EN



Brussels, 12 September 2023 (OR. en)

12887/23

Interinstitutional File: 2023/0326(NLE)

UK 170

COVER NOTE

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2023) 539 final
Subject:	Proposal for a COUNCIL DECISION establishing the position to be taken on behalf of the European Union in the Joint Committee established by 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 as regards the adoption of a decision adding two newly adopted Union acts to Annex 2 to the Windsor Framework

Delegations will find attached document COM(2023) 539 fina	u.
--	----

Encl.: COM(2023) 539 final

12887/23 KB/mab GIP.EU-UK



Brussels, 12.9.2023 COM(2023) 539 final

2023/0326 (NLE)

Proposal for a

COUNCIL DECISION

establishing the position to be taken on behalf of the European Union in the Joint Committee established by 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 as regards the adoption of a decision adding two newly adopted Union acts to Annex 2 to the Windsor Framework

EXPLANATORY MEMORANDUM

1. SUBJECT MATTER OF THE PROPOSAL

This proposal concerns the decision establishing the position to be taken on the Union's behalf in the Joint Committee established by 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 Withdrawal Agreement') in connection with the envisaged adoption of a Joint Committee Decision amending Annex 2 to the Windsor Framework¹, which forms an integral part of the Withdrawal Agreement.

2. CONTEXT OF THE PROPOSAL

2.1. 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 the Windsor Framework

The Withdrawal Agreement sets out the arrangements for the orderly withdrawal of the United Kingdom from the Union and Euratom. The Withdrawal Agreement entered into force on 1 February 2020. On 27 February 2023, the European Commission and the Government of the United Kingdom reached a political agreement in principle on the Windsor Framework. The Joint Committee established by the Withdrawal Agreement held in London on 24 March 2023 adopted the new arrangements relating to the Windsor Framework and the two Parties agreed to work together intensively and faithfully to implement all elements of the Windsor Framework.

2.2. The Joint Committee

The Joint Committee established by Article 164(1) of the Withdrawal Agreement comprises representatives of the Union and of the United Kingdom. It is co-chaired by the Union and the United Kingdom. Annex VIII to the Withdrawal Agreement lays down the rules of procedure of the Joint Committee. The Joint Committee meets at least once a year or at the request of the Union or the United Kingdom and it sets its meeting schedule and agenda by mutual consent.

The tasks of the Joint Committee are laid down in Article 164 of the Withdrawal Agreement and consist principally of:

- overseeing the implementation and application of the Agreement directly or through the work of the specialised committees reporting to it;
- adopting decisions and recommendations, including amendments to the Agreement in the cases provided therein;
- preventing problems and resolving disputes that may arise regarding the interpretation and application of the Agreement.

2.3. The envisaged act of the Joint Committee

At its next meeting, the Joint Committee is to adopt a decision adding two newly adopted Union acts that fall within the scope of the Windsor Framework to Annex 2 to the Windsor Framework ('the envisaged act'), pursuant to its Article 13(4).

_

Joint Declaration No 1/2023 of the Union and the United Kingdom in the Joint Committee established by 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 of 24 March 2023, OJ L 102, 17.4.2023, p. 87.

The envisaged act will become binding on the Parties in accordance with Article 166(2) of the Withdrawal Agreement. In accordance with Rule 9 of the Rules of Procedure of the Joint Committee and Specialised Committees, decisions adopted by the Joint Committee will specify the date at which they take effect.

3. POSITION TO BE TAKEN ON THE UNION'S BEHALF

3.1. Annex 2 ('Provisions of Union law referred to in Article 5(4)') to the Windsor Framework

Annex 2 to the Windsor Framework contains the provisions of Union law referred to in Article 5(4) thereof.

On 31 May 2023, the European Parliament and the Council adopted Regulation (EU) 2023/1077², which provides for temporary Autonomous Trade Measures ('ATMs') (e.g. suspension of customs duties, tariff-rate quotas and of anti-dumping duties) supplementing trade concessions applicable to Ukrainian products under the EU-Ukraine Association Agreement. Regulation (EU) 2023/1077 provides for the same kind and level of ATMs vis-à-vis Ukraine as those laid down in Regulation (EU) 2022/870 of the European Parliament and of the Council of 30 May 2022³, which ceased to apply on 5 June 2023 and which had a positive effect on Ukraine's trade with the Union, by preserving trade flows from Ukraine to the Union despite the disruptions caused by Russia's war of aggression against Ukraine and against the overall trend of a strong decrease of exports from Ukraine. Regulation (EU) 2023/1077 entered into force on 6 June 2023 and is to apply until 5 June 2024.

On 20 July 2023, the European Parliament and the Council adopted Regulation (EU) 2023/1524⁴, which renews the suspension of import duties on imports from the Republic of Moldova ('Moldova') into the Union laid down in Regulation (EU) 2022/1279 of the European Parliament and of the Council of 18 July 2022⁵, which ceased to apply on 24 July 2023, and extends this suspension to all remaining tariffs and tariff rate quotas on imports from Moldova into the Union. Regulation (EU) 2023/1524 supplements trade concessions applicable to Moldovan products under the EU-Moldova Association Agreement in order to mitigate the negative effects on Moldova's economy of Russia's war of aggression against Ukraine, to accelerate the development of closer economic relations between the Union and

Regulation (EU) 2022/870 of the European Parliament and of the Council of 30 May 2022 on temporary trade-liberalisation measures supplementing trade concessions applicable to Ukrainian products under the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Ukraine, of the other part (OJ L 152, 3.6.2022, p. 103).

Regulation (EU) 2023/1524 of the European Parliament and of the Council of 20 July 2023 on temporary trade-liberalisation measures supplementing trade concessions applicable to products from the Republic of Moldova under the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Moldova, of the other part (OJ L 185, 24.7.2023, p. 1).

Regulation (EU) 2022/1279 of the European Parliament and of the Council of 18 July 2022 on temporary trade-liberalisation measures supplementing trade concessions applicable to products from the Republic of Moldova under the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Moldova, of the other part (OJ L 195, 22.7.2022, p. 6).

_

Regulation (EU) 2023/1077 of the European Parliament and of the Council of 31 May 2023 on temporary trade-liberalisation measures supplementing trade concessions applicable to Ukrainian products under the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Ukraine, of the other part (OJ L 144, 5.6.2023, p. 1).

Moldova and to provide quick support to Moldova's economy. Regulation (EU) 2023/1524 entered into force on 25 July 2023 and is to apply until 25 July 2024.

These newly adopted Union acts relate to the trade in goods with third countries and hence fall within the scope of the Windsor Framework. As such, these acts should be added to its Annex 2, under point 4 "General trade related aspects".

4. LEGAL BASIS

4.1. Procedural legal basis

4.1.1. Principles

Article 218(9) of the Treaty on the Functioning of the European Union (TFEU) provides for Council's decisions establishing 'the positions to be adopted on the Union's behalf in a body set up by an agreement, when that body is called upon to adopt acts having legal effects, with the exception of acts supplementing or amending the institutional framework of the agreement.'

In addition, the concept of 'acts having legal effects' includes acts that have legal effects by virtue of the rules of international law governing the body in question. It also includes instruments that do not have a binding effect under international law, but that are 'capable of decisively influencing the content of the legislation adopted by the EU legislature'6.

4.1.2. Application to the present case

The Joint Committee is a body set up by an agreement, namely the Withdrawal Agreement.

The act which the Joint Committee is called upon to adopt constitutes an act having legal effects. The envisaged act will be binding under international law in accordance with Article 166(2) of the Withdrawal Agreement.

The envisaged act does not supplement or amend the institutional framework of the Withdrawal Agreement.

Therefore, the procedural legal basis for the proposed decision is Article 218(9) TFEU.

4.2. Substantive legal basis

4.2.1. Principles

The substantive legal basis for a decision under Article 218(9) TFEU depends primarily on the objective and content of the envisaged act in respect of which a position is taken on the Union's behalf. If the envisaged act pursues two aims or has two components and if one of those aims or components is identifiable as the main one, whereas the other is merely incidental, the decision under Article 218(9) TFEU must be founded on a single substantive legal basis, namely that required by the main or predominant aim or component.

4.2.2. Application to the present case

The sole objective and content of the envisaged act is to add two newly adopted Union acts to Annex 2 to the Windsor Framework.

The conclusion of the Withdrawal Agreement was based on Article 50(2) of the Treaty on European Union (TEU).

_

Judgment of the Court of Justice of 7 October 2014, Germany v Council, C-399/12, ECLI:EU:C:2014:2258, paragraphs 61 to 64.

Therefore, and in accordance with the basic principle that an act can be amended only by an act of the same type, the substantive legal basis of the proposed decision is Article 50(2) TEU.

4.3. Conclusion

The legal basis of the proposed decision should be Article 50(2) TEU, in conjunction with Article 218(9) TFEU.

5. PUBLICATION OF THE ENVISAGED ACT

As the act of the Joint Committee will amend Annex 2 to the Windsor Framework, it is appropriate to publish it in the *Official Journal of the European Union* after its adoption.

Proposal for a

COUNCIL DECISION

establishing the position to be taken on behalf of the European Union in the Joint Committee established by 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 as regards the adoption of a decision adding two newly adopted Union acts to Annex 2 to the Windsor Framework

THE COUNCIL OF THE EUROPEAN UNION.

Having regard to the Treaty on European Union, and in particular Article 50(2) thereof,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 218(9) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community⁷ ('the Withdrawal Agreement') was concluded by the Union by Council Decision (EU) 2020/135⁸ of 30 January 2020 and entered into force on 1 February 2020.
- (2) Pursuant to Article 13(4) of the Windsor Framework⁹, which forms an integral part of the Withdrawal Agreement, the Joint Committee established by Article 164(1) of the Withdrawal Agreement (the 'Joint Committee') is empowered to adopt decisions to amend the relevant Annexes to the Windsor Framework by adding newly adopted Union acts that fall within the scope of the Windsor Framework, but which neither amend nor replace Union acts listed in the Annexes to the Windsor Framework.
- (3) Regulation (EU) 2023/1077 of the European Parliament and of the Council of 31 May 2023 on temporary trade-liberalisation measures supplementing trade concessions applicable to Ukrainian products under the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Ukraine, of the other part¹⁰ and Regulation (EU) 2023/1524 of the European Parliament and of the Council of 20 July 2023 on temporary trade-liberalisation measures supplementing trade concessions applicable to products from

Council Decision (EU) 2020/135 of 30 January 2020 on the conclusion 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 (OJ L 29, 31.1.2020, p.1).

-

OJ L 29, 31.1.2020, p.1.

Joint Declaration No 1/2023 of the Union and the United Kingdom in the Joint Committee established by 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 of 24 March 2023 (OJ L 102, 17.4.2023, p. 87).

OJ L 144, 5.6.2023, p. 1.

the Republic of Moldova under the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Moldova, of the other part¹¹ are newly adopted Union acts that relate to the trade in goods with third countries and therefore fall within the scope of the Windsor Framework.

- (4) The Joint Committee, during its next meeting, should adopt a decision pursuant to Article 13(4) of the Windsor Framework adding those two newly adopted Union acts to Annex 2 to the Windsor Framework.
- (5) It is appropriate to establish the position to be taken on the Union's behalf in the Joint Committee as regards the adoption of a decision adding two newly adopted Union acts to Annex 2 to the Windsor Framework.

HAS ADOPTED THIS DECISION:

Article 1

The position to be taken on behalf of the European Union within the Joint Committee established by Article 164(1) of the Withdrawal Agreement as regards the adoption of a decision adding two newly adopted Union acts to Annex 2 to the Windsor Framework shall be based on the draft decision of the Joint Committee attached to this Decision.

Article 2

This Decision is addressed to the Commission.

Done at Brussels,

For the Council
The President

OJ L 185, 24.7.2023, p. 1.