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No Deal Brexit – UK Government guarantees EU funding programmes in Gibraltar

In November, the European Union and the United Kingdom concluded the terms of an agreement for the orderly departure of the UK from the European Union. Gibraltar was part of that agreement. The Withdrawal Agreement includes a transitional phase until the end of 2020, which also covers Gibraltar.

This agreement is subject to ratification by the UK Parliament and by the European Parliament.

In the meantime, planning continues for the eventuality that the UK and Gibraltar leave the European Union without this agreement.

This notice provides an overview of how the UK government's guarantee for EU-funded programmes applies to Gibraltar, if the UK leaves the EU with no deal.

For Gibraltar, it covers:

- EU Structural Funds, specifically the European Regional Development Fund (ERDF)
- the European Social Fund (ESF)
- European Territorial Cooperation programmes

Before 29 March 2019

Until the UK leaves the EU, the UK remains a member state, with all the rights and obligations that includes. The UK and Gibraltar, will continue to participate in EU programmes while the UK remains a member of the EU.

As agreed as part of the UK financial settlement with the EU, we will continue to take part in all EU programmes after 29 March 2019 for the rest of the 2014 to 2020 Multiannual Financial Framework.

The financial settlement has been agreed by both UK and European Commission negotiators in a draft Withdrawal Agreement and welcomed by the other 27 EU countries at the March European Council.



After March 2019 if there's no deal

In the event of a no deal Brexit, the UK along with Gibraltar will leave the EU Budget in March 2019. Without further action, this would mean Gibraltar could lose future funding for existing projects under EU programmes. However, the UK Chancellor of the Exchequer has agreed that the UK government will guarantee funding for specific EU projects. This will provide certainty for Gibraltar and participating organisations over the course of our EU exit.

This guarantee covers:

EU Structural Funds that Gibraltar receives as part of the 2014-20 Multiannual Financial Framework allocation – the European Regional Development Fund (ERDF) and the European Social Fund (ESF), and European Territorial Cooperation programmes (a sub-fund of Structural Funds that involves cross-border projects).

The UK government's guarantee ensures that Gibraltar will continue to receive funding over a project's lifetime if they successfully bid into EU-funded programmes while the UK remains a member of the EU, and, where access (for example as a third country) is available, before the end of 2020.

Over the coming months the UK government will set out the precise arrangements for the specific programmes outlined in this notice.