

# **EXPLANATORY MEMORANDUM FOR EUROPEAN UNION LEGISLATION WITHIN THE SCOPE OF THE UK/EU WITHDRAWAL AGREEMENT AND THE WINDSOR FRAMEWORK**

**COM(2023)125**

Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation (EU) 2020/2170 as regards the application of Union tariff rate quotas and other import quotas to certain products transferred to Northern Ireland

Submitted by the Foreign, Commonwealth and Development Office

17 April 2023

## **SUBJECT MATTER**

1. The EM concerns a proposed EU regulation amending EU regulation 2020/2170, which is to be made as part of the Windsor Framework. The Government set out the detail of the Windsor Framework through a Command Paper on 27 February<sup>1</sup>. The Prime Minister made a statement to the House on the same day. The legal texts underpinning the package were also published and are available on gov.uk. These texts were considered at the Joint Committee on Friday 24 March.
2. The EM concerns the application of Tariff Rate Quotas (TRQs) on certain steel products moved into Northern Ireland from Great Britain under the Windsor Framework.
3. The EU regulation should be considered together with a notice in the Official Journal of the European Union ('notice concerning the creation of certain Tariff Rate Quotas under the steel safeguard measure in connection to the amendment to Regulation (EU) 2020/2170') published on 30 March.

## **SCRUTINY HISTORY**

4. The Government submitted an EM on EU regulation 2020/2170 on 4 September 2020.

## **MINISTERIAL RESPONSIBILITY**

5. Overall responsibility for the Windsor Framework lies with the Foreign Secretary. The Chancellor of the Exchequer and the Secretary of State for Business and Trade have responsibility for UK trade policy including the application of customs duty and Tariff Rate Quotas.

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<sup>1</sup> [Windsor Framework Command Paper](#)

## INTEREST OF THE DEVOLVED ADMINISTRATIONS

6. Customs and trade policy are not devolved matters.
7. In line with existing commitments on intergovernmental engagement, the Minister for Europe chaired a meeting of the Interministerial Group on UK-EU Relations with the Devolved Administrations on Monday 20 March, ahead of the UK-EU Joint Committee on 24 March.

## LEGAL AND PROCEDURAL ISSUES

8. **Legal Base:** The European Union's legal basis for this decision is Article 207(2) of the Treaty on the Functioning of the European Union (TFEU)
9. **Voting Procedure:** Ordinary Legislative Procedure
10. **Timetable for adoption and implementation:** Regulation to be implemented by 1 July 2023.

## POLICY IMPLICATIONS

11. The UK and EU have agreed arrangements in respect of the movement into Northern Ireland of steel products subject to Tariff Rate Quotas (TRQs) , protecting the flow of steel into Northern Ireland from Great Britain.
12. The regulation which is the subject of this Explanatory Memorandum applies to UK steel products falling under categories 7 and 17 in the EU steel safeguard measures. Movements of these categories of steel have faced particular challenges since 1 July 2022 following EU changes to the functioning of its quotas, which affected movements from Great Britain into Northern Ireland.
13. The amendments to Article 1, read in conjunction with the annex to the regulation, allow for GB-NI movements of UK origin category 7 and 17 steel to be able to be moved tariff-free, drawing on a new designated GB-NI pot in order to do so. In addition, these movements will be able to continue to access the existing global quota. The proposed volumes and details of that pot are set out in the annex to the 30 March notice. Together these mechanisms will accommodate all relevant movements of category 7 and 17 steel from Great Britain to Northern Ireland, safeguarding those movements from tariffs.
14. Article 1a gives powers to update the annex in future via Delegated Acts, meaning additional categories of goods can be added to the list in future.
15. Article 1b sets out the process by which a Delegated Act can be used to update the annex referred to above.
16. As part of the Windsor Framework, the EU and UK have also established a forward process to continue working to ensure that Northern Ireland businesses have fair access to other commodities subject to EU TRQs, in

order to address the problems that existed under the old Northern Ireland Protocol.

## **CONSULTATION**

17. This proposal is the result of discussions between the UK Government and the EU which led to the agreement of the Windsor Framework. The Government consulted extensively with a broad range of stakeholders in the process of agreeing the Windsor Framework.

## **FINANCIAL IMPLICATIONS**

18. There are no financial implications for the UK arising from this proposed regulation.

A handwritten signature in blue ink, appearing to read 'Leo Docherty', is positioned above the printed name and title.

**Leo Docherty MP**  
**Parliamentary Under Secretary of State (Europe)**  
**Foreign, Commonwealth and Development Office**