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STATUTORY INSTRUMENTS

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**2019 No. 785**

The European Structural and Investment Funds Common Provisions (Amendment) (EU Exit) Regulations 2019

**PART 3**

Amendments to retained direct EU legislation

**Amendment of Title 4 of Part Two**

**8.—(1)** In Article 37 —

- (a) in each place it occurs, omit “Union”;
- (b) in paragraph 1, for “The ESI Funds” substitute “ Support for rural development <sup>F1</sup>... ”;
- (c) in paragraph 2(b), for “support from the ESI Funds” substitute “ support for rural development <sup>F2</sup>... ”;
- (d) in paragraph 2(d), for “Member State” substitute “ relevant authority ”;
- (e) in paragraph 7, for “support from ESI Funds” substitute “ support for rural development <sup>F3</sup>... ”;
- (f) omit paragraph 8.

**(2)** In Article 38 —

- (a) for paragraph 1 substitute—

“(1) In implementing Article 37, Managing Authorities may provide a financial contribution to financial instruments set up at national, regional, transnational or cross-border level, managed by or under the responsibility of the Managing Authority.”

- (b) omit paragraph 2;
- (c) in paragraph 3, omit “point (b) of” and for “laid down by the Commission” substitute “ as set out in Regulation (EU) No 964/2014 ”;
- (d) in paragraph 4—

- (i) for point (a) substitute—

“(a) invest in the capital of existing or newly created legal entities dedicated to implementing financial instrument consistent with the objectives of the support for rural development <sup>F4</sup>..., which will undertake implementation tasks; the support to such entities shall be limited to the amounts necessary to implement new investments in accordance with Article 37 and in a manner that is consistent with the objectives of this Regulation;”

- (ii) in point (b)—

- (aa) omit point (i);
- (bb) in point (ii) for “Member State” substitute “ relevant authority ”;

- (cc) in point (iii), in the first indent, for “national legislative provisions, in conformity with the Treaties,” substitute “ the law as it applies in the constituent nation ”;
  - (dd) in point (iii), in the first three indents, for “the ESI Funds”, in each place it occurs, substitute “ support for rural development <sup>F5</sup> ... ”.
- (3) Omit Articles 39 and 39a.
- (4) In Article 40—
- (a) in paragraph 1, for the first three subparagraphs substitute—
 

“The authorities designated in accordance with Article 65 of the Regulation (EU) No 1305/2013 must not carry out on-the-spot verifications at the level of international financial institutions in which a relevant authority is a shareholder, for financial instruments implemented by them.

However, the designated authorities shall carry out checks in accordance with Article 59(1) of Regulation (EU) No 1306/2013 at the level of other bodies implementing the financial instruments in the jurisdiction of their respective constituent nation.

International financial institutions in which a relevant authority is a shareholder must provide to the designated authorities a control report with each application for payment. They shall also provide to the designated authorities an annual audit report drawn up by their external auditors. Those reporting obligations are without prejudice to the reporting obligations, including as regards the performance of the financial instruments, as set out in Article 46(1) and (2) of this Regulation.”;
  - (b) in paragraph 2—
    - (i) in the first subparagraph—
      - (aa) omit “the EIB or other”;
      - (bb) for “Member State” substitute “ relevant authority ”;
    - (ii) in the second subparagraph, for “Member States” substitute “ constituent nation ”;
    - (iii) omit the third subparagraph;
  - (c) omit paragraphs 2a and 4;
  - (d) in paragraph 5A, in the words before point (a) substitute—
 

“(5A) By way of derogation from the second paragraph of Article 56 of Regulation (EU) No 1306/2013, in operations comprising financial instruments, a contribution cancelled in accordance with the first paragraph of Article 56 of Regulation (EU) No 1306/2013, as a result of an individual irregularity, may be reused within the same operation under the following conditions:”.
- (5) In Article 42, in paragraph 4(a), for “the support from the ESI Funds” substitute “ support for rural development <sup>F6</sup> ... ”.
- (6) In Article 43—
- (a) for “from the ESI Funds”, in each place it occurs (including in the heading), substitute “ for rural development <sup>F7</sup> ... ”;
  - (b) for “Member States” substitute “ the constituent nation ”.
- (7) In Article 43a—
- (a) in paragraph 1—
    - (i) for “from the ESI Funds”, in both places it occurs, substitute “ for rural development <sup>F8</sup> ... ”;

- (ii) omit the words from “as well as” to “Regulation (EU) 2015/1017”;
  - (b) in paragraph 2 omit “and 39a(3)”;
  - (c) in paragraph 3 omit the words from “or the EIB” to “Regulation (EU) 2015/1017”;
  - (d) in paragraph 4 omit “Union”.
- (8) In Article 44, in paragraph 1—
- (a) in the words before point (a), for “the support from the ESI Funds” substitute “ support for rural development <sup>F9</sup> ... ”;
  - (b) in point (b), for “of the ESI Funds contribution” substitute “ contribution from support for rural development <sup>F10</sup> ... ”.
- (9) In Article 45—
- (a) for “Member States” substitute “ The relevant authority ”;
  - (b) for “the support from the ESI Funds” substitute “ support for rural development <sup>F11</sup> ... ”.
- (10) In Article 46—
- (a) in paragraph 1, for “Commission” substitute “ Programme Monitoring Committee ”;
  - (b) in paragraph 2, for “from the ESI Funds”, in both places it occurs, substitute “ for rural development <sup>F12</sup> ... ”;
  - (c) omit paragraph 4.

#### Textual Amendments

- F1** Words in reg. 8(1)(b) omitted (31.12.2020 immediately before IP completion day) by virtue of [The Common Fisheries Policy \(Amendment etc.\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1542\)](#), regs. 1(2), [13\(6\)\(a\)\(i\)](#)
- F2** Words in reg. 8(1)(c) omitted (31.12.2020 immediately before IP completion day) by virtue of [The Common Fisheries Policy \(Amendment etc.\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1542\)](#), regs. 1(2), [13\(6\)\(a\)\(ii\)](#)
- F3** Words in reg. 8(1)(e) omitted (31.12.2020 immediately before IP completion day) by virtue of [The Common Fisheries Policy \(Amendment etc.\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1542\)](#), regs. 1(2), [13\(6\)\(a\)\(iii\)](#)
- F4** Words in reg. 8(2)(d)(i) omitted (31.12.2020 immediately before IP completion day) by virtue of [The Common Fisheries Policy \(Amendment etc.\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1542\)](#), regs. 1(2), [13\(6\)\(b\)\(i\)](#)
- F5** Words in reg. 8(2)(d)(ii)(dd) omitted (31.12.2020 immediately before IP completion day) by virtue of [The Common Fisheries Policy \(Amendment etc.\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1542\)](#), regs. 1(2), [13\(6\)\(b\)\(ii\)](#)
- F6** Words in reg. 8(5) omitted (31.12.2020 immediately before IP completion day) by virtue of [The Common Fisheries Policy \(Amendment etc.\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1542\)](#), regs. 1(2), [13\(6\)\(c\)](#)
- F7** Words in reg. 8(6)(a) omitted (31.12.2020 immediately before IP completion day) by virtue of [The Common Fisheries Policy \(Amendment etc.\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1542\)](#), regs. 1(2), [13\(6\)\(d\)](#)
- F8** Words in reg. 8(7)(a)(i) omitted (31.12.2020 immediately before IP completion day) by virtue of [The Common Fisheries Policy \(Amendment etc.\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1542\)](#), regs. 1(2), [13\(6\)\(e\)](#)
- F9** Words in reg. 8(8)(a) omitted (31.12.2020 immediately before IP completion day) by virtue of [The Common Fisheries Policy \(Amendment etc.\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1542\)](#), regs. 1(2), [13\(6\)\(f\)\(i\)](#)

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**Changes to legislation:** *There are currently no known outstanding effects for the The European Structural and Investment Funds Common Provisions (Amendment) (EU Exit) Regulations 2019, Section 8. (See end of Document for details)*

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- F10** Words in reg. 8(8)(b) omitted (31.12.2020 immediately before IP completion day) by virtue of [The Common Fisheries Policy \(Amendment etc.\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1542\)](#), regs. 1(2), [13\(6\)\(f\)\(ii\)](#)
- F11** Words in reg. 8(9)(b) omitted (31.12.2020 immediately before IP completion day) by virtue of [The Common Fisheries Policy \(Amendment etc.\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1542\)](#), regs. 1(2), [13\(6\)\(g\)](#)
- F12** Words in reg. 8(10)(b) omitted (31.12.2020 immediately before IP completion day) by virtue of [The Common Fisheries Policy \(Amendment etc.\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1542\)](#), regs. 1(2), [13\(6\)\(h\)](#)

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**Commencement Information**

- I1** Reg. 8 in force at 31.12.2020 on IP completion day (in accordance with [2020 c.1, Sch. 5 para. 1\(1\)](#)), see [reg. 1](#)

**Changes to legislation:**

There are currently no known outstanding effects for the The European Structural and Investment Funds Common Provisions (Amendment) (EU Exit) Regulations 2019, Section 8.