ANDREW MARR SHOW, 25TH MARCH, 2018

DAVID DAVIS, MP
Secretary of State for Exiting the EU

AM: This week’s deal in Brussels certainly marked a move forwards towards Brexit, seen by some as a breakthrough, others thought the British government has given away too much too soon. It’s been hard pounding and late nights for David Davis, the Brexit Secretary, who I should say has struggled here despite feeling most unwell this morning, so thank you very much indeed for that.

DD: Well if the camera suddenly switches to you, you’ll know what’s happened.

AM: Can I ask you about this deal because some people would say you’ve got a deal but it was very easy to get a deal if you surrender everything. Jacob Rees-Mogg has said that you’ve rolled over without even getting your tummy tickled.

DD: Well Jacob has his point to make. Look, people said that we couldn’t get a deal in December and we did. People said we wouldn’t get the implementation period in March and we did. And we’ve got it agreed by all 28 countries which is a pretty dramatic advance. We’ve got them moving on to the future arrangements, which is also what we needed to do, so I don’t think Jacob’s got a point really.

AM: It’s a big moment, but to get there you’ve had to compromise on how long the transition period was going on for. The rights of EU citizens, free movement and all of that. And there are two areas which particularly worry your MPs here. The first is about money. I can remember you saying last year to the House of Commons that you thought the negotiations on money would go
all the way through this and actually we’ve agreed on money already and a lot of your MPs say what you’ve done is you’ve handed over your trump card early on in the proceedings and they now have us over a barrel.

DD: No, I don’t think that’s correct. I mean look, when we started down this route there were talks of a hundred billion here and there and of course if that’s what they’d intended then we would still be talking. But actually we’ve reduced that to 40 billion which is about what we’d pay for four years, three or four years. So I don’t think that’s a big issue there.

AM: They were worried about us paying in. Now we’ve agreed that what leverage do we still have?

DD: Well Michel Barnier last week started off by saying, ‘oh nothing’s agreed till everything’s agreed.’ That’s exactly right. I mean the whole package goes together.

AM: So even now we could take the money back and not pay them a penny if we don’t get what we want?

DD: In theory if we don’t get the future deal, but I have to say that one of the stories of the last three four months has been that the future deal, the future economic partnership and the future security and foreign defence partnership are now looking incredibly probable. Very, very highly probable, which perhaps some weren’t saying before Christmas.

AM: Okay, well perhaps unfairly I’m focusing on the problem areas.

DD: That’s natural.
AM: The Irish border. The Prime Minister could not have been clearer in the House of Commons. She said no British Prime Minister could possibly accept the backstop deal whereby Northern Ireland would be part of the customs union and the single market. It couldn't happen. And yet there it is still in black and white in the legal text that you've agreed. Why?

DD: Now understand. What we've agreed is that we will find an option C. So called option C. That is –

AM: So that backstop.

DD: - the backstop. But it isn't the backstop that the Commission's laid out. Even Keir Starmer last week said no British Prime Minister could accept that. We agree with that, that's what the Prime Minister said. We will find a backstop option. But also the other thing to remember – there is a risk Andrew in trying to focus just on the downsides, because the real likely outcome, and again overwhelmingly likely outcome is option A. Option A is we get a free trade agreement, we get a customs agreement, all of those make the Northern Ireland issue much, much easier to solve. Not easy, but much, much easier.

AM: We can get very entangled into the technical detail. Can I ask you a very simple question?

DD: Yeah, there's 70 pages of it.

AM: What is a ‘hard border?’

DD: Well a hard border is a border with customs posts on it. A very visible border. If you go to the border now all you can tell, moving from one nation to another, is that the paint on the road changes colour. From white to yellow. What we're going to do is ensure that the border that exists now, which after all is a border
for excise and tax, even currency, will continue to exist but back away. It won’t be visible; there won’t be any return to the borders of the past.

AM: So to be absolutely clear no guys in peaked caps and high-viz vests, no cameras, no booths, no wire, no nothing?

DD: That’s right, that’s right.

AM: Including no cameras?

DD: Basically you know we will do, as we do now, when we deal with smuggling across the Northern Ireland – Republic of Ireland border, it’s dealt with by intelligence-led policing, intelligence-led customs investigations. It happens now and that’s what would happen in the future.

AM: The relevant select committee said there is no example anywhere in the world of this working in the past.

DD: Well that’s because we’ve got a whole lot of new technology now. I mean we’ve also had one European Parliament report. We don’t agree with it entirely but one European Parliament report saying technology can help here. We’ve got a lot of techniques used elsewhere in the world. The so called – I don’t want to get again into too much technical detail but Authorised Economic Operator where you actually say to a company you will report back. Your accounts will be audited, your warehouses may be audited, but you will report, you will electronically pre-notify – these sorts of techniques are used everywhere in the world. Indeed including here when bringing things in from outside the customs union. So there are ways of dealing with this. You can’t just say, oh we haven’t done it anywhere else, we haven’t attempted to do it anywhere else.
AM: And so if the Labour Party, the opposition put down a motion saying we want in British laws that there will be no physical infrastructure on the border, the government will have no difficulty accepting that?

DD: Well let’s see what they write first, shall we? But the simple truth is we have said from the beginning, from day one, right back over a year ago when we started this set of negotiations, we will not allow a return to the borders of the past, we will preserve at all costs the issue, the Belfast Agreement of the Good Friday Agreement, that’s what we’re going to do.

AM: Let’s jump back a little to the big picture in that case. If the final trade negotiations which now start follow the same kind of pattern as what we’ve seen so far, then we’re going to end up more close to the EU in terms of access to markets, in terms of being part of EU agencies and in terms of paying some money in, perhaps than some Brexiteers expected?

DD: Well I’m not sure about that. I mean I don’t think many of the Brexiteers had in mind that we wouldn’t necessarily say be a part of Horizon 2020 or some of the research and development arrangements and so on. They all wanted to maintain access to the market, not membership of the market. That means tariff free. I think the union broadly –

AM: It feels a bit more like Norway than it maybe it feels like Canada.

DD: No. It will be nowhere like Norway. I mean you teased me last time on your programme. You said, ‘oh Canada plus and I said no, Canada plus plus plus plus.’ Whatever. What I was trying to say to you was that this will not really look like any other deal as it stands at the moment. It will be a free trade deal, a comprehensive one. The most comprehensive one ever. Even the
European Union is now using words similar to that and that will deliver us a lot of access, but it will not be like Norway.

AM: A lot of upset about fishing, as you know, and about the access to British waters during the transition period going on as it is at the moment. The European Union wants that to be an endless process, that they have access in the future. If you allow that that will be a betrayal of British fishermen, would it not?

DD: Look, let’s be clear. Let’s be clear about what’s been agreed first, because there’s been a lot of headlines which have been misrepresentative. Firstly, 2019, fishing 2019, that will be agreed under the current arrangements. 2020, we’ve got a guarantee of no reduction of our quota share and consultation over the total quota and beyond that we’re going to be an independent coastal state, making our own negotiations, with our neighbours, as every other coastal state does, and it will be under our control. That’s the termination, that’s what we’re going to do.

AM: And so British fishermen can be sure that any attempt to keep the EU access to British waters after we leave, you wouldn’t put up with that?

DD: We will negotiate with our surrounding states so that we have access to their waters and theirs to ours and markets and so on, but it will be under our control. It will not any longer be under the qualified majority voting arrangements we currently have.

AM: Putting all of this together can we now put to one side the possibility of no deal in March 2019 and stop making arrangements for that?

DD: Well, no you can never stop making arrangements because that’s one of the things that guarantees the deal. If you get to let’s say – let’s say you get to, I don’t know, November of this
year, October, November this year and we don’t have any other choices then the deal will get much tougher. So for negotiating reasons alone you have to do it, also countries always prepare. France is preparing, Holland is preparing, Belgium, Germany are preparing. None of them expect it to happen but they’re making the preparations just in case. So it’s a bit like you know you have house insurance. You don’t expect your house to burn down. It’s less than one in a hundred thousand chance, but you have the house insurance anyway.

AM: So when Philip Hammond, the Chancellor, says ‘that I would expect that we would then be able to stand down planning for a no deal exit in 2019,’ he’s saying, once we’ve got the implementation deal, he’s wrong about that?

DD: Well, what he said actually in another context, I don’t know where that’s quoted from, is he said, ‘we will provide what we need to provide.’ No more. You know he’s the Chancellor. He doesn’t want to spend money without reason.

AM: Now you’ve been travelling a lot recently, as you always do, but less to Brussels than to other European capitals. You’ve been to Tallinn, you’ve been to Vienna and Berlin and so forth. From the outside it looks like the EU 27 are still in extraordinary locked step absolutely saying the same thing, no deviation. From what you’re hearing in private is it a different situation?

DD: It is a bit different. I mean look, in the first stage they were talking about money, they wanted more of our money. That’s easy to unify around. Citizens, easy to unify around. Now it’s about their own direct commercial interests. Some have got financial services sectors, some have got big manufacturing sectors. All of them want to preserve that, that’s what they’re going to do.
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AM: All right, very, very quickly. You’ve heard all these allegations about Vote Leave breaking the law during the referendum campaign, as a leading Brexiteer what’s your reaction?

DD: Well the first thing is I think you used the phrase before, you know, ‘a hedge of question marks.’ The individuals concerned have denied it. It’s really a matter if there’s any truth to it at all for the Electoral Commission to investigate, but that’s for them to decide not for a Minister to say.

Ends