

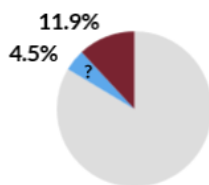
UK gross contribution and rebate as percentage of EU revenue (average 2014-2015)



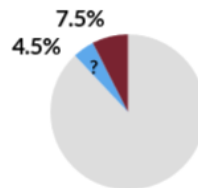
- 📍 Pre-Brexit, UK net contributions to the EU budget potentially higher when compared to contributions estimated without the prospect of Brexit, when the impact of EUR-GBP exchange rate fluctuations not taken into account
- 📍 Post-Brexit, EU budget initially faced with a financial gap of 14-19%, hardest Brexit potentially in the short term interest of EU27
- 📍 Cohesion policy likely one of the most affected areas

UK potential gross contribution to the EU budget under different models (as percentage of the current sum of UK contribution and rebate)

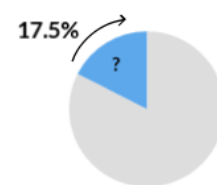
Norwegian model



Swiss model



Canada/Turkey/Ukraine/WTO model



- UK direct public payments to the EU budget
- UK payments to the EU budget in the form of customs duties

Four measures to bridge the gap

- 1 Adjusting budget size according to the shape of future EU-UK deal
- 2 Maintaining EU27 payments to the EU budget once compensating UK rebate
- 3 Making budget cuts in all areas, equal to the level of UK receipts estimated there
- 4 Adjusting budget size according to the outcome of the current MFF revision