

News from the Brexit Cliff Edge

21st Feb 2019

News Highlights

Welcome to the Brexit Cliff Edge

- A no deal Brexit will cut GDP by 7% cause a rise in unemployment by up to 100,000 and hit the value of the pound, a report from the Scottish government`s chief economic advisor will say later today
- Ireland is alarmed by Michael Gove`s plans to put tariffs on food to protect UK farmers from imports and considering asking Brussels for an emergency funding package
- UK Retail Consortium groups issued a statement saying a no deal Brexit would badly hit the availability of goods and force up prices to consumers
- Companies seeking to carry on trading as before with UK customers are rushing to get official trading permit clearance from UK authorities
- Three Conservative MPs (Anna Soubry, Heidi Allen and Sarah Wollaston) quit the Conservative Party accusing it of being hollowed out by Far Right extremists
- Tory Peer Baroness Altmann is considering leaving the Tory Party and joining the Independent Group
- European officials were said to be mystified by UK red top press reports that Theresa May was on the edge of a Brexit in her withdrawal talks with the EU, as they insist this is not so
- Labour MP Joan Ryan joined the Independent Group blaming a culture of anti-semitism and Jeremy Corbyn`s stance on Brexit as her main reasons
- openDemocracy reveals anonymous Dark Money is pouring into social media ads, all designed to target MPs to push them towards voting for a No Deal Brexit
- Theresa May is said to have been told, by a group of her own Cabinet ministers, that she must rule out a No Deal Brexit or they will resign en masse with around 20 MPs joining them to vote for the forthcoming Cooper-Letwin amendment to extend Article 50
- UK government new trade treaty plans include the dreaded Investor-State Dispute Settlement clause, which allows companies to sue governments in a semi-secret setting - potentially costing the taxpayer millions in each dispute if the government loses

Jobs at Risk

Honda decision stokes anger in Brexit-voting Swindon

“We pay them to sit in parliament to make the right decision for the future of the country. It is a shame we can’t fire them too,” said Rob, a supplier to the Honda plant, as he drove out of the plant digesting Tuesday’s news. The Brussels-Tokyo deal will allow Japanese carmakers to export into the EU tariff free by 2027, undermining the rationale for the UK’s small production base, particularly if Britain leaves the bloc without a deal.

<https://www.ft.com/content/cba667f8-345e-11e9-bd3a-8b2a211d90d5>

Brexit vote has sent number of EU workers in Cornwall plummeting

The number of EU citizens coming to Cornwall to work has plummeted since Britain voted to Leave. Figures from the Department for Work and Pensions show that 2,107 European people came from overseas and registered for National Insurance numbers in the year ending September 2018. That’s down from 2,382 registrations in the year ending September 2017, and a drop of 24 per cent from

2,780 in the year ending in September 2016. The situation in Cornwall mirrors the national picture. Across the UK as a whole, there were 619,683 National Insurance number registrations from adults coming from Europe in the year ending to September 2018.

<https://www.cornwalllive.com/brexit-vote-sent-number-eu-2563615>

Economic Impact

No deal Brexit 'could force Scotland into recession this year'

A no-deal Brexit could force the Scottish economy into recession this year, cut GDP by 7 per cent and lead to a surge in unemployment, an official report will warn on Thursday. The value of the pound could also fall by 30 per cent if the UK leaves the EU without a deal on 29 March, the document by the Scottish Government's chief economic adviser says. "Collectively, the above pressures have the potential to push the Scottish economy into recession during 2019" Dr Gary Gillespie Dr Gary Gillespie's report, which models two possible no-deal scenarios, also predicts that disruption to trade could hit Scottish exports by up to 20 per cent. The report warns that business investment in Scotland could fall by £1bn by the end of 2019, with net migration into the country likely to slow significantly and possibly go into reverse. The unemployment rate is also forecast to rise from the current level of 4 per cent to between 5.5 per cent and 8 per cent, the equivalent of up to 100,000 people being made jobless

<https://inews.co.uk/news/scotland/no-deal-brexit-force-scotland-recession-this-year/>

Additional sources: (Shropshire Star) (Reuters)

Brexit risks making North Sea oil 'less attractive' to buyers

North Sea oil risks becoming less attractive to foreign buyers if the UK Government fails to secure key trade deals before Brexit, a leading energy business has warned. SK Innovation claimed that Theresa May's plans risked creating import tariffs, which would reduce the attractiveness of North Sea oil for the global market.

<https://www.scotsman.com/business/companies/energy/brexit-risks-making-north-sea-oil-less-attractive-to-buyers-1-4876213>

CBI pushing hard for UK and EU to find Brexit compromise

Anna Leach, CBI head of economic intelligence, said: "UK manufacturing activity has moderated at the same time as headwinds from Brexit uncertainty and a weaker global trading environment have grown. "The time for Brexit compromise to support the UK manufacturing industry is now. The clock is ticking quickly towards crisis point. It is of critical importance that politicians of all stripes and on both sides of the channel come to agreement on the terms of a Brexit deal as soon as possible, to allow our manufacturers to continue to create, make and trade their goods with certainty."

<https://www.theguardian.com/business/2019/feb/20/cbi-pushing-hard-for-uk-and-eu-to-find-brexit-compromise>

Retailers sound no-deal Brexit warning bell

The leading retail bodies in the UK and Ireland have issued a stark warning on how a no-deal Brexit will affect shoppers. Aodhán Connolly, director of the Northern Ireland Retail Consortium; Thomas Burke, director of Retail Ireland; and William Bain, head of EU and international at the British Retail Consortium, have said a no-deal Brexit will squeeze household budgets across Ireland and the UK, and lead to reduced availability of some goods. The retail organisations highlighted how increased tariffs and new regulatory checks would lead to increases in the cost of making goods available to consumers, as well as the cost implications of non-tariff barriers such as checks and delays.

<https://www.drapersonline.com/news/retailers-sound-no-deal-brexit-warning-bell/7034515.article>

Additional sources: (The Argus)

Ireland alarmed by UK's food tariff plans in no-deal Brexit

Ireland has responded with alarm to UK plans for tariffs and quotas on agri-food imports in a no-deal

Brexit, as worries grow about the potentially grave impact on the country's annual €4.5bn food and drink sales to Britain. Leo Varadkar's government is facing demands to seek emergency aid from Brussels after Michael Gove, UK environment secretary, said reports that Britain would operate a zero-tariff regime in a no-deal were "not accurate".

<https://www.ft.com/content/758411a6-34f2-11e9-bd3a-8b2a211d90d5>

Politicians must stand up for the City of London after Brexit

For financial services, in which the UK has a large surplus, this is bleak, with the Centre for European Reform, a think-tank, reckoning that a free trade agreement would shrink exports to the EU by almost 60 per cent. This means job losses among the 2.2m people employed in the financial and professional services ecosystem, of whom a number live in my constituency of Orpington, and an annual £10bn hit to tax revenues, according to consultants Oliver Wyman.

<https://www.ft.com/content/b2aa3eb8-3437-11e9-9be1-7dc6e2dfa65e>

Why Pound Traders Should Stop Obsessing Over Brexit Day

Investors in the pound may be ignoring the here and now by being too fixated on the March 29 exit deadline from the European Union. While they are rushing to buy options that help guard against wide swings in the currency around the departure date, they are scarcely prepared for volatility before the end of the first quarter. That means they are at risk of having to pay more for protection later or take a hit on profits, should any early political developments fuel outsized sterling fluctuations.

<https://www.bloomberg.com/news/articles/2019-02-20/pound-traders-obsessed-with-brexit-date-missing-the-here-and-now>

Lloyds bullish over Brexit as £4bn payout to investors unveiled

Lloyds Banking Group has shrugged off growing fears over Brexit as it unveiled a £4bn payout to shareholders, despite reporting smaller-than-expected annual profits. Britain's biggest high street bank, which operates one out of five of the country's branches, reported a 24% rise in net profits to £4.4bn for 2018, below the £4.6bn forecast by analysts. Statutory profit before tax was up 13% to £6bn.

<https://www.theguardian.com/business/2019/feb/20/lloyds-bullish-over-brexit-as-4bn-payout-to-investors-unveiled-ppi>

Administrative Fall Out

Companies rush for Brexit trade clearance

There has been a surge in the number of companies looking for clearance to trade with Britain after Brexit. Revenue said yesterday that there had been a 300 per cent rise in applications for economic operators registration and identification (EORI) numbers so far in February compared with last month. There were just under 400 applications in January, rising to more than 1,600 in February. A spokesman for Revenue said that this was "basically just companies being proactive for trading with the UK after Brexit"

<https://www.thetimes.co.uk/article/companies-rush-for-brexit-trade-clearance-f3jnm98rk>

Brexit 'could risk children's safety', warn commissioners

Children's safety could be put at risk if the UK leaves the EU without proper plans for child protection, the UK's four children's commissioners warn. Child abuse, exploitation, abduction and how family law matters are dealt with if a child has one parent from the EU, are all "immediate issues".

<https://www.bbc.co.uk/news/education-47298181>

Brexit: Aviva to move £9bn worth of assets to Ireland as it prepares for no-deal outcome

Britain's second largest insurer has announced it will move £9bn worth of assets to Ireland as it prepares for Brexit. Aviva, which has more than 14.5 million, policyholders has received approval

from the High Court in London to transfer €9bn (£7.8bn) to Dublin. It follows approval earlier this month to move £1bn to the Irish capital. The move, which is timed for 10.59pm on 29 March, is designed to deal with the consequences of a no-deal Brexit.

<https://www.independent.co.uk/news/business/brexit-aviva-ireland-assets-moving-dublin-no-deal-planning-high-court-a8788156.html>

European Medicines Agency loses battle to end UK lease over Brexit

The European Medicines Agency has lost a high court battle to cancel its £500m long-term office lease in London to move to Amsterdam because of Brexit.

<https://www.theguardian.com/politics/2019/feb/20/european-medicines-agency-loses-bid-to-end-uk-lease-over-brexit>

Britons may need £52 visa to visit mainland Europe after Brexit

British tourists travelling to continental Europe may need to pay £52 for a visa in a few weeks after Spanish demands over the status of Gibraltar again derailed Brussels' preparations for Brexit. Agreement on legislation exempting UK nationals from requiring the travel permit is mired in a dispute over whether the British overseas territory should be described as a "colony" in the EU's statute book.

<https://www.theguardian.com/politics/2019/feb/20/britons-may-need-52-visa-to-visit-mainland-europe-after-brexit>

Retailers warn over no deal Brexit price hikes

Groups representing retailers in Ireland, Northern Ireland and the UK have issued a strong warning that a no-deal Brexit will lead to reduced availability of some goods. The joint statement from the Northern Ireland Retail Consortium, Retail Ireland and British Retail Consortium also cautions that if Britain crashes out of the EU on 29 March food and drink prices will rise. The organisations say that in the event of a disorderly Brexit increased tariffs of up to 45% and new regulatory checks will result in higher costs to suppliers.

<https://www.rte.ie/news/2019/0220/1031834-retail-brexit/>

Brexit to make UK more vulnerable to interference from China, report warns

Economic uncertainties after Brexit could make the UK more vulnerable to Chinese interference, with Beijing using a variety of means to infiltrate Britain's power structures, a leading think-tank has warned. There has been little focus in Britain on how China preys on targeted countries and there is a need for a cohesive programme to counter it, according to a report by the Royal United Services Institute, which charts the tactics used by the ruling Chinese Communist Party (CCP) to achieve its aims. The report examines the "concerted strategy" allegedly used by Beijing, ranging from spreading surreptitious technological reach through mega-corporations like Huawei, to the "elite capture" of people in important positions and opinion-formers by the placing of "advisers"

<https://www.independent.co.uk/news/uk/politics/uk-china-interference-counter-intelligence-security-service-brexit-eu-asia-africa-tech-huawei-a8786876.html>

Will I face roaming charges abroad after Brexit?

Roaming charges have, until recently, been one of the most punishing things about going on holiday. And they soon could be again. Brexit has brought back fears that companies could re-introduce roaming fees and force people to pay extortionate amounts as they travel around Europe. Those charges disappeared because of EU rules – and could come back when the UK leaves as a result of a No Deal Brexit

<https://www.independent.co.uk/news/uk/brexit-explained/brexit-deal-roaming-charges-mobile-phone-network-eu-europe-uk-cost-a8788806.html>

As a 'No Deal' Brexit Looms, the Art World Prepares for the Fallout

Some British traders seem unaware of the shock a no-deal Brexit could deliver to the world's fifth-biggest economy. Andrew Legere, owner of Lantiques, a dealership based in Petworth, southern

England, has been buying and selling old French furniture for more than 25 years. "I used to buy a lot of my stock in France, but now I have an established network of British dealers who buy in France for me. I'm anticipating that this should adequately sidestep the obstacle of Brexit," said Mr. Legere. But wasn't he aware that from March 29 it will be difficult, if not impossible, for dealers to drive a van over to France and drive it back filled with antiques?

<https://www.nytimes.com/2019/02/20/arts/art-no-deal-brex.html>

Brexit: What happens to the Erasmus student scheme in a no deal?

If the UK leaves the EU without a deal before the exchanges for the next academic year have been finalised, then the government would need European agreement to keep taking part. That is true for both UK students planning to go to EU countries, and EU nationals hoping to come to the UK. So the government has said that it will negotiate with the European Commission to try to get the 2019-20 programme agreed, but those negotiations cannot start until after the UK leaves. That is why students have been receiving letters saying that the funding of their 2019-20 trips is uncertain. The Department for Education told BBC News that it was "seeking to engage the Commission as soon as possible to seek clarification and discuss further what they are proposing".

<https://www.bbc.co.uk/news/education-47293927>

Brexit food shortages are not inevitable - keep calm and don't panic buy

With no Brexit deal in place and March 29 fast approaching, fears are growing that the UK will struggle to maintain supplies of food currently sourced from the EU. A company producing £295 "Brexit boxes" containing freeze-dried food, a water filter and fire-starting gel, recently said it has sold 600, showing that this issue is close to the hearts (and stomachs) of the British public. But, clever marketing tricks aside, it is worth emphasising that doomsday scenario shortages are not inevitable.

<https://www.hartlepoolmail.co.uk/news/brexit-food-shortages-are-not-inevitable-keep-calm-and-don-t-panic-buy-1-9593023>

Drivers will still have access to satellite navigation systems after Brexit

The EU is in the process of developing its own systems called Galileo and the European Geostationary Navigation Overlay Service (EGNOS). The UK has been heavily involved with Galileo, which is expected to be fully operational by the mid-2020s, and EGNOS, which is already up and running. We have spent around £1.2billion on the two programmes while UK companies have also provided expertise. When the UK leaves the EU we will no longer be able to take part in any further development, as the EU has said it must only be built by member states. Companies in the UK, which have previously worked on satellite payloads and security systems, will no longer be able to bid for contracts.

<https://www.lep.co.uk/news/drivers-will-still-have-access-to-satellite-navigation-systems-after-brexit-1-9606280>

EU raids salmon farmers in Scotland in price-fixing inquiry

European commission investigators have raided salmon farming businesses in Scotland and other European countries in an inquiry into suspected price-fixing by Norwegian producers. The anti-cartel investigators raided sales offices owned by Mowi, formerly Marine Harvest, in Rosyth in Fife, a Scottish Sea Farms site and a salmon farm operated by Grieg in Shetland on Tuesday, as well as sites in the Netherlands and other EU member states.

[EU raids salmon farmers in Scotland in price-fixing inquiry](#)

'Fanciful' to say Honda didn't consider Brexit when closing Swindon

Sir David Warren, former British ambassador to Tokyo, says UK-Japan trade and investment 'held hostage' by Conservatives' internal politics. Claims that Brexit had nothing to do with Honda closing its only UK manufacturing plant are "fanciful", according to a former British ambassador to Japan. The Japanese government has become increasingly vocal in recent weeks about the damage a no-

deal Brexit would cause, while a number of big Japanese corporations have announced restructures. The Japanese foreign minister, Taro Kono, said on Tuesday that it was “absolutely necessary” for the UK to avoid crashing out of the European Union without a deal.

<https://www.theguardian.com/politics/2019/feb/20/fanciful-to-say-honda-didnt-consider-brexit-when-closing-swindon-sir-david-warren>

Where next for British car manufacturing? -

BBC Newsnight reviews the Honda plant closure decision and then looks back at the history of the UK car manufacturing industry since the 1970s. Confirms Margaret Thatcher's pledge for the UK to remain in the UK common market and improvements in industrial relations were behind the successful rise in car manufacturing right up to 2016

<https://www.youtube.com/watch?v=tNNwICC4Ut0>

Political Shenanigans

Tory MP Phillip Lee causes an argument on BBC Politics Live show after calling Brexit a ‘turd’

Conservative MP Phillip Lee sparked a row during the BBC Politics Live show on Wednesday after he branded Brexit a “turd” during a heated discussion. The Tory MP for Bracknell was discussing the latest defections of his colleagues Anna Soubry, Heidi Allen and Sarah Wollaston to the centrist The Independent Group parliamentary bloc that has taken shape this week. While he said he did not feel it was the time to join them, he took issue with the Conservatives embrace of Brexit since the 2016 vote.

<https://inews.co.uk/news/tory-mp-phillip-lee-brexit-turd-bbc-politics-live/>

Theresa May must rule out catastrophic no-deal Brexit at all costs

Anybody claiming a no-deal Brexit would be anything other than a catastrophe is either an idiot or a liar. It's a simple fact that crashing out of the EU without a deal would involve an economic shock that would be devastating for hundreds of thousands of people across the UK. This truth was driven home in a stark parliamentary statement by Scottish Constitutional Relations Secretary Mike Russell yesterday. The SNP minister revealed that official Scottish Government estimates suggest 100,000 jobs would be lost in the aftermath of a no-deal Brexit.

<https://www.dailyrecord.co.uk/news/politics/theresa-must-rule-out-catastrophic-14023120>

Theresa May fights Remainer rebels as EU departure set to be delayed up to nine months

Cabinet ministers have told Theresa May she must agree to delay Brexit if there is no EU deal to halt their Commons rebellion next week. Four of the PM's top table confronted her during a No10 meeting on Monday to insist she must take No Deal off the table. Amber Rudd, David Gauke, Greg Clark and David Mundell named a new pledge from Mrs May to extend Article 50 talks as their price not to side with backbench rebels during a new showdown with MPs in seven days time. If the PM refuses, the senior ministers insisted they and 20 other members of the Government would press on with their vow to back Labour MP Yvette Cooper and Tory grandee Sir Oliver Letwin's plan for Parliament to seize control of the Brexit process.

<https://www.thesun.co.uk/news/brexit/8269759/brexit-news-latest-theresa-may-eu-exit-delayed/>

Could new group reshape political tribes?

Fears over Brexit and the party drifting to the right - and away from relevance - are held far beyond today's "three amigos", but by dozens of MPs privately, including ministers in the government. If, as is likely, more MPs move across, those private pleas to stay in the centre ground have more weight. Like Labour, the Tories have big questions they can't answer at the moment - profound quandaries that it's not clear their leaderships are ready, or perhaps even capable right now of meeting.

<https://www.bbc.co.uk/news/uk-politics-47309514>

Sky Views: If Theresa May won't take no-deal off the table, her MPs will

Ministers and MPs who have doggedly supported Mrs May's Brexit deal, even if they don't like it much either, were furious that this "party within the party" is dictating the terms of Brexit and pushing the country towards a no-deal. Now they are preparing to rise up to act as a counter-weight to their eurosceptic colleagues. A group of up to 30 government ministers are preparing to block a no-deal Brexit. They are working out how many of them need to resign from government in order to support the Cooper/Letwin amendment that will give parliament the power to take no-deal off the table.

<https://news.sky.com/story/sky-views-if-theresa-may-wont-take-no-deal-off-the-table-her-mps-will-11642360>

'My phone is melting': Tory defectors buoyed by support

The mobile phones of Heidi Allen, Sarah Wollaston and Anna Soubry were "melting" in the 24 hours before their departure.

<https://www.theguardian.com/politics/2019/feb/20/my-phone-is-melting-tory-defectors-buoyed-by-support>

Brexit: Theresa May says 'time of essence' for backstop deal

Theresa May has said progress has been made in talks about changes to the Brexit deal that could win MPs' backing but admitted "time is of the essence". The PM met the EU's Jean-Claude Juncker in Brussels to discuss legally-binding guarantees over the Irish border. Earlier, Foreign Secretary Jeremy Hunt said "small but important" changes to the backstop would allay MPs' concerns it could be trapped in a customs union. But Home Secretary Sajid Javid said the chances of a no-deal exit had risen.

<https://www.bbc.co.uk/news/uk-politics-47310896>

May and Juncker dive into Brexit fine print

The Prime Minister acknowledged the EU's position and notably the letter sent by President [Donald] Tusk and President Juncker on 14 January." That letter, to May, stated that the Withdrawal Agreement is not renegotiable. "We are not in a position to agree to anything that changes or is inconsistent with the Withdrawal Agreement," the two EU leaders wrote at the time. In their statement, the two leaders said they explored "which guarantees could be given with regard to the backstop that underline once again its temporary nature and give the appropriate legal assurance to both sides" and they "reconfirmed their commitment to avoiding a hard border on the island of Ireland and to respect the integrity of the EU's internal market and of the United Kingdom.

<https://www.politico.eu/article/may-and-juncker-dive-into-brexit-fine-print/>

Brexit Accord Is Already Being Hammered Out, Spain Says

"The EU's position is that the treaty won't be reopened, but can be interpreted, or complemented with explanations that may be satisfactory," said the minister, who met EU chief negotiator Michel Barnier in Madrid on Tuesday. Josep Borrell was cautious as to whether what's on offer will be enough for U.K. politicians.

<https://www.bloomberg.com/news/articles/2019-02-20/brexit-accord-is-already-being-hammered-out-spain-says>

Revealed: How dark money is winning 'the Brexit influencing game'

Shanker Singham has been a near-constant presence in British media in recent weeks, often dismissing concerns about a no-deal Brexit. And as well as a constant stream of broadcast media invites for a man who refuses to reveal his paymasters, Singham has enjoyed "extraordinary" access to government ministers including Michael Gove and Boris Johnson. Earlier this month, Singham attended a meeting at the Cabinet Office between senior ERG figures, Brexit secretary Steve Barclay and officials "from all arms of government" to discuss "alternative arrangements" for the Irish backstop. Theresa May was said to be "clearly taking this exercise seriously". Between them, influential, dark-money-funded lobbyists like Singham and pro-Brexit MPs have sought to play down fears about Brexit, and particularly a no-deal departure from the EU. Meanwhile, hundreds of

thousands of pounds of dark money has poured into social media ads warning MPs not to “steal Brexit” and promoting the UK leaving the EU on WTO rules.

<https://www.opendemocracy.net/uk/brexitinc/peter-geoghegan-jenna-corderoy/revealed-how-dark-money-is-winning-brexit-influencing-ga>

Theresa May told to delay Brexit if there's No Deal to halt Commons rebellion

Amber Rudd, David Gauke, Greg Clark and David Mundell named a new pledge from Mrs May to extend Article 50 talks as their price not to side with backbench rebels during a new showdown with MPs in seven days time. If the PM refuses, the senior ministers insisted they and 20 other members of the Government would press on with their vow to back Labour MP Yvette Cooper and Tory grandee Sir Oliver Letwin's plan for Parliament to seize control of the Brexit process.

<https://www.thesun.co.uk/news/brexit/8474362/remain-ministers-theresa-may-must-delay-brexit/>

Risk of no-deal Brexit has risen - Home Secretary Sajid Javid

Home Secretary Sajid Javid said on Wednesday that the risk of a no-deal Brexit has risen and that the option could not be taken off the table. "It is not possible" to rule out a no-deal Brexit, Javid told ITV in an interview

<https://uk.reuters.com/article/uk-britain-eu-javid/risk-of-no-deal-brexit-has-risen-home-secretary-sajid-javid-idUKKCN1QA01A?feedType=RSS&feedName=domesticNews>

The Independent Group: Ex-Tory MP says 'hardline, right-wing, awkward squad' has taken over party

An ex-Tory MP who left the party for a breakaway group has said that the battle for the Conservative Party was “over” because hard-right Brexit extremists have won. Anna Soubry, a former minister, said “the right wing, the hardline anti-EU awkward squad” was running the party from top to bottom. Speaking hours after she announced her resignation from the Conservatives alongside Heidi Allen and Sarah Wollaston, the Broxtowe MP also launched a scathing attack on Theresa May, saying she had failed to reach out to moderate Tory MPs.

<https://www.independent.co.uk/news/uk/politics/independent-group-tory-mps-anna-soubry-sarah-wollaston-heidi-allen-brexit-a8788391.html>

Brexit: Theresa May says 'time of essence' for backstop deal

Foreign Secretary Jeremy Hunt said "small but important" changes to the backstop would allay MPs' concerns it could be trapped in a customs union. But Home Secretary Sajid Javid said the chances of a no-deal exit had risen. Speaking on ITV's Peston show, to be broadcast later on Wednesday, Mr Javid said it was "fair to say that in the past few weeks the probability of a no-deal Brexit has gone up".

<https://www.bbc.co.uk/news/uk-politics-47310896>

@lanDunt There's an amendment secretly doing the rounds which would force the government to try & protect Brits' rights in Europe in the event of no-deal - and it looks set to succeed

Bit of breaking news here. There's an amendment secretly doing the rounds which would force the government to try & protect Brits' rights in Europe in the event of no-deal - and it looks set to succeed

<https://twitter.com/lanDunt/status/1098272979455229952>

Last-gasp gambit: Smart new amendment to May deal protects Brits in Europe

A smart new amendment looking to guarantee citizens' rights even in the event of no-deal is doing the rounds in Westminster. It's picking up support from across the Tory party - from ERG types to the moderate wing, making it highly likely to pass. It's a skillful bit of legislative footwork. The amendment will be put down by Tory MP Alberto Costa. It's designed to be attached to Theresa

May's motion on her deal during the meaningful vote on February 26th. It reads like this: "This House considers the prime minister's statement of 26th February and requires the prime Minister to seek at the earliest opportunity a joint UK-EU commitment to adopt part two of the withdrawal agreement on citizens rights and ensure its implementation prior to the UK's exiting the European Union, whatever the outcome of negotiations on other aspects of the withdrawal agreement."

<http://www.politics.co.uk/blogs/2019/02/20/last-minute-gambit-smart-new-amendment-to-may-deal-protects>

@VinceCable We will hold out the hand of friendship to the independent MPs with whom we already have a good working relationship.

We will hold out the hand of friendship to the independent MPs with whom we already have a good working relationship. In the short term we must focus on securing a People's Vote, with an option to stay in the EU.

<https://twitter.com/vincecable/status/1098190995437568000>

Conservative split as rebels denounce grip of hardline Brexiters

Three Conservative MPs who resigned to join a new independent group on Wednesday said Theresa May had allowed their former party to fall prey to hardline Brexiters and declared that the Tory modernising project had been destroyed. In the latest evidence that Brexit is reshaping the political landscape, Heidi Allen, Anna Soubry and Sarah Wollaston, all outspoken critics of May's stance on Europe, said the Conservative party as they had known it under David Cameron was dead.

<https://www.theguardian.com/politics/2019/feb/20/tory-mps-defect-independent-group-soubry-allen-wollaston>

Political Setbacks

Brexit became inevitable while we were all looking the other way

When historians come to write the story of Brexit, where will their account begin? The year it all started to go wrong for David Cameron was 2012 - first Greece teetered on default and the EU took a highly publicized austerity stance. This threw the Euro into crisis and in turn the political project went into the mixer

<https://news.sky.com/story/brexit-became-inevitable-while-we-were-all-looking-the-other-way-11614522>

Tories pushed close to breaking point after three Brexit-hating MPs defect and join Independent Group

Theresa May's Tory party was pushed close to breaking point on Wednesday as three prominent MPs walked out to join the new Independent Group. Former Cabinet minister Anna Soubry, Commons Health Committee chair Sarah Wollaston and Heidi Allen stunned Westminster with the defection.

<https://www.thesun.co.uk/news/8473872/tories-breaking-point-mps-defect-independent-group/>

Theresa May trolled in Brussels by anti-Brexit group

Just over 3 kilometers away from the Commission's Berlaymont building, a giant electronic billboard in Brussels' Place De Brouckère shows one of May's tweets from April 2016. It says: "I believe it is clearly in our national interest to remain a member of the European Union." The billboard is the work of Led By Donkeys, an anti-Brexit group that posts, according to its Twitter bio, "the Brexit predictions of our leaders, rendered as tweets then put on massive billboards."

<https://www.politico.eu/article/theresa-may-trolled-in-brussels-by-anti-brexit-group/>

Brexit: Great UK expectations meet EU reality

Downing Street expects a revised Brexit deal in the offing, possibly ready for the House of Commons to vote on early next week. EU chief Brexit negotiator, Michel Barnier, is still talking about a "worrying political impasse". Jean Claude Juncker, the president of the European Commission, says he expects no breakthrough during his meeting with Mrs May - but that is polite language compared to what I'm hearing behind the scenes.

<https://www.bbc.co.uk/news/world-europe-47305387>

May met Ineos chair for off-roader talks as tax row loomed

The Sunday Times reported that Sir Jim and two of his fellow Ineos shareholders had been working on a restructuring of the company to enable them to reduce their tax bills by huge sums of money - potentially running into billions of pounds. Britain's largest private company, Ineos redomiciled to Switzerland following a row over its VAT liabilities, but returned to the UK in 2016.

<https://news.sky.com/story/may-met-ineos-chair-for-off-roader-talks-as-tax-row-loomed-11642826>

Tory peer Baroness Altmann threatens to join Independent Group over no-deal Brexit

Former pensions minister Baroness Altmann said she felt "disillusioned with the Ukip-isation of the Tory party" before declaring she would happily sign up for a moderate splinter party in the event of a no-deal Brexit. She emotionally warned of the risks of Britain leaving the EU without a deal before adding the Conservatives are being "infiltrated by Ukip". She told the Daily Telegraph: "I want to cry, I want to weep at what we are doing. "If a group of like-minded Conservatives give up on the Conservative Party because it is intent on taking the UK out of the EU without a deal, then I would consider supporting them."

<https://www.express.co.uk/news/politics/1090032/brexit-news-independent-group-Ros-Altman-theresa-may-withdrawal-agreement-tory-split>

Brexit: Former EU ambassador says no-deal 'means hard border'

The UK's former ambassador to the EU has warned there will be a hard border in Ireland if the UK leaves the EU without a deal. Sir Ivan Rogers was giving evidence to the Lords EU Committee. He said that if a hard Irish border was to be avoided in a no-deal scenario, there would instead have to be a border in the Irish Sea

<https://www.bbc.com/news/uk-northern-ireland-47311212>

Conservative MPs Heidi Allen, Anna Soubry and Sarah Wollaston quit party in protest at Brexit stance

Three MPs have quit the Conservative Party to join the new Independent Group (TIG) in a major blow to Theresa May's authority. Heidi Allen, Anna Soubry and Sarah Wollaston hit out at the Prime Minister's "disastrous" handling of Brexit as they quit

<https://www.yorkshirepost.co.uk/news/conservative-mps-heidi-allen-anna-soubry-and-sarah-wollaston-quit-party-in-protest-at-brexit-stance-1-9605872>

Alex Sobel: Why it is now vital that we extend Article 50 over Brexit

We now stand on the precipice of disaster. And wasn't it always going to come to this with Theresa May? The Prime Minister chose a course which pleased no one, hiring one arch Brexiteer after another, challenging them to follow through on her promises of free trade unicorns and post-Brexit nirvana, only to see them achieve nothing and resign. She pushed back on any form of cross-party consensus, All this while the clock ticks towards the March 29 deadline. We are where we are. Now is the time for an honest appraisal of the situation facing the country and for grown up, level-headed and practical solutions. It is my contention that the most practical way of dealing with our March deadline, is to extend Article 50.

<https://www.yorkshirepost.co.uk/news/opinion/alex-sobel-why-it-is-now-vital-that-we-extend-article-50-over-brexit-1-9607138>

Royal Navy will not step in to bodyguard British fishermen from 'aggressive' French trawlers after Brexit

Royal Navy ships will not be used to protect British fishermen from their French counterparts after Brexit, a defence minister has revealed. The decision was confirmed by armed forces minister Mark Lancaster this week and comes following a series of bizarre clashes between UK and French fisherman last year - dubbed 'The Scallop Wars'.

<https://www.portsmouth.co.uk/news/defence/royal-navy-will-not-step-in-to-bodyguard-british-fishermen-from-aggressi>

[ve-french-trawlers-after-brexit-1-8818660](#)

David Mundell vows Brexit will strengthen devolution

Leaving the European Union will serve to strengthen devolution within the UK, Scottish Secretary David Mundell is to argue. He will use a speech to mark the 20th anniversary of the establishment of the Scottish Parliament to reject claims from the Scottish Government that Brexit will “damage devolution”. The decision to quit the EU has increased tensions between Theresa May’s Westminster Government and Nicola Sturgeon’s Edinburgh administration.

<https://www.shropshirestar.com/news/uk-news/2019/02/21/david-mundell-vows-brexit-will-strengthen-devolution/>

Brexit: Extremists taking over, warns Major

“The Conservative Party membership appears to be ‘hollowing out’ traditional Conservatives, while former Ukip members strengthen the anti-European right of the party,” he said in a speech in Glasgow. “In parliament, the European Research Group (ERG) has become a party within a party, with its own whips, its own funding and its own priorities. Some of its more extreme members have little or no affinity to moderate, pragmatic and tolerant conservatism. “The ERG does not represent a majority view but — with a minority government, as now — can determine policy simply by being intransigent.”

<https://www.thetimes.co.uk/article/b22ce7fc-3495-11e9-a129-05a1d4d7c2a2>

Theresa May fails to get Brexit deal changes discussed with Jean-Claude Juncker

Theresa May and EU Commission President Jean-Claude Juncker last night discussed possible “guarantees” and “legal assurances” that could be established in relation to the controversial Irish border backstop protocol that has dogged the PM’s efforts to pass her Withdrawal Agreement. However, May failed to win concessions on her bid to reopen the Withdrawal Agreement in full, meaning any changes would be in the form of a supplementary resolution.

<http://www.cityam.com/273578/theresa-may-fails-get-brexit-deal-changes-discussed-jean>

European Officials Say The British Press Is Wrong About A Brexit Breakthrough Coming Soon

European governments and EU officials say they are puzzled by recent optimistic reports in the British press of an emerging Brexit deal. As the clock ticks down to Brexit day, the UK press is once again rife with stories suggesting imminent breakthroughs and speculation that a “deal in the desert” could be signed in Sharm El-Sheikh on the sidelines of an EU-League of Arab States summit taking place in Egypt this weekend.

https://www.buzzfeed.com/albertonardelli/european-officials-brexit-reports-press?utm_source=dynamic&utm_campaign=bfsharetwitter

Derek Hatton suspended by Labour just two days after his readmission was confirmed

Labour has suspended Derek Hatton’s membership of the party just days after it was confirmed that he had been readmitted.

<https://www.politicshome.com/news/uk/political-parties/labour-party/news/101997/derek-hatton-suspended-labour-just-two-days-after>

@SkyNewsPolitics @jessphillips says "if you are not in @jeremycorbyn's gang" it feels like you "have no role in the party".

@jessphillips says "if you are not in @jeremycorbyn's gang" it feels like you "have no role in the party". She adds that she was "born Labour" but finds it hard to disagree with the issues raised by the eight MPs who have quit.

<https://twitter.com/SkyNewsPolitics/status/1098209150616682496>

Brexit: No breakthrough at Theresa May meeting, says EU president Juncker

The president of the European Commission has poured cold water on the possibility of a breakthrough in Brexit talks as he met with Theresa May in Brussels. The prime minister travelled to the EU capital on Wednesday night to meet Jean-Claude Juncker and try to convince the bloc to change the agreement to make it more palatable to Tory MPs. Senior Tories were reportedly upbeat ahead of the meeting, trailing the prospect of the prime minister returning to London with concessions, but the message was not matched by officials in Brussels.

<https://www.independent.co.uk/news/uk/politics/brexit-theresa-may-jean-claude-juncker-brussels-meeting-eu-deal-commission-a8788561.html>

@Channel4News Anna Soubry announces she has left the Conservatives - and criticises the "infiltration" of right-wing activists into the party.

"It's a form of tyranny and it's ironic that Conservatives observe and condemn it in the Labour Party, but it's happening in their own party." Anna Soubry announces she has left the Conservatives - and criticises the "infiltration" of right-wing activists into the party.

<https://twitter.com/Channel4News/status/1098230125131456513>

Joan Ryan blames Jeremy Corbyn for 'culture of anti-semitism' as she becomes eighth MP to quit Labour

Joan Ryan has become the eighth Labour MP to quit to join the new Independent Group, blaming Jeremy Corbyn for "a culture of anti-semitism" in the party.

<https://www.politicshome.com/news/uk/political-parties/labour-party/jeremy-corbyn/news/101977/joan-ryan-blames-jeremy-corbyn>

Labour MP apologises after claiming new Independent Group of MPs could be 'supported by Israel'

High Peak MP Ms George was responding to reports that a local Labour councillor had liked a Facebook comment describing the MPs involved in the breakaway as "Israelis". She said she would "condemn the calling of anyone as an Israeli when it's not the case". But she then added: "The comment appears not to refer to the independent MPs but to their financial backers. Support from the State of Israel, which supports both Conservative and Labour 'Friends of Israel of which Luciana was chair is possible and I would not condemn those who suggest it, especially when the group's financial backers are not being revealed. It's important for democracy to know the financial backers for any political group or policy."

<https://www.politicshome.com/news/uk/political-parties/labour-party/news/101970/labour-mp-apologises-after-claiming-new>

Trade Deals/Negotiations

Much to fear from post-Brexit trade deals with ISDS mechanisms

ISDS clauses in trade deals allow foreign investors to sue national governments for any measures that harm their profits. These cases take place in secretive private arbitration courts and can cost the taxpayer billions. Previous cases brought against governments using ISDS include a Swedish energy firm suing Germany for introducing policies to curb water pollution; US pharmaceutical giant Eli Lilly suing Canada for trying to keep medicines affordable; and French multinational Veolia suing Egypt for increasing its national minimum wage. ISDS courts give international investors a legal system that neither ordinary people or domestic businesses can access, with low levels of transparency, no appeals system and high costs.

<https://www.theguardian.com/politics/2019/feb/20/much-to-fear-from-post-brexit-trade-deals-with-isds-mechanisms>

EU Funding Benefits

Lancashire could land EU cash weeks before Brexit

Lancashire could receive European Union cash to create a special investment fund less than a

month before Brexit. Lancashire County Council cabinet members will be asked whether they want to approve the arrangements for establishing an Urban Development Fund (UDF) on 7th March. The board of the Lancashire Enterprise Partnership (LEP) heard at a recent meeting that the process was “time critical” and had to be completed before the UK is due to leave the EU on 29th March.

<https://www.lep.co.uk/news/politics/lancashire-could-land-eu-cash-weeks-before-brexit-1-9605614>