

Union's rights in enforcing and implementing the UK Withdrawal Agreement and the EU-UK Trade and Cooperation Agreement

2022/0068(COD) - 11/03/2022 - Legislative proposal

PURPOSE: to establish the rules and procedures governing the exercise of the Union's rights under the UK's EU Withdrawal Agreement and the Trade and Cooperation Agreement.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: on 30 January 2020, the Council concluded the agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union. This agreement entered into force on 1 February 2020. In addition, the Trade and Cooperation Agreement concluded by the Council, on behalf of the Union, applies provisionally from 1 January 2021 and entered into force on 1 May 2021.

Both the Withdrawal Agreement and the Trade and Cooperation Agreement provide that a Party may adopt certain measures in specific cases and subject to compliance with the conditions and procedures set out therein. These measures may result in the suspension of certain obligations under the agreement concerned.

Should the need arise to exercise its rights in implementing and enforcing the Withdrawal Agreement and the Trade and Cooperation Agreement, the Union should be in a position to make appropriate use of the instruments available to it swiftly and in a proportionate, effective and flexible manner, while fully involving Member States. The Union should also be able to take appropriate measures if effective recourse to binding dispute settlement under those Agreements is not possible because the United Kingdom does not cooperate in making such recourse possible. It is therefore necessary to lay down rules and procedures governing the adoption of those measures.

CONTENT: the proposed Regulation aims to establish general principles and uniform conditions for the exercise of the Union's rights to implement and enforce the Withdrawal Agreement and the Trade and Cooperation Agreement or any supplementary agreement. It also aims to empower the Commission to adopt the necessary measures, including, where appropriate, restrictions on trade, investment or other activities falling within the scope of the Trade and Cooperation Agreement.

These rights could be exercised through the suspension of preferential treatment for the product(s) concerned, remedial measures, rebalancing measures, countermeasures under the Trade and Cooperation Agreement, safeguard measures and measures restricting trade, investment or other activities listed in the proposal.

The implementing acts would be adopted by the Commission under the examination procedure, in accordance with the committee procedure. The Commission should adopt immediately applicable implementing acts where, in duly justified cases, imperative grounds of urgency so require for the appropriate protection of the Union's interests.

The Commission should review the Regulation within five years of its entry into force in order to ascertain that it remains fit for purpose.