

# Brexit Will Reportedly Prompt Germany to Pay Extra Billions to EU Annually



MOSCOW (Sputnik) - Germany will have to pay an extra 15 billion euros (\$17.2 billion) annually to the EU budget in 2021-2027 in light of the UK withdrawal from the European Union and the bloc's increased expenses on security and border defense, media reported on Tuesday, citing the German Finance Ministry.

The ministry previously estimated the rise at 12 billion euros (13.8 billion), however, given the European Union's call for the member nations to increase their future contributions from 1 percent to 1.1 percent of gross national income, the sum will see an additional spike, the German Frankfurter Allgemeine Zeitung newspaper said.

Such a spike is mainly connected with Brexit as well as the bloc's new expenses on border defense and security, the media outlet clarified. Germany, the EU largest contributor, will therefore likely pay 45 billion euros to the bloc annually.

The Federation of German Industries (BDI) said earlier that the EU must avoid a worst-case Brexit scenario and negotiate an agreement that will leave the United Kingdom in the customs union and single market during the transition period.

In particular, BDI Director General Joachim Lang has stressed that "a hard Brexit would be a catastrophe," creating problems for "dozens of thousands of companies and hundreds of thousands of employers across Europe."

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Concerns over a possible no-deal Brexit have been mounting for a long time. After a EU informal summit in Salzburg in September failed to produce a compromise on the format of post-Brexit economic partnership and the Irish border, Prime Minister Theresa May announced that London would continue preparations for a no-deal outcome. According to May, the European Union's rejection of her

Chequers Brexit plan has led the sides into an “impasse.”

However, Theresa May has also proposed the transition period to allow more time for a new relationship with the European Union to take hold, including a new trade agreement.

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