

Sir Tom Scholar Permanent Secretary HM Treasury 1 Horse Guards Road London SW1A 2HQ

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OBR participation in European IFI networks

In the context of preparing for the UK's departure from the EU, I wanted to let you know how the OBR intends to engage in future with European networks of independent fiscal institutions.

In the nine years since the OBR was founded many new independent fiscal institutions have been created across Europe and the rest of the World. At the same time a number of networks have also been established, to share knowledge and experience of common issues. The OBR has been an enthusiastic participant in these networks, much to our own benefit and hopefully that of our peers too. I chair the OECD's Network of Parliamentary Budget Offices and Independent Fiscal Institutions and we participate in two European networks – one organised by the European Commission (EUNIFI) and one by IFIs themselves (EUIFIs). Given the common issues that we confront in our daily work, we have happily agreed in principle with both networks that we will continue to participate as associate rather than full members after the UK leaves the EU (as, for example Serbia does).

The activities of the EUNIFI network are supported financially by the European Commission, while that of the EUIFIs network is supported by its members to reflect their independence from their governments and the Commission. In that regard, the EUIFIs network is now planning to appoint a network secretary based at the CEPS think tank. Full members are making contributions to the cost based on the relative size of their budgets. We have agreed a much lower rate to reflect our associate member status and the fact that some work to be undertaken on the European fiscal framework is less relevant to us than to EU (and particularly eurozone) members. The total contribution from the OBR is expected to be around €550 per year, around 1.3 per cent of the total cost to the network. Given the role and planned work of the network, this offers excellent value for money.

Please let me know if you have any questions.

Robert Chote **Chairman**