

Theresa May's office denies media reports of UK paying 40 billion pounds under Brexit divorce bill

07/08/2017 09:22 by admin

London: British prime minister Theresa May's office on Monday denied weekend media claims that the UK government was reconciled to paying the European Union nearly £40 billion as part of a so-called Brexit divorce bill.

File image of Theresa May. AP

"I don't recognise the figure," said May's official spokesperson when asked about the figure published by The Sunday Telegraph, quoting three separate sources within the British civil service and government with knowledge of the UK's Brexit negotiating strategy.

"As the secretary of state for Exiting the European Union has made clear, we will meet our international responsibilities but the UK will not pay more than it needs to," added a UK government spokesperson.

A prominent Conservative MP, Jacob Rees-Mogg, said there was "no logic to this figure. Legally we owe nothing."

His fellow MP Peter Bone also said it would be "very strange" for Parliament to vote in favour of such large sums.

The paper had claimed that UK government negotiators for Britain's exit from the European Union have been able to ascertain that the EU's actual opening position is around £60 billion, not £100 billion as previously suggested.

"The 27 say they can't knock off the bits of their 'bill' until the very end, but politically we can't move on money until the 27 member states start to show compromise. As a negotiation process, it just doesn't work," a senior civil servant based at Whitehall in London told the newspaper.

"We know their position is £60 billion, but actual bottom line is 50 billion euros. Ours is closer to £30 billion, but the landing zone is £40 billion, even if the public and politicians are not all there yet," the source added.

A second Whitehall source confirmed the UK bottom line was "£30 billion - £40 billion", while a third political source put the figure in May's mind at "north of £30 billion".

British Brexit negotiators concluded after second-round talks last month that the EU had created a non-negotiable stance by refusing to talk about trade until it had reached a settlement on citizens' rights, money and Northern Ireland.

UK officials have been looking at a compromise by proposing a transition deal in which Britain would offer to continue to make net payments to the EU of some 10 billion euros a year for up to three years after Brexit.

EU budget commissioner Guenther Oettinger told Germany's 'Bild' newspaper on Monday that Britain would remain bound by some previous commitments to long-term projects after Brexit and "will, therefore, have to transfer funds to Brussels at least until 2020".

He has forecast that in the long term, Britain's withdrawal from the 28-member economic bloc will mean a loss of about £10 to £12 billion per year to the EU budget, which will be made up through a combination of cuts and higher payments from other members.

The issue of a so-called one-off "divorce" payment by the UK to the EU has been the focus of intense speculation, with many hard-core Brexiters insisting Britain owes the economic bloc nothing at all.

- First Post