

2 May 2019
Our ref: FOI/11/04/19

Dear

Re: Freedom of Information request

Thank you for your request for information under the Freedom of Information Act, which we received on 11 April 2019.

You requested the following information;

I understand that part of the Financial Settlement with the EU under the Withdrawal Agreement represents continued participation in EU annual budgets up to 2020, after the UK has left. The figure shown for the payment period 2019-2020 was around £16billion.

The UK did not leave as planned on 29th March 2019, and departure may now be delayed until 31st October 2019. Presumably this means that the UK will continue to pay its full contributions while it is still an EU member, but the post-exit period falling within the budget years 2019 & 2020 will now be shorter than originally anticipated.

Does this mean that the £16billion figure will be revised downwards? And if so, will you be publishing the figures?

As part of the draft Withdrawal Agreement, the UK Government and the European Union have agreed that the UK will contribute to the current Multiannual Financial Framework (MFF) – the EU's budget period – as though the UK were a member for the entirety of its duration. The current MFF runs from 1 April 2014 to 31 December 2020.

At the time of our last forecast, published on 13 March 2019, it was government policy for withdrawal from the European Union to take place on 29 March 2019, which would have meant that contributions to the current MFF would have been part of the financial settlement from April 2019.

Given the latest developments, the contributions to the EU between April 2019 and the date of withdrawal will occur unchanged, but will be classified as transfers as part of the UK's membership of the EU, rather than as part of the financial settlement (which would be reduced). However, there will be no change to overall expenditure, as they will correspond to the same period, due to the end of the transition period – 31 December 2020 – remaining unchanged. The amounts that we forecast to be paid to the EU in 2019 can be found in supplementary table 2.14 of the March 2019 *Economic and fiscal outlook*, available in our website (www.obr.uk). We will update the estimate of UK contributions to the EU and the financial settlement at our next forecast.

If you have any other queries about this letter, please send them to our enquiries inbox at obr.enquiries@obr.uk.

Yours sincerely

Freedom of Information Unit
Office for Budget Responsibility

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Your right to complain under the Freedom of Information Act 2000

If you are not happy with this reply, you may request a review by writing to OBR Enquiries, Office for Budget Responsibility, 14T, 102 Petty France, London SW1H 9AJ or by email to obr.enquiries@obr.uk.

Any review request must be made within 2 months of the date of this letter.

It would assist our review if you set out which aspects of the reply concern you and why you are dissatisfied.

If you are not content with the outcome your complaint, you may apply directly to the Information Commissioner for a decision. Generally, the ICO cannot make a decision unless you have exhausted the complaints procedure provided by the OBR. The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF.