



*Committee on International Trade
The Chair*

26.5.2021

Mr Antonio Tajani,
Chair
Committee on Constitutional Affairs
BRUSSELS

Subject: Opinion on the implementation of Article 50 TEU (2020/2136(INI))

Dear Mr Chair,

Under the procedure referred to above, the Committee on International Trade has decided to submit an opinion to your committee. At its meeting of 26 May 2021, the committee decided to send the opinion in the form of a letter.

At that meeting, the Committee on International Trade considered the matter and it decided to call on the Committee on Constitutional Affairs, as the committee responsible, to incorporate the following suggestions into its motion for a resolution.

Yours sincerely,

Bernd Lange,

SUGGESTIONS

A. Whereas withdrawal from the European Union of a Member State constitutes a major political, economic and social shock the negative consequences of which can only partly be mitigated by a carefully planned and negotiated orderly withdrawal arrangement;

B. Whereas the withdrawal process of the UK has amply demonstrated that it was not well planned ahead by the departing state, which was exemplified by the UK's numerous changes of its position on fundamental issues related to its withdrawal, thus generating additional layers of complexity in the negotiations, as well as undermining economic operators' preparations and the ability of EU and UK citizens to adapt to the new situation;

1. Considers that the two year period laid down under Article 50(3) TEU for when the EU Treaties cease to apply to the withdrawing Member State from the moment of its notification of withdrawal is too short in order to prepare for the major changes in the economic and trading relationship between the EU and the departing state, especially as any withdrawal would always entail a disruptive disintegration of economic ties and a divergence of regulatory regimes; recalls that throughout the two year period all EU operators and citizens, as well as third country trading partners faced an unprecedented level of legal uncertainty;

2. Underlines that, given the level of integration of the EU internal market, the withdrawal of a Member State affects all areas of economic activity, and legal and administrative adjustments are necessary at all EU, Member States and local levels which need to be accompanied by awareness campaigns and detailed guidance documents, as was the case with Brexit preparedness and readiness notices that the Commission published in preparation of the UK's withdrawal, all in the knowledge that both in the case of an orderly withdrawal on the basis of an agreement, and a withdrawal in the absence of a negotiated settlement, disruption would occur;

3. Observes that the withdrawal of a Member State produced unprecedented legal consequences for the EU's international commitments, notably with regard to the need to renegotiate the tariff rate quotas agreed at the WTO level to take into account the quota share used by the departing Member State, thus allowing third countries to make additional claims for market access; considers that with the UK's withdrawal the apportionment of EU's tariff rate quotas was, as a principle, managed well, by first adopting an internal legislative act laying down newly apportioned EU quota shares (notably in the form of Regulation (EU) 2019/216¹) and then by following up through negotiations with third countries at the WTO level even though there are no legal provisions at WTO-level that address the disintegration of a Customs Union;

4. In the light of the major economic and trading effects of a withdrawal of a Member State from the EU, recommends to the Committee on Constitutional Affairs that it would be beneficial for the management of the withdrawal process for trade policy to involve more closely the Committee on International Trade from the earliest stages of the withdrawal negotiations process;

¹ Regulation (EU) 2019/216 of the European Parliament and of the Council of 30 January 2019 on the apportionment of tariff rate quotas included in the WTO schedule of the Union following the withdrawal of the United Kingdom from the Union, and amending Council Regulation (EC) No 32/2000, PE/71/2018/REV/1, OJ L 38, 8.2.2019, p. 1–25