

100 Tory MPs demand the EU pays Britain a €10 billion Brexit divorce bill

LONDON — A group of at least 100 Conservative MPs has claimed there is no legal or moral basis for Britain to pay the European Union a “divorce bill” as part of Brexit and that instead, the EU should pay Britain €10 billion.

Brexit talks between British and EU negotiators have recently hit a wall over failure to agree on how much money Britain will give to Brussels to cover its financial obligations, or the “divorce bill” as it’s more commonly known.

The EU insists that talks on future relations, including trade, cannot begin until “sufficient progress” has been made on the divorce bill but the British side led by Brexit Secretary David Davis has been reluctant to agree to a figure.

Davis told MPs on Wednesday that he expected the argument over money to last until negotiations come to an end later next year, claiming: “My expectation is that the money argument will go on for full duration of this negotiation.”

However, Tory MPs belonging to the European Research Group argue in a new report that the UK is actually owed €10 billion (£9.15 billion) by the EU for its share of the European Investment Bank, the Financial Times reports.

The ERG is a prominent parliamentary grouping previously headed by Steve Baker MP, who is now a minister in David Davis’ Department for Exiting the European Union.

The group concedes that while there is “likely value” to Britain making an exit payment of some form in order to “speed things along” in negotiations, the EU’s demands have no legal basis and ought to be challenged.

The report claims that Britain should no longer be required to make budget contributions after Brexit because two key budget schemes at the centre of talks, the Multiannual Financial Framework and Own Resources Decision, are “legally subordinate to the EU treaties” and will have no legal obligation on the UK after March 2019.

It adds that the other EU member states should have taken into consideration the possibility of Britain voting to leave the bloc when the budget schemes were drawn up. “[David] Cameron’s Bloomberg speech in which he announced an In-Out referendum on membership was given in January 2013, whereas the current MFF and ORD run from the beginning of 2014 and were negotiated and agreed during 2014,” the report says.

The report will only increase tensions between London and Brussels which have reached new heights in recent weeks.

Last week Trade Secretary Liam Fox accused the EU of “blackmailing” Britain over the so-called divorce bill after Michel Barnier, the EU’s chief Brexit negotiator, said no “decisive progress” had been in the first stage of talks.

Davis claimed that the latest round of talks had “exposed” the EU as being less “flexible and pragmatic” than Britain.

Source: <http://www.businessinsider.com/tory-mps-want-the-eu-to-pay-britain-a-10-billion-brexit-divorce-bill-2017-9>

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