

ANNEX 47**IMPLEMENTATION OF THE FINANCIAL CONDITIONS**

1. The Commission shall communicate to the United Kingdom, as soon as possible and at the latest on 16 April of the financial year, the following information for each Union programme, activity, or part thereof, in which the United Kingdom participates:
 - (a) the amounts in commitment appropriations in the Union budget definitively adopted for the year in question for the budget lines covering participation of the United Kingdom in accordance with the Protocol referred to in Article 710 of this Agreement and, if relevant, the amount of external assigned revenue appropriations that do not result from financial contribution from other donors on these budget lines;
 - (b) the amount of the participation fee referred to in Article 714(4) of this Agreement;
 - (c) from year N + 1 of implementation of a programme included in the Protocol referred to in Article 710 of this Agreement, the implementation of commitment appropriations corresponding to budgetary year N and the level of decommitment;

- (d) for programmes to which Article 716 of this Agreement applies, for the part of the programmes where such information is necessary to calculate the automatic correction, the level of commitments entered into in favour of United Kingdom entities broken down according to the corresponding year of budgetary appropriations and the related total level of commitments.

On the basis of its Draft Budget, the Commission shall provide an estimate of information under points (a) and (b) as soon as possible, and, at the latest, by 1 September of the financial year.

2. The Commission shall issue, at the latest on 16 April and on 16 July of each financial year, a call for funds to the United Kingdom that corresponds to the contribution of the United Kingdom under this Agreement for each of the programmes, activities, or parts thereof, in which the United Kingdom participates.
3. The United Kingdom shall pay the amount indicated in the call for funds at the latest 60 days after the call for funds is issued. The United Kingdom may make separate payments for each programme and activity.

4. By derogation from paragraphs 2 and 3, for the year 2021 in which the Protocol referred to in Article 710 of this Agreement is concluded, the Commission shall issue a call for funds at the latest on 16 April 2021 if the Protocol is signed on or before 31 March 2021, or at the latest on the 16th of the month following the month in which the Protocol was signed if it is signed after 31 March 2021. If that call for funds is issued after 16 July of the year in question, there shall be a single call for funds for this year. The United Kingdom shall pay the amount indicated in the call for funds at the latest 60 days after the call for funds is issued. The United Kingdom may make separate payments for each programme and activity.
5. The call for funds for a given year shall have the value established by dividing the annual amount calculated in application of Article 714 of this Agreement, including any adjustment under Article 714(8), Article 716 or 717 of this Agreement, by the number of calls for funds for that year pursuant to paragraphs 2 and 4 of this Annex.
6. By way of derogation from paragraph 5, in relation to the contribution to Horizon Europe for the multiannual financial framework 2021-2027, the call for funds for a given year N shall have the value established by dividing:
 - (a) the annual amount calculated
 - (i) by applying the following payment schedule for payments if year N is:
 - 2021: 50 % paid in 2021, 50 % paid in 2026
 - 2022: 50 % paid in 2022, 50 % paid in 2027

- (ii) on the amount resulting from the application of Articles 714 and 716 of this Agreement, including any adjustment under Article 714(8) or Article 716 of this Agreement for that year N, by
- (b) the number of calls for funds for that year N pursuant to paragraphs 2 and 4:

The application of this paragraph has no bearing on establishing the calculation of the automatic correction under Articles 716 and 721. For all the calculations of other amounts related to Part V of this Agreement, the annual contribution of the United Kingdom shall take into account this paragraph .

7. Where the participation of the United Kingdom is terminated pursuant to Article 719 or Article 720 of this Agreement any payments in relation to the period before the termination takes effect, which were postponed in accordance with paragraph 6 of this Annex, shall become due. The Commission shall issue a call for funds in relation to the amount due at the latest one month after the termination takes effect. The United Kingdom shall pay this due amount within 60 days of the issue of the call for funds.
8. The Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council¹ ("Financial Regulation") applicable to the general budget of the European Union shall apply to the management of the appropriations.

¹ Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (OJ EU L 193, 30.7.2018, p. 1).

9. In the absence of payment by the United Kingdom by the due date, the Commission shall send a formal letter of reminder.

Any delay in the payment of the contribution shall give rise to the payment of default interest by the United Kingdom on the outstanding amount as from the due date until the day on which that outstanding amount is paid in full.

The interest rate for amounts receivable but not paid on the due date shall be the rate applied by the European Central Bank to its principal refinancing operations, as published in the C series of the *Official Journal of the European Union*, in force on the first day of the month in which the due date falls, or 0 per cent, whichever is higher, plus three and a half percentage points.
