

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

2022/0068(COD) - 22/03/2023 - Final act

**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 and 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.

**LEGISLATIVE ACT:** Regulation (EU) 2023/657 of the European Parliament and of the Council laying down rules for the exercise of the Union's rights in the implementation and enforcement of the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community and of the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part.

**CONTENT:** this Regulation lays down **rules and procedures** to ensure an effective and timely exercise of the Union's rights in implementing and enforcing the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part and supplementing agreements to the Trade and Cooperation Agreement.

## *Scope*

This Regulation applies to the following measures adopted by the Union:

- the temporary suspension of the relevant preferential treatment of the product or products concerned as set out in Article 34 of the Trade and Cooperation Agreement;
- remedial measures and the suspension of obligations as set out in Article 374 of the Trade and Cooperation Agreement;
- rebalancing measures and countermeasures;
- the refusal, revocation, suspension, limitation of and the imposition of conditions on the operating authorisations or technical permissions of air carriers of the United Kingdom, as well as the refusal, revocation, suspension, limitation of and the imposition of conditions on the operation of those air carriers;
- the suspension of acceptance obligations;
- remedial measures;
- compensatory measures;

- measures restricting trade, investment or other activities within the scope of the Trade and Cooperation Agreement, if adjudication is not possible because the United Kingdom is not taking the steps that are necessary for a dispute settlement procedure under that Agreement or the Withdrawal Agreement to function, including unduly delaying the proceedings amounting to non-cooperation in the process;
- the suspension of obligations under the Withdrawal Agreement in the context of compliance with an arbitration panel ruling;
- safeguard measures and rebalancing measures as set out in Article 16 of the Protocol on Ireland/Northern Ireland to the Withdrawal Agreement.

### ***Exercise of Union rights***

The Commission will be empowered, by means of **implementing acts**, to adopt the measures adopted by the Union, with the exception of the suspension, in whole or in part, of access to Union waters under the Trade and Cooperation Agreement by vessels of the United Kingdom for fisheries.

Measures adopted under the Regulation must be **proportionate** to the objectives pursued and effective in inducing compliance of the United Kingdom with the Agreements.

Where there is a particular concern of one or more Member States, that or those Member States may request the Commission to adopt the measures adopted by the Union. If the Commission does not respond positively to such a request, it will inform the Council in a timely manner of its reasons.

If, due to persisting significant divergences, the rebalancing measures last for more than a year, one or more Member States may request the Commission to activate the review clause provided for in Article 411 of the Trade and Cooperation Agreement.

### ***Information***

The Council will be informed at regular and constant intervals of the implementation of the withdrawal agreement and the trade and cooperation agreement. **The European Parliament** will be kept immediately and fully informed, in accordance with the Treaties, to allow it to exercise its institutional prerogatives.

The Commission will be assisted by the UK Committee. The European Parliament and the Council will be regularly and promptly informed on committee proceedings. The European Parliament and the Council may at any time exercise their right of scrutiny.

### ***Annual reports***

When the Commission submits its annual reports to the European Parliament and the Council on the implementation and application of the Trade and Cooperation Agreement, it will also include an overview of any complaints received concerning the Trade and Cooperation Agreement, as well as the follow-up to those complaints and the measures adopted under the Regulation.

No later than 12 April 2026, the Commission will present a report on the implementation of the Regulation accompanied, where appropriate, by relevant legislative proposals.

ENTRY INTO FORCE: 11.4.2023.