the EU Withdrawal Bill. That's as well, as the EU is not offering us free membership of the Customs Union when we leave anyway!

Yesterday the Conservative party did not vote on the motion. The motion was not to embed this approach in law, so the government decided it was not binding. Another possible binding vote on this issue will be held again if Labour wishes to change its former position in the Commons when the EU Withdrawal Bill returns from the Lords, if the Lords have passed an amendment to that bill which Labour now likes. Labour abstained on the two important votes held so far on the two rebel Labour proposals to stay in the customs union.

The problem with all these motions and amendments to draft legislation, binding or not, is they are requiring something which is not in the gift or control of the UK government. Were the government to give in and accept we should belong to the Customs Union after leaving, or want a customs union look alike on departure, that would require an offer and consent from the EU. I do not think the EU would give us such membership without also demanding we accept freedom of movement, budget contributions and obedience to many of their laws, as if we were still in the EU.

I have often made the case why many of us prefer not to be in a customs union anyway. I think we will be better off out. Yesterday there was a tired old rehash of the Remain arguments from before the vote. Most of those contributing have clearly never run a complex supply chain in their lives and have no idea how modern business works. Their speeches were peppered with words like "paperwork" and "form filling", conjuring images of queues of lorries at borders as staff tried to work out what the lorry had on board, how much customs dues it should pay and how each product conformed or not with rules of origin. There was no talk of electronic manifests, filing in advance, electronic debits for customs dues as for VAT and Excise at the moment, no mention of Authorized Economic operators with rapid transit at borders, no mention of TIR and all the other ways that have already been developed to ensure the free flow of goods. In modern complex industrial supply chains each item is recorded in detail so its past can be traced, and this is recorded on electronic manifests which can be made available to the authorities to settle any issues and money owing without needing to do that at a border post. There is today complete electronic visibility of goods in transit by all Authorized Economic operators. Nor in the debate was there any acknowledgement let alone understanding of the WTO's wide ranging Trade Facilitation Agreement which binds both us and the EU, nor of how the rules of origin are currently policed without border hitches.

There was a concerted effort to try once again to undermine the UK's negotiating position. Sending a loud hint that the government might be forced to change its mind on customs union membership was obviously designed to weaken the UK's position and give the EU more reason to delay serious talks in the mistaken belief that the UK position on that matter might alter. There is clearly no point in negotiating a free trade agreement between the EU and the UK if the UK is going to stay in the customs union after all. Instead we would just face dictation of terms, as an EU that could not believe its luck would set about recreating all features of our membership of the EU as the price for such a concession, rightly claiming that you cannot be in a customs union unless you go along with much of the rest of their project.