

Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community

PART FIVE

FINANCIAL PROVISIONS

Chapter 2

***THE UNITED KINGDOM'S CONTRIBUTION TO
AND PARTICIPATION IN THE UNION BUDGET***

Article 137

**The United Kingdom's participation in the implementation
of the Union programmes and activities in 2019 and 2020**

1 In accordance with Part Four, the Union programmes and activities committed under the multiannual financial framework for the years 2014-2020 ("MFF 2014-2020") or previous financial perspectives shall be implemented in 2019 and 2020 with regard to the United Kingdom on the basis of the applicable Union law.

Regulation (EU) No 1307/2013 of the European Parliament and of the Council⁽¹⁾ as applicable in the year 2020 shall not apply in the United Kingdom for claim year 2020. However, Article 13 of that Regulation shall apply in respect of the United Kingdom direct payments scheme for claim year 2020, provided that such scheme is equivalent to the scheme of Regulation (EU) No 1307/2013, as applicable in the year 2020.

2 By way of derogation from Part Four, the United Kingdom and projects located in the United Kingdom shall only be eligible for financial operations carried out within financial instruments managed directly or indirectly under Title X of the Financial Regulation or financial operations guaranteed by the Union budget under the European Fund for Strategic Investments (EFSI) established by Regulation (EU) 2015/1017 of the European Parliament and of the Council⁽²⁾ and the European Fund for Sustainable Development (EFSD) established by Regulation (EU) 2017/1601 of the European Parliament and of the Council⁽³⁾, provided that those financial operations were approved by the entities and bodies, including the EIB and the European Investment Fund ("EIF"), or by persons entrusted with the implementation of part of those actions before the date of entry into force of this Agreement, even if the signature of those financial operations took place after that date. In relation to those financial operations approved after the date of entry into force of this Agreement, entities established in the United Kingdom shall be treated as entities located outside the Union.

- (1) Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009 ([OJ L 347, 20.12.2013, p. 608](#)).
- (2) Regulation (EU) 2015/1017 of the European Parliament and of the Council of 25 June 2015 on the European Fund for Strategic Investments, the European Investment Advisory Hub and the European Investment Project Portal and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013 — the European Fund for Strategic Investments ([OJ L 169, 1.7.2015, p. 1](#)).
- (3) Regulation (EU) 2017/1601 of the European Parliament and of the Council of 26 September 2017 establishing the European Fund for Sustainable Development (EFSD), the EFSD Guarantee and the EFSD Guarantee Fund ([OJ L 249, 27.9.2017, p. 1](#)).