Regulation (EU) 2019/491 of the European Parliament and of the Council of 25 March 2019 in order to allow for the continuation of the territorial cooperation programmes PEACE IV (Ireland-United Kingdom) and United Kingdom-Ireland (Ireland-Northern Ireland-Scotland) in the context of the withdrawal of the United Kingdom from the Union

REGULATION (EU) 2019/491 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 25 March 2019

in order to allow for the continuation of the territorial cooperation programmes PEACE IV (Ireland-United Kingdom) and United Kingdom-Ireland (Ireland-Northern Ireland-Scotland) in the context of the withdrawal of the United Kingdom from the Union

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty of the Functioning of the European Union, and in particular, Article 178 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee[(1)],

After consulting the Committee of the Regions,

Acting in accordance with the ordinary legislative procedure[(2)],

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 a withdrawal agreement or, failing that, two years after that notification, namely from 30 March 2019, unless the European Council, in agreement with the United Kingdom, unanimously decides to extend that period.

(2) The withdrawal will occur during the programming period 2014-2020 in which the United Kingdom is participating in 15 cooperation programmes under the European territorial cooperation goal. Two of those programmes, namely PEACE IV (Ireland-United Kingdom) and United Kingdom-Ireland (Ireland-Northern Ireland-Scotland) (jointly referred to as the ‘cooperation programmes’), are programmes involving Northern Ireland and support peace and reconciliation and North-South cooperation under the Northern Ireland Peace Agreement (the ‘Good Friday Agreement’) that the Union intends to continue even if the United Kingdom withdraws from the Union without a withdrawal agreement having entered into force by the date the Treaties

cease to apply to the United Kingdom pursuant to Article 50(3) TEU. Therefore, this Regulation should be limited to those cooperation programmes.

(3) The cooperation programmes are in particular governed by Regulations (EU) No 1299/2013[(3)], (EU) No 1303/2013[(4)] and (EU, Euratom) 2018/1046[(5)] of the European Parliament and of the Council. This Regulation should lay down provisions in order to allow, following the United Kingdom's withdrawal from the Union, for the continuation of the cooperation programmes in accordance with those Regulations.

(4) As regards the cooperation programmes, the managing authority is located in the Special EU Programmes Body ('SEUPB') set up under the Agreement between the Government of Ireland and the Government of the United Kingdom of Great Britain and Northern Ireland establishing Implementation Bodies signed on 8 March 1999. As the cooperation programmes involve Northern Ireland, they should continue with the necessary complementing provisions.

(5) For the purposes of the continuation of the cooperation programmes, it should be clarified that, without prejudice to Article 20(2) and (3) of Regulation (EU) No 1299/2013, they may cover the participating regions in the United Kingdom, which should be equivalent to NUTS level 3 regions.

(6) For the purposes of the continuation of the cooperation programmes with financing from the Union general budget, an administrative agreement should be concluded between the Commission and the authorities of the United Kingdom with effect as from the date on which the Treaties cease to apply to the United Kingdom to allow for the necessary controls and audits of the cooperation programmes. If such controls and audits cannot be carried out, the Commission should have the possibility to interrupt payment deadlines, suspend payments and apply financial corrections, as laid down in Articles 83, 142, 144 and 145 of Regulation (EU) No 1303/2013.

(7) In accordance with Article 76 of Regulation (EU) No 1303/2013, the Commission implementing decisions approving the PEACE IV (Ireland-United Kingdom) programme of 30 November 2015 and the Interreg VA programme of 12 February 2015 are to continue to constitute a financing decision within the meaning of Regulation (EU, Euratom) 2018/1046 and hence a legal commitment within the meaning of Regulation (EU, Euratom) 2018/1046. The United Kingdom remains liable for its financial obligations assumed as a Member State which relate to these legal commitments of the Union.

(8) The United Kingdom will cease to be, from the date that the Treaties cease to apply to it, part of the Union part of the programme area within the meaning of Article 20(1) of Regulation (EU) No 1299/2013. Therefore, the provisions of that Regulation on the eligibility of operations depending on location should be adapted.

(9) Since the objective of this Regulation, namely to allow, following the United Kingdom's withdrawal from the Union, for the continuation of the cooperation programmes, cannot be sufficiently achieved by the Member States but can rather, by reason of its scale and effects, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 TEU. In accordance with the

principle of proportionality as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve this objective.

(10) In order to allow for the prompt application of the measures provided for in this Regulation, this Regulation should enter into force on the day following that of its publication in the *Official Journal of the European Union*. This Regulation should only apply in a situation where no withdrawal agreement concluded with the United Kingdom in accordance with Article 50(2) TEU has entered into force by the date the Treaties cease to apply to the United Kingdom pursuant to Article 50(3) TEU,

HAVE ADOPTED THIS REGULATION:

Article 1

Subject matter and scope

1 This Regulation lays down provisions to address the consequences of the withdrawal of the United Kingdom from the Union in a situation where no withdrawal agreement concluded with the United Kingdom in accordance with Article 50(2) TEU has entered into force by the date on which the Treaties cease to apply to the United Kingdom pursuant to Article 50(3) TEU, and with regard to the continuation of the following two cooperation programmes covered by Regulation (EU) No 1299/2013 with the participation of the United Kingdom (jointly referred to as the 'cooperation programmes'):

(1) PEACE IV (Ireland-United Kingdom);

(2) United Kingdom-Ireland (Ireland-Northern Ireland-Scotland).

2 Regulation (EU) No 1299/2013 shall continue to apply to the cooperation programmes subject to this Regulation.

Article 2

Geographical coverage

Without prejudice to Article 20(2) and (3) of Regulation (EU) No 1299/2013, the cooperation programmes may cover the participating regions in the United Kingdom, which shall be equivalent to NUTS level 3 regions.

Article 3

Programme authorities

By way of derogation from Article 21(1) of Regulation (EU) No 1299/2013:

— the Special EU Programmes Body (SEUPB) hosting the managing authority and the certifying authority of the cooperation programmes shall continue to exercise its functions,

— the Department of Finance of Northern Ireland shall remain the audit authority of the cooperation programmes.