COMMISSION DELEGATED REGULATION (EU) 2019/1705

of 10 October 2019

amending Council Regulation (EU, Euratom) 2019/1197 as regards the deadlines by which the United Kingdom would have to fulfil the conditions for eligibility for Union funding following the withdrawal of the United Kingdom from the Union

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EU, Euratom) 2019/1197 of 9 July 2019 on measures concerning the implementation and financing of the general budget of the Union in 2019 in relation to the withdrawal of the United Kingdom from the Union ([1]), and in particular Articles 2(3), 3(3) and 8 thereof,

Whereas:

(1) On 29 March 2017, the United Kingdom submitted the notification of its intention to withdraw from the Union pursuant to Article 50 of the Treaty on European Union (TEU). The Treaties will cease to apply to the United Kingdom from the date of entry into force of the withdrawal agreement or, failing that, two years after that notification, unless the European Council, in agreement with the United Kingdom, unanimously decides to extend that period.

(2) Regulation (EU, Euratom) 2019/1197 lays down the conditions under which the United Kingdom and persons and entities established in the United Kingdom would continue to be eligible for Union funding for eligible expenditure incurred in 2019 from the date on which the Treaties cease to apply to and in the United Kingdom, and sets the deadlines by which the United Kingdom would have to fulfil the conditions for such continued eligibility, including a payment schedule for the months after August 2019.

(3) The deadlines and the payment schedule have been set considering the possibility of the United Kingdom withdrawing from the Union without an agreement on 13 April 2019.

(4) On 11 April 2019, the European Council adopted Decision (EU) 2019/584 ([2]) further extending the period under Article 50(3) TEU in agreement with the United Kingdom until 31 October 2019.

(5) It is therefore appropriate to extend the deadlines by which the United Kingdom would have to fulfil the conditions laid down in Regulation (EU, Euratom) 2019/1197 and to amend the payment schedule in order to take into account the extension of the period provided for in Article 50(3) TEU until 31 October 2019.

(6) Regulation (EU, Euratom) 2019/1197 should therefore be amended accordingly.

(7) It is also noted that the condition referred to in Article 3(1)(a) of Regulation (EU, Euratom) 2019/1197 is no longer relevant.

([1]) OJ L 189, 15.7.2019, p. 1.
([2]) European Council Decision (EU) 2019/584 of 11 April 2019 taken in agreement with the United Kingdom of 11 April 2019 extending the period under Article 50(3) TEU (OJ L 101, 11.4.2019, p. 1).

(8) To prevent a risk of serious disruption of the implementation and financing of the Union budget in 2019, especially for beneficiaries of Union spending programmes and other actions at the date of the withdrawal of the United Kingdom from the Union, this Regulation should be adopted under the urgency procedure detailed under Article 8 of Regulation (EU, Euratom) 2019/1197 and as provided in Articles 2(3) and 3(3) of that Regulation, and should enter into force as a matter of urgency on the day following that of its publication in the *Official Journal of the European Union*. It should apply from the day following that on which the Treaties cease to apply to and in the United Kingdom, unless a withdrawal agreement concluded with the United Kingdom has entered into force by that date,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EU, Euratom) 2019/1197 is amended as follows:

(1) in Article 2(1), points (a), (b) and (c) are replaced by the following:

'(a) the United Kingdom, within 7 calendar days after the date of withdrawal, has confirmed in writing to the Commission that it will contribute in euros the amount displayed in the line "United Kingdom" and the column "Total own resources" of Table 7 of the part "A. Introduction and financing of the general budget of the Union" of the revenue part of the budget for 2019 set out in the general budget of the European Union for the financial year 2019 ([3]), as adopted on 12 December 2018, reduced by the amount of own resources made available by the United Kingdom in respect of the financial year 2019 before the date of withdrawal, in accordance with the payment schedule laid down in this Regulation;

(b) the United Kingdom, within 20 calendar days after the date of withdrawal, has paid on the account determined by the Commission the first payment which corresponds to the instalment referred to in the second subparagraph of this paragraph multiplied by the result of the following: the number of full months between the date of withdrawal and the end of the year 2019 reduced by the number of months between the month of the first payment, excluding that month, and the end of the year 2019;

(c) the United Kingdom, within 7 calendar days after the date of withdrawal, has confirmed the commitment in writing to the Commission that it will continue to accept the controls and audits which cover the entire period of the programmes and actions in accordance with the applicable rules; and';

(2) in Article 3(1), point (b) is replaced by the following:

'(b) the United Kingdom, within 30 calendar days after the date of withdrawal, has paid on the account determined by the Commission the remaining monthly instalments referred to in the second subparagraph of Article 2(1); and'.

Article 2

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

It shall apply from the date following that on which the Treaties cease to apply to and in the United Kingdom pursuant to Article 50(3) TEU.

However, this Regulation shall not apply if a withdrawal agreement concluded with the United Kingdom in accordance with Article 50(2) TEU has entered into force by the date referred to in the second paragraph of this Article.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 10 October 2019.

For the Commission
The President
Jean-Claude JUNCKER

([3]) Definitive adoption (EU, Euratom) 2019/333 of the European Union's general budget for the financial year 2019 (OJ L 67, 7.3.2019, p. 1).