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From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
No. Cion doc.:	11921/19 - COM(2019) 461 final
Subject:	Council Regulation on measures concerning the implementation and financing of the general budget of the Union in 2020 in relation to the withdrawal of the United Kingdom from the Union – *Adoption*

1. On 6 September 2019, the Commission submitted a proposal for a Council Regulation on measures concerning the implementation and financing of the general budget of the Union in 2020 in relation to the withdrawal of the United Kingdom from the Union.

2. The proposal was examined at working party level during several meetings in September 2019. The text resulting from that examination and finalised by the legal linguistic experts is set out in document 12412/1/19 REV1.

3. In accordance with Article 352(1) of the Treaty on the Functioning of the European Union, the Council may adopt the Regulation acting unanimously and after obtaining the consent of the European Parliament.

4. On 9 October 2019, the Permanent Representatives Committee agreed to request the European Parliament's consent to the draft Regulation, which the European Parliament gave on 22 October 2019.

5. As the consent is given, the proposed Regulation can now be adopted by the Council in order to ensure the smooth implementation and financing of the budget in 2020.

6. The Permanent Representatives Committee is therefore asked to confirm its agreement and to recommend the Council to:

   - adopt the Council Regulation on measures concerning the implementation and financing of the general budget of the Union in 2020 in relation to the withdrawal of the United Kingdom from the Union, as set out in document 12412/1/19 REV 1 as an "A" item at a forthcoming meeting; and

   - enter into its minutes the two statements set out in the Annex.

ANNEX

STATEMENTS TO BE ENTERED IN THE COUNCIL MINUTES

1. **Joint statement by Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, France, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Poland, Portugal, Romania, Slovenia, Slovakia and Spain on the Council Regulation on measures concerning the implementation and financing of the general budget of the Union in 2020 in relation to the withdrawal of the United Kingdom from the Union**

"Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, France, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Poland, Portugal, Romania, Slovenia, Slovakia and Spain underline that, in the absence of a withdrawal agreement, Article 4 and, as a consequence, Article 5 of the Own Resources Decision cease to apply as from the date of withdrawal of the United Kingdom from the EU, thus bringing an end to the UK rebate and the rebates on the UK rebate. Provided that the UK contributes to the EU budget as foreseen in Article 2(1) of the Council Regulation on measures concerning the implementation and financing of the general budget of the Union in 2020 in relation to the withdrawal of the United Kingdom from the Union, the aforementioned Member States accept a specific solution related to the rebates on the UK rebate. This practical arrangement for the EU budget 2020 is strictly conditional on the UK's contribution under that Regulation and shall not constitute a precedent for the future MFF 2021-2027."

2. Statement by the Council and the Commission on the Council Regulation on measures concerning the implementation and financing of the general budget of the Union in 2020 in relation to the withdrawal of the United Kingdom from the Union ("the Council Regulation")

"The Council and the Commission confirm that the payments the United Kingdom will make under the Council Regulation, including the specific amount referred to in the second subparagraph of Article 2(3), shall be fully taken into account for future negotiations when calculating the outstanding obligations resulting from the United Kingdom's membership of the Union."