

## Latest Update from HM Treasury Regarding ESIF Funding Post-“Brexit”

Following his [announcement in August](#), which guaranteed funds for projects signed up until the Autumn Statement, the Chancellor has now extended this guarantee to the point at which the UK departs the EU.

The Chancellor confirmed that the government will guarantee EU funding for structural and investment fund projects, including agri-environment schemes, signed after the Autumn Statement and which continue after we have left the EU.

He was clear, while the UK is still a member of the EU, British businesses, farmers and other organisations must be entitled to apply for EU funds.

Funding for projects will be honoured by the government, if they meet the following conditions:

- they are good value for money
- they are in line with domestic strategic priorities

As a result, British businesses, farmers and other organisations will have additional certainty over future funding and should continue to apply for EU funding while the UK remains a member of the EU.

Each government department will take responsibility for the allocation of money to projects in line with these conditions and the wider rules on public spending.

These conditions will be applied in such a way that the current pipeline of committed projects are not disrupted, including agri-environment schemes due to begin this January.

Where the devolved administrations sign up to structural and investment fund projects under their current EU budget allocation prior to Brexit, the government will ensure they are funded to meet these commitments.

The 3 October 2016 announcement builds on the assurances given by the Chancellor in [August](#) which also included:

- all structural and investment fund projects, including agri-environment schemes, signed before the Autumn Statement will be fully funded, even when these projects continue beyond the UK's departure from the EU
- all direct competitively bid projects directly with the European Commission, for example universities participating in Horizon 2020
- the current level of agricultural funding under CAP pillar 1 will be upheld until 2020 as part of the transition to new domestic arrangements

The Chief Secretary to the Treasury, David Gauke, will shortly write to each Secretary of State and to each devolved administration to confirm these arrangements

The structural and investment subject to HM Treasury's assurances include:

- European Agricultural Fund for Rural Development – CAP Pillar 2
- European Social Fund
- European Maritime and Fisheries Fund
- European Regional Development Fund - including European Territorial Cooperation