Title: The European Union Budget, and economic and monetary policy (EU EXIT) Regulations 2019 **Other departments or agencies:** N/A **Contact for enquiries**: naomi.warin@hmtreasury.gov.uk	De minimis assessment **Date: 26/02/2019** **Type of regulation: Domestic** **Date measure comes into force:** **28/03/2019**
Cost of Preferred (or more likely) Option None	**Net cost to business per year** (EANDCB in 2016 prices) **£0m**

1. What is the problem under consideration? Why is government intervention necessary? (Maximum 5 lines)

EU budget legislation requires the UK to pay into the EU budget each month, as well as setting out the nature and timing of these payments and charges for late payments. It also covers rules around investigating fraud against the EU budget and investigations conducted by the European Anti-Fraud Office (OLAF). Given the UK will not be a member state after exit day, it will no longer be appropriate to have a domestic law imposing a continuing obligation on the UK to make resources available to the EU.

2. What are the policy objectives and the intended effects? (Maximum 5 lines)

The intended effects of this instrument are to prevent EU legislation relating to the EU budget and economic policy relating to member states from becoming part of domestic law on and after exit day, and to restate in a clearer and more accessible way the obligations of the Bank of England which derive from Article 123 of the Treaty on the Functioning of the European Union and which become part of EU retained law.

Payments to the EU (and from the EU to the UK) under the draft Withdrawal Agreement will be provided for through separate primary legislation to implement the agreement in domestic law.

3. What policy options have been considered, including any alternatives to regulation? Please justify preferred option (Maximum 5 lines)

No other policies would be appropriate for the reasons set out above.

4. Please justify why the net impacts (i.e. net costs or benefits) to business will be less than £5 million a year.

<u>To do this, please set out the following:</u>

- What will businesses have to do differently? ☐

Nothing.

- How many businesses will this impact per year? ☐

None.

- What is the direct cost/benefit per business per year? ☐

E.g. what will be the familiarisation costs?

- Mean staff hours for familiarisation x Hourly labour costs
- Any non-labour costs of updating systems?

None.

5. Please confirm whether your measure could be subject to call-in by BRE under the following criteria. If yes, please provide a justification of why a full impact assessment is not appropriate:

a) Significant distributional impacts (such as significant transfers between different businesses or sectors)
No
b) Disproportionate burdens on small businesses
No
c) Significant gross effects despite small net impacts
No
d) Significant wider social, environmental, financial or economic impacts
No
e) Significant novel or contentious elements
No

Sign-off for de minimis assessment: SCS

I have read the de minimis assessment and I am satisfied that it represents a fair and proportionate assessment of the impact of the measure.

SCS of Macroeconomic Coordination and Strategy and European Finances teams

Signed: ***Daniel Gallagher, Claire Dartington and Marie-Anne Barnes*** Date: 01/03/2019

SCS of Better Regulation Unit

Signed: ***Gemma Peck*** Date: 27/02/2019

Sign-off for de minimis assessment: Minister

I have read the de minimis assessment and I am satisfied that it represents a fair and proportionate assessment of the impact of the measure.

Signed: ***John Glen MP (Economic Secretary to the Treasury)***

Date: 04/03/2019