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## EXPLANATORY NOTE

*(This note is not part of these Regulations)*

These Regulations implement obligations under the Financing Agreement between the United Kingdom of Great Britain and Northern Ireland, Ireland and the European Commission on the PEACE PLUS Programme 2021-2027, done in Brussels on the 13th and 15th March 2023 (“the Financing Agreement”). The Financing Agreement sets out arrangements for the United Kingdom’s financial contribution to, and participation in, the PEACE PLUS Programme (“the Programme”), the latest in a series of long running, cross-border co-operation packages that fund activities which promote peace and reconciliation and contribute to the cross-border economic and territorial development of Northern Ireland and the border region of the Republic of Ireland.

The predecessor programmes were implemented under common EU rules applicable on both sides of the border and the UK Government’s financial contribution to those programmes managed and paid as part of its membership of the EU. As the UK is no longer a Member State, the Financing Agreement has been concluded to govern the implementation of the Programme and its financing. As with the predecessor programmes, the Programme will be implemented by the Special EU Programmes Body (the “SEUPB”), one of six cross-border implementation bodies set up under the framework of Strand Two of the Belfast (Good Friday) Agreement (North/South Co-operation).

Regulation 2 amends the North/South Co-operation (Implementation Bodies) (Northern Ireland) Order 1999 (S.I. 1999/859) by inserting new article 14A and new Schedule 4A. New article 14A confers on the SEUPB the functions of the managing authority and the accounting function in relation to the Programme, in accordance with Articles 7.2 and 7.5 of the Financing Agreement. It requires the SEUPB to exercise those functions compatibly with certain horizontal EU instruments (“the basic acts”), listed in Article 3(f) of the Financing Agreement and replicated in Part 1 of new Schedule 4A, including as amended or replaced from time to time. In addition, article 14A requires the SEUPB to comply with EU implementing and delegated instruments which are relevant to the Programme as listed in Part 2 of the new Schedule. Together these provisions implement Article 3 of the Financing Agreement and are required because the EU instruments concerned are no longer directly applicable in the United Kingdom.

New article 14A also requires the SEUPB to comply with the terms of Financing Agreement when exercising its functions, including by ensuring that certain conditions are incorporated into grant agreements with beneficiaries who will receive funding under the Programme.

Regulation 3 implements obligations relating to role of the Northern Ireland Department of Finance (“the Department”), which is designated as the national authority for the purposes of the Programme. The Department will also act as the UK’s representative on the group of auditors (which assists the Programme’s audit authority) and regulation 3 makes provision in this regard.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sectors is foreseen. An explanatory memorandum has been published alongside this instrument at [www.legislation.gov.uk](http://www.legislation.gov.uk). Copies of the Financing Agreement and accompanying explanatory memorandum as presented to Parliament can be obtained at <https://www.gov.uk/government/publications/ukirelandec-financing-agreement-on-the-peace-plus-programme-2021-2027-ms-no22023>.