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WORKING DOCUMENT

From:	Presidency
To:	Working Party on Trade Questions
Subject:	ACI - 5-column document with SE Presidency Assessment for 27 January

Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the protection of the Union and its Member States from economic coercion by third countries

2021/0406(COD)

DRAFT [Version technical meeting on 26 January 2023]

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
1	2021/0406 (COD)	2021/0406 (COD)	2021/0406 (COD)		2021/0406 (COD)
2	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the protection of the Union and its Member States from economic coercion by third countries	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the protection of the Union and its Member States from economic coercion by third countries	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the protection of the Union and its Member States from economic coercion by third countries		Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the protection of the Union and its Member States from economic coercion by third countries
3	THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,	THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,	THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,		THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

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G	4	Having regard to the Treaty on the Functioning of the European Union, and in particular Article 207(2) thereof,	Having regard to the Treaty on the Functioning of the European Union, and in particular Article 207(2) thereof,	Having regard to the Treaty on the Functioning of the European Union, and in particular Article 207(2) thereof,		Having regard to the Treaty on the Functioning of the European Union, and in particular Article 207(2) thereof,
G	5	Having regard to the proposal from the European Commission,	Having regard to the proposal from the European Commission,	Having regard to the proposal from the European Commission,		Having regard to the proposal from the European Commission,
G	6	After transmission of the draft legislative act to the national parliaments,	After transmission of the draft legislative act to the national parliaments,	After transmission of the draft legislative act to the national parliaments,		After transmission of the draft legislative act to the national parliaments,
G	7	Acting in accordance with the ordinary legislative procedure,	Acting in accordance with the ordinary legislative procedure,	Acting in accordance with the ordinary legislative procedure,		Acting in accordance with the ordinary legislative procedure,
G	8	Whereas:	Whereas:	Whereas:		Whereas:

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9	(1) Pursuant to Article 3(5) of the Treaty on European Union, in its relations with the wider world, the Union is to uphold and promote its values and interests and contribute to the protection of its citizens and, among other things, to solidarity and mutual respect among peoples and the strict observance and the development of international law, including respect for the principles of the United Nations Charter.	(1) Pursuant to Article 3(5) of the Treaty on European Union, in its relations with the wider world, the Union is to uphold and promote its values and interests and contribute to the protection of its citizens and, among other things, to solidarity and mutual respect among peoples and the strict observance and the development of international law, including respect for the principles of the United Nations Charter.	(1) Pursuant to Article 3(5) of the Treaty on European Union (TEU), in its relations with the wider world, the Union is to uphold and promote its values and interests and contribute to the protection of its citizens and is to contribute , among other things, to solidarity and mutual respect among peoples and the strict observance and the development of international law, including respect for the principles of the United Nations Charter (the "UN Charter").		(1) Pursuant to Article 3(5) of the Treaty on European Union (TEU), in its relations with the wider world, the Union is to uphold and promote its values and interests and contribute to the protection of its citizens and is to contribute, among other things, to solidarity and mutual respect among peoples and the strict observance and the development of international law, including respect for the principles of the United Nations Charter (the "UN Charter").
10	(2) Pursuant to Article 21(1) of the Treaty on European Union, the Union's action on the international scene is to be guided by	(2) Pursuant to Article 21(1) of the Treaty on European Union, the Union's action on the international scene is to be guided by principles such as the rule of law, equality	(2) Pursuant to Article 21(1) of the Treaty on European Union TEU , the Union's action on the international scene is to be guided by principles such as the rule of law, equality and solidarity,		(2) Pursuant to Article 21(1) TEU, the Union's action on the international scene is to be guided by principles such as the rule of law, equality and solidarity, and respect for the principles of the UN Charter and international law. It also states that the Union is to promote

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	principles such as the rule of law, equality and solidarity, and respect for the principles of the United Nations Charter and international law. It also states that the Union is to promote multilateral solutions to common problems.	and solidarity, and respect for the principles of the United Nations Charter and international law. It also states that the Union is to promote multilateral solutions to common problems.	and respect for the principles of the United Nations UN Charter and international law. It also states that the Union is to promote multilateral solutions to common problems.		multilateral solutions to common problems.
11	(3) Pursuant to Article 1 of the United Nations Charter, the purposes of the United Nations include the purpose to develop friendly relations among nations based on respect for the principle of equal rights.	(3) Pursuant to Article 1 of the United Nations Charter, the purposes of the United Nations include the purpose to develop friendly relations among nations based on respect for the principle of equal rights. <u>Moreover, in accordance with the Declaration On Principles Of Friendly Relations And Co-Operation Among States in accordance with the Charter Of The United Nations, international relations are to be conducted in line with the principles of sovereign</u>	(3) Pursuant to Article 1 of the United Nations UN Charter, one of the purposes of the United Nations include is to develop friendly relations among nations based on, among other things , respect for the principle of equal rights.	SE PRES agrees (Council mandate)	(3) Pursuant to Article 1 of the UN Charter, one of the purposes of the United Nations is to develop friendly relations among nations based on, among other things, respect for the principle of equal rights.

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		<u>equality and non-intervention^{1a}.</u> <u>^{1a} UN General Assembly, Declaration on Principles of International Law concerning Friendly Relations and Cooperation among States in accordance with the Charter of the United Nations, 24 October 1970, A/RES/2625(XXV)</u>			
12	(4) Article 21(2) of the Treaty on European Union requires the Union to define and pursue common policies and actions, and work for a high degree of cooperation in all fields of international relations, among other things in order to safeguard its values, fundamental interests, independence and integrity, consolidate and support the rule of law, and the principles of international law.	(4) Article 21(2) of the Treaty on European Union requires the Union to define and pursue common policies and actions, and work for a high degree of cooperation in all fields of international relations, among other things in order to safeguard its values, fundamental interests, independence and integrity, consolidate and support the rule of law, and the principles of international law.	(4) Article 21(2) of the Treaty on European Union TEU requires the Union to define and pursue common policies and actions, and work for a high degree of cooperation in all fields of international relations in order to , among other things in order to , safeguard its values, fundamental interests, independence and integrity, consolidate and support the rule of law, and the principles of international law.		(4) Article 21(2) TEU requires the Union to define and pursue common policies and actions, and work for a high degree of cooperation in all fields of international relations in order to, among other things, safeguard its values, fundamental interests, independence and integrity, consolidate and support the rule of law, and the principles of international law.

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12a		<u>(4a) The international law of state responsibility for internationally wrongful acts has been codified by the United Nations' International Law Commission in 2001^{1a} and should guide the Union's action where the Union faces economic coercion from a third country that constitutes an internationally wrongful act. The "Declaration on Principles of International Law concerning Friendly Relations and Co-operation among States in accordance with the Charter of the United Nations"^{1b} states that no State may use or encourage the use of economic political or any other type of measures to coerce another State in order to obtain from it the subordination of the exercise of its sovereign rights and to secure from it advantages of any kind. Those codified rules of</u>			<u>[(4a) The Declaration on Principles of International Law concerning Friendly Relations and Co-operation among States in accordance with the Charter of the United Nations, states that international relations are to be conducted in line with the principles of sovereign equality and non-intervention.^{1a} This Declaration also provides, in relation to the principle concerning the duty not to intervene in matters within the domestic jurisdiction of any State, that no State may use or encourage the use of economic, political or any other type of measures to coerce another State in order to obtain from it the subordination of the exercise of its sovereign rights and to secure from it advantages of any kind. This reflects customary international law and is thus binding in the relations between third countries and the Union and its Member States. Rules of customary international law of state responsibility for internationally wrongful acts are reflected in the United Nations' International Law Commission's Articles on the Responsibility of States for Internationally Wrongful Acts^{1b} and are binding in the relations between third countries and the Union and its Member</u>

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		<u>customary international law are binding.</u> <u>^{1a} Internationally Wrongful Acts, adopted by the United Nations' International Law Commission at its fifty-third session, in 2001, and taken note of by the United Nations General Assembly in resolution 56/83.</u> <u>^{1b} United Nations General Assembly Resolution 2625 (XXV) of 24 Oct 1970.</u>			<u>States.</u> <u>^{1a} UN General Assembly, Declaration on Principles of International Law concerning Friendly Relations and Co-operation among States in accordance with the Charter of the United Nations, 24 October 1970, A/RES/2625(XXV).</u> <u>^{1b} Adopted by the United Nations' International Law Commission at its fifty-third session, in 2001, and taken note of by the United Nations General Assembly in Resolution 56/83.</u>
13	(5) The modern interconnected world economy creates an increased risk of, and opportunity for, economic coercion, as it provides countries with enhanced, including hybrid, means to deploy such coercion. It is desirable that the Union contribute to the creation, development and	(5) The modern interconnected world economy creates an increased risk of, and opportunity for, economic coercion, as it provides countries with enhanced, including hybrid, means to deploy such coercion. It is desirable that the Union contribute to the creation, development and clarification of international frameworks for the prevention and	(5) The modern interconnected world economy creates an increasedincreases the risk of, and opportunity for, economic coercion, as it provides countries with enhanced, including hybrid, means to deploy such coercion. It is desirable that the Union contribute to the creation, development and clarification of international frameworks for the prevention and elimination of		(5) The modern interconnected world economy increases the risk of economic coercion, as it provides countries with enhanced, including hybrid, means to deploy such coercion. It is desirable that the Union contribute to the creation, development and clarification of international frameworks for the prevention and elimination of situations of economic coercion.

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	clarification of international frameworks for the prevention and elimination of situations of economic coercion.	elimination of situations of economic coercion.	situations of economic coercion.		
14	(6) Whilst always acting within the framework of international law, it is essential that the Union possess an appropriate instrument to deter and counteract economic coercion by third countries in order to safeguard its rights and interests and those of its Member States. This is particularly the case where third countries take measures affecting trade or investment that interfere in the legitimate sovereign choices of the Union or a Member State by seeking to prevent or obtain the cessation,	(6) Whilst always acting within the framework of international law, it is essential that the Union possess an appropriate instrument to deter and counteract economic coercion by third countries in order to safeguard its rights and interests and those of its Member States. This is particularly the case where third countries take, <u>fail to take or threaten to take</u> measures affecting trade or investment that interfere in the legitimate sovereign choices of the Union or a Member State by seeking to prevent or obtain the cessation, modification or adoption of a particular act, <u>including any form of a particular policy choice or a stance</u>	(6) Whilst always acting within the framework of international law, it is essential that the Union possess an appropriate instrument to deter and counteract economic coercion by third countries in order to safeguard its rights and interests and those of its Member States. This is particularly the case where third countries take measures affecting trade or investment that interfere in the legitimate sovereign choices of the Union or a Member State by seeking to prevent or obtain the cessation, modification or adoption of a particular act by the Union or a Member State. Such measures affecting trade or investment may include not only actions taken on, and having effects		(6) Whilst always acting within the framework of international law, it is essential that the Union possess an appropriate instrument to deter and counteract economic coercion by third countries in order to safeguard its rights and interests and those of its Member States. This is particularly the case where third countries take measures affecting trade or investment that interfere in the legitimate sovereign choices of the Union or a Member State by seeking to prevent or obtain the cessation, modification or adoption of a particular act by the Union or a Member State, <u>including an expression of a position by an institution or body of the Union or a Member .</u> . Such measures affecting trade or investment may include not only actions taken on, and having effects within, the territory of the third country concerned, but also actions taken by the third country, including through entities controlled or directed by the third country and present in the Union, that cause harm

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	modification or adoption of a particular act by the Union or a Member State. Such measures affecting trade or investment may include not only actions taken on, and having effects within, the territory of the third country, but also actions taken by the third country, including through entities controlled or directed by the third country and present in the Union, that cause harm to economic activities in the Union.	<u>with regard to a policy choice such as European Parliament resolutions</u> , by the Union or a Member State. Such measures affecting trade or investment may include not only actions taken, <u>failures to act, or actions threatened or to be taken</u> on, and having effects within, the territory of the third country, but also actions taken <u>or threatened to be taken</u> by the third country, including through entities controlled or directed by the third country and present in the Union, that cause harm to economic activities in the Union, <u>such as, among others, some extraterritorial effects of third country sanctions affecting EU businesses and individuals, and ultimately the sovereignty of the European Union's choices</u> .	within, the territory of the third country concerned , but also actions taken by the third country, including through entities controlled or directed by the third country and present in the Union, that cause harm to economic activities in the Union.		to economic activities in the Union. <u>The terms "third country" should be understood to include not only a foreign State, but also a separate customs territory or other subject of international law because these entities are capable of economic coercion. The utilisation of these terms and the application of this Regulation does not have any implication regarding sovereignty. This Regulation should also be applied in conformity with the Union's position in relation to the third country concerned.</u>
15	(7) This Regulation aims to ensure an	(7) This Regulation aims to ensure an effective,	(7) This Regulation aims to ensure an effective, efficient	SE PRES proposes to agree.	(7) This Regulation aims to ensure an effective, efficient and swift Union

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	effective, efficient and swift Union response to economic coercion, including deterrence of economic coercion of the Union or a Member State and, in the last resort, countermeasures.	efficient and swift Union response to economic coercion, including <u>especially the</u> deterrence of economic coercion of the Union or a Member State and, in the last resort <u>where necessary because other instruments cannot protect the Union interest adequately</u> , countermeasures. <u>This Regulation complements Union law in the field of trade such as Regulation (EU) 2021/167 of the European Parliament and of the Council^{1a}.</u> <u>^{1a} Council Regulation (EC) No 2271/96 of 22 November 1996 protecting against the effects of the extra-territorial application of legislation adopted by a third country, and actions based thereon or resulting therefrom, OJ L 309, 29.11.1996, p. 1.</u>	and swift Union response to economic coercion, including deterrence of economic coercion of the Union or a Member State and, in the last resort , countermeasures. This Regulation is without prejudice to other existing Union instruments and international agreements, as well as actions taken thereunder, in the area of the common commercial policy, and to other Union policies.		response to economic coercion, including <u>especially the</u> deterrence of economic coercion of the Union or a Member State and, as a last resort, countermeasures. This Regulation is without prejudice to other existing Union instruments and international agreements, as well as actions taken thereunder, in the area of the common commercial policy, and to other Union policies.
15a			(7bis) Economic coercion by third countries may target foreign policy actions	SE PRES proposes to agree (Council mandate).	(7bis) <u>7a</u>) Economic coercion by third countries may - target foreign policy actions of the Union or a Member State,

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			of the Union or a Member State, while a determination of the existence of economic coercion, and responses thereto, may have significant implications for relations with third countries. It is necessary to ensure consistent responses in distinct but related policy areas, and this Regulation is without prejudice to a possible Union action pursuant to specific provisions in Chapter 2 of Title V of TEU on the Union's common foreign and security policy, to which due consideration should be given when considering any response to economic coercion by a third country.		while a determination of the existence of economic coercion, and responses thereto, may have significant implications for relations with third countries. It is necessary to ensure consistent responses in distinct but related policy areas, and this Regulation is without prejudice to a possible Union action pursuant to specific provisions in Chapter 2 of Title V of TEU on the Union's common foreign and security policy, to which due consideration should be given when considering any response to economic coercion by a third country.
16	(8) The objectives of this Regulation, in particular counteracting third countries' economic coercion of the Union or a Member State, cannot be sufficiently achieved by Member	(8) The objectives of this Regulation, in particular counteracting third countries' economic coercion of the Union or a Member State, cannot be sufficiently achieved by Member States acting on their own. This is because	(8) The objectives of this Regulation, in particular counteracting third countries' economic coercion of the Union or measures of economic coercion against a Member State, cannot be sufficiently achieved by Member States acting on	SE PRES proposes to agree.	(8) Third countries' measures of economic coercion against a Member State affect the Union's internal market and the Union as a whole. Member States, acting on their own cannot counteract third countries' economic coercion through measures falling under the area of common commercial policy. Given the exclusive competence conferred on the

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	States acting on their own. This is because Member States as distinct actors under international law may not be entitled under international law to respond to economic coercion directed against the Union. Additionally, because of the exclusive competence conferred on the Union by Article 207 of the Treaty on the Functioning of the European Union, Member States are prevented from taking common commercial policy measures as a response to economic coercion. Therefore, those objectives can be achieved with greater effectiveness at Union level.	Member States as distinct actors under international law may not be entitled under international law to respond to economic coercion directed against the Union. Additionally, because of the exclusive competence conferred on the Union by Article 207 of the Treaty on the Functioning of the European Union, Member States are prevented from taking common commercial policy measures as a response to economic coercion. Therefore, those objectives can be achieved with greater effectiveness at <u>it is necessary that the means for effectively achieving those objectives are created at the</u> Union level.	their own. This is because affect the Union's internal market and the Union as a whole. Member States, acting on their own cannot counteract third countries' economic coercion through measures falling under the area of common commercial policy. Given as distinct actors under international law may not be entitled under international law to respond to economic coercion directed against the Union. Additionally, because of the exclusive competence conferred on the Union by Article 207 of the Treaty on the Functioning of the European Union (TFEU), only the Union may. Moreover, Member States are prevented from taking common commercial policy measures as a response to as distinct actors under international law, may not be entitled to counteract third countries' economic coercion directed against the Union. This Regulation is without prejudice to the division of competences as defined in the Treaties. Therefore, those objectives		Union by Article 207 of the Treaty on the Functioning of the European Union (TFEU), only the Union may. Moreover, Member States as distinct actors under international law, may not be entitled to counteract third countries' economic coercion directed against the Union. <u>Therefore, it is necessary that the means for effectively achieving those objectives are created at the Union level.</u> This Regulation is without prejudice to the division of competences as defined in the Treaties.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			can be achieved with greater effectiveness at Union level.		
17	(9) In accordance with the principle of proportionality, it is necessary and appropriate, for creating an effective and comprehensive framework for Union action against economic coercion, to lay down rules on the examination, determination and counteraction with regard to third countries' measures of economic coercion. In particular, the Union's response measures should be preceded by an examination of the facts, a determination of the existence of economic coercion, and, wherever possible, efforts to find a solution in cooperation with the third country concerned. Any	(9) In accordance with the principle of proportionality, it is necessary and appropriate, for creating an effective and comprehensive framework for Union action against economic coercion, to lay down rules on the examination, determination and counteraction with regard to third countries' measures of economic coercion. In particular, the Union's response measures should be preceded by an examination of the facts, a determination of the existence of economic coercion, and, wherever possible <u>and provided the third country also engages in good faith</u> , efforts to find a solution in cooperation with the third country concerned. Any measures imposed by the Union should be commensurate with the	(9) In accordance with the principle of proportionality, it is necessary and appropriate, for creating an effective and comprehensive framework for Union action against economic coercion, to lay down rules on the examination, determination and counteraction with regard to third countries' measures of economic coercion. In particular, the Union's response measures should be preceded by an examination of the facts, a determination of the existence of economic coercion, and, wherever possible, efforts to find a solution in cooperation with the third country concerned. Any measures imposed by the Union should be commensurate with the injury caused by the third countries' measures of economic coercion. The criteria for defining the Union response measures should take into account in particular the need		(9) In accordance with the principle of proportionality, it is necessary and appropriate, for creating an effective and comprehensive framework for Union action against economic coercion, to lay down rules on the examination, determination and counteraction with regard to third countries' measures of economic coercion. In particular, the Union's response measures should be preceded by an examination of the facts, a determination of the existence of economic coercion, and, wherever possible <u>and provided the third country also engages in good faith</u> , efforts to find a solution in cooperation with the third country concerned. Any measures imposed by the Union should be commensurate with the injury caused by the third countries' measures of economic coercion <u>and should primarily be aimed at obtaining the cessation of the economic coercion and, where appropriate, the reparation for the injury caused</u> . The criteria for defining the Union response measures should take into account in particular the <u>effectiveness of the response measures in inducing the cessation of the economic coercion and the</u> need to avoid or minimise collateral

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	measures imposed by the Union should be commensurate with the injury caused by the third countries' measures of economic coercion. The criteria for defining the Union response measures should take into account in particular the need to avoid or minimise collateral effects, administrative burdens and costs imposed on Union economic operators as well as the Union's interest. Therefore, this Regulation does not go beyond what is necessary in order to achieve the objectives pursued, in accordance with Article 5(4) of the Treaty on European Union.	injury caused by the third countries' measures of economic coercion <u>and should primarily be aimed at obtaining the cessation of the economic coercion and, where appropriate, the reparation for the injury caused.</u> The criteria for defining the Union response measures should take into account in particular the <u>effectiveness of the measures in inducing the cessation of the economic coercion and the potential of the measures to provide relief to the economic operators within the Union affected by the economic coercion, including via internal measures such as an ad hoc compensation fund for those economic operators. The need for a precise indication of the next steps to be taken and</u> need to avoid or minimise <u>the risks of escalation in international trade relations,</u> collateral effects, <u>disproportionate</u> administrative burdens <u>complexity</u> and costs imposed on Union	to avoid or minimise collateral effects, administrative burdens and costs imposed on Union economic operators as well as the Union's interest. Therefore, this Regulation does not go beyond what is necessary in order to achieve the objectives pursued, in accordance with Article 5(4) of the Treaty on European Union TEU.		effects, <u>disproportionate</u> administrative <u>complexity and</u> burdens and costs imposed on Union economic operators as well as the Union's interest. Therefore, this Regulation does not go beyond what is necessary in order to achieve the objectives pursued, in accordance with Article 5(4) TEU.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
		economic operators as well as the Union's interest <u>should also be taken into account</u> . Therefore, this Regulation does not go beyond what is necessary in order to achieve the objectives pursued, in accordance with Article 5(4) of the Treaty on European Union.			
18	(10) Any action undertaken by the Union on the basis of this Regulation should comply with the Union's obligations under international law. International law allows, under certain conditions, such as proportionality and prior notice, the imposition of countermeasures, that is to say of measures that would otherwise be contrary to the international obligations of an injured party vis-à-vis the country	(10) Any action undertaken by the Union on the basis of this Regulation should comply with the Union's obligations under international law. <u>The Union should continue to support the rules-based multilateral trading system, with the World Trade Organisation (WTO) at its core.</u> International law allows, under certain conditions, such as proportionality and prior notice, the imposition of countermeasures, that is to say of measures that would otherwise be contrary to the	(10) Any action undertaken by the Union on the basis of this Regulation should comply with the Union's obligations under be consistent with international law, including customary international law. International law allows, under certain conditions, such as proportionality and prior notice, the imposition of countermeasures, that is to say of measures that would otherwise be contrary to the international obligations of an injured party vis-à-vis the country responsible for a breach of international law, and that are aimed at obtaining the cessation of the	SE pres agrees (Council Mandate)	(10) Any action undertaken by the Union on the basis of this Regulation should be consistent with international law, including customary international law. Among the international agreements concluded by the Union and the Member States, the Agreement establishing the World Trade Organization (WTO) is the cornerstone of the rules-based multilateral trading system. Therefore, it is important that the Union continue to support that system, with the WTO at its core, and to use its dispute settlement system where appropriate.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	responsible for a breach of international law, and that are aimed at obtaining the cessation of the breach or reparation for it.¹ Accordingly, response measures adopted under this Regulation should take the form of either measures adhering to the Union's international obligations or measures constituting permitted countermeasures. Under international law, and in accordance with the principle of proportionality, they should not exceed a level that is commensurate with the injury suffered by the Union or a Member State due to the third country's measures of economic coercion, taking into account the gravity of the third country's measures and the Union's rights and	international obligations of an injured party vis-à-vis the country responsible for a breach of international law, and that are aimed at obtaining the cessation of the breach or reparation for it.¹⁰ Accordingly, response measures adopted under this Regulation should take the form of either measures adhering to the Union's international obligations or measures constituting permitted countermeasures. Under international law, and in accordance with the principle of proportionality, they should not exceed a level <i>that is</i> commensurate with the injury suffered by the Union or a Member State due to the third country's measures of economic coercion, taking into account the gravity of the third country's measures and the Union's rights and interests in question. In this respect, injury to the Union or a Member State is understood under international law to include injury to Union economic	breach or reparation for it.¹ Accordingly, response measures adopted under this Regulation should take the form of either measures adhering to the Union's international obligations or measures constituting permitted countermeasures. Under international law, and in accordance with the principle of proportionality, they should not exceed a level that is commensurate with the injury suffered by Among the international agreements concluded by the Union and the Member States, the Agreement establishing the World Trade Organization (WTO) is the cornerstone of the rules-based multilateral trading system. Therefore, it is important that the Union or a Member State due to the third country's measures of economic coercion, taking into account the gravity of the third country's measures and the Union's rights and interests in question. In this respect, injury to the Union or a Member State is understood under international law to	PUBLIC	

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	interests in question. In this respect, injury to the Union or a Member State is understood under international law to include injury to Union economic operators. 1. See Articles 22 and 49-53 of the Articles on Responsibility of States for Internationally Wrongful Acts, adopted by the United Nations' International Law Commission at its fifty-third session, in 2001, and taken note of by the United Nations General Assembly in resolution 56/83.	operators. <u>¹⁰ See Articles 22 and 49-53 of the Articles on Responsibility of States for Internationally Wrongful Acts, adopted by the United Nations' International Law Commission at its fifty-third session, in 2001, and taken note of by the United Nations General Assembly in resolution 56/83.</u> 1. See Articles 22 and 49-53 of the Articles on Responsibility of States for Internationally Wrongful Acts, adopted by the United Nations' International Law Commission at its fifty-third session, in 2001, and taken note of by the United Nations General Assembly in resolution 56/83.	include injury to Union economic operators continue to support that system, with the WTO at its core, and to use its dispute settlement system where appropriate. 1. See Articles 22 and 49-53 of the Articles on Responsibility of States for Internationally Wrongful Acts, adopted by the United Nations' International Law Commission at its fifty-third session, in 2001, and taken note of by the United Nations General Assembly in resolution 56/83.		
18a			(10bis) Customary international law, as reflected in Articles 22 and 49 to 53 of the Articles on Responsibility of States for Internationally Wrongful Acts ("ARSIWA"), adopted by the United Nations'		(10bis) Customary international law, as reflected in Articles 22 and 49 to 53 of the Articles on Responsibility of States for Internationally Wrongful Acts ("<u>ARSIWA</u>"), adopted by the United Nations' International Law Commission at its fifty-third session in 2001 and taken note of by the United Nations General

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			International Law Commission at its fifty-third session in 2001 and taken note of by the United Nations General Assembly in resolution 56/83, allows, under certain conditions, such as proportionality and prior notice, the imposition of countermeasures, that is to say of measures that would otherwise be contrary to the international obligations of an injured party vis-à-vis the country responsible for a breach of international law, and that are aimed at obtaining the cessation of the breach or reparation for it. Accordingly, Union response measures could consist, as necessary, not only in measures consistent with the Union's international obligations, but also in the non-performance of international obligations towards the third country concerned insofar as the measures of economic coercion of the third country constitute an internationally wrongful act. Under international		Assembly in Resolution 56/83, allows, under certain conditions, such as proportionality and prior notice, the imposition of countermeasures, that is to say of measures that would otherwise be contrary to the international obligations of an injured party vis-à-vis the country responsible for a breach of international law, and that are aimed at obtaining the cessation of the breach or reparation for it. Accordingly, Union response measures could consist, as necessary, not only in measures consistent with the Union's international obligations, but also in the non-performance of international obligations towards the third country concerned insofar as the measures of economic coercion of the third country constitute an internationally wrongful act. Under international law, and in accordance with the principle of proportionality, Union response measures should not exceed at the level that is commensurate with of the injury suffered by the Union or a Member State due to the third country's measures of economic coercion, taking into account the gravity of the third country's measures and the Union's rights and interests in question. In this respect, injury to the Union or a Member State is understood under international law to include injury to Union economic operators.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			law, and in accordance with the principle of proportionality, Union response measures should not exceed a level that is commensurate with the injury suffered by the Union or a Member State due to the third country's measures of economic coercion, taking into account the gravity of the third country's measures and the Union's rights and interests in question. In this respect, injury to the Union or a Member State is understood under international law to include injury to Union economic operators.		
18b			10ter Where measures of economic coercion constitute an internationally wrongful act, the Union should, where appropriate, in addition to the cessation of economic coercion, request the third country concerned to make reparation of any injury caused to the Union		10ter Where measures of economic coercion constitute an internationally wrongful act, the Union should, where appropriate, in addition to the cessation of economic coercion, request the third country concerned to make reparation of any injury caused to the Union or a Member State, in accordance with Articles 31 and 34-39 of the ARSIWA.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			or a Member State, in accordance with Articles 31 and 34-39 of the ARSIWA.		
19	(11) Coercion is prohibited under international law when a country deploys measures such as trade or investment restrictions in order to obtain from another country an action or inaction which that country is not internationally obliged to perform and which falls within its sovereignty, when the coercion reaches a certain qualitative or quantitative threshold, depending on both the ends pursued and the means deployed. The Commission should examine the third-country action on the basis of qualitative and quantitative criteria that help in determining whether the third country	(11) Coercion is prohibited under international law when a country deploys measures such as trade or investment restrictions in order to obtain from another country an action or inaction which that country is not internationally obliged to perform and which falls within its sovereignty, when the coercion reaches a certain qualitative or quantitative threshold, depending on both the ends pursued and the means deployed. The Commission should examine the third-country action on the basis of <u>take into account</u> qualitative and/or quantitative criteria that help in determining whether the third country interferes in the legitimate sovereign choices of the Union or a Member State and whether its action	(11) Coercion is prohibited and therefore a wrongful act under international law when a country deploys measures such as trade or investment restrictions in order to obtain from another country an action or inaction which that country is not internationally obliged to perform and which falls within its sovereignty, when the coercion reaches a certain qualitative or quantitative threshold, depending on both the ends pursued and the means deployed. The Commission should examine the third-country action on the basis of qualitative and quantitative criteria that help in determining whether the third country interferes in the legitimate sovereign choices of the Union or a Member State and whether its action constitutes economic coercion which requires a Union response. Among	SE pres proposes to agree.	(11) Coercion is prohibited and therefore a wrongful act under international law when a country deploys measures such as trade or investment restrictions in order to obtain from another country an action or inaction which that country is not internationally obliged to perform and which falls within its sovereignty, when the coercion reaches a certain qualitative or quantitative threshold, depending on both the ends pursued and the means deployed. The Commission should examine the third-country action on the basis of <u>take into account</u> qualitative and quantitative criteria that help in determining whether the third country interferes in the legitimate sovereign choices of the Union or a Member State and whether its action constitutes economic coercion which requires a Union response. Among those criteria, there should be elements that characterise, both qualitatively and quantitatively, notably the form, the effects and the aim of the measures which the third country is deploying. Applying those criteria would ensure that only economic coercion with a sufficiently serious impact or, where the economic coercion consists in a threat,

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	interferes in the legitimate sovereign choices of the Union or a Member State and whether its action constitutes economic coercion which requires a Union response.	constitutes economic coercion which requires a Union response.	those criteria, there should be elements that characterise, both qualitatively and quantitatively, notably the form, the effects and the aim of the measures which the third country is deploying. Applying those criteria would ensure that only economic coercion with a sufficiently serious impact or, where the economic coercion consists in a threat, only a threat that is credible, would fall under this Regulation. In addition, the Commission should examine closely whether the third country pursues a legitimate cause, because its objective is to uphold a concern that is internationally recognised, such as, among other things, the maintenance of international peace and security, the protection of human rights, the protection of the environment, and the fight against climate change.		only a threat that is credible, would fall under this Regulation. In addition, the Commission should examine closely whether the third country pursues a legitimate cause, because its objective is to uphold a concern that is internationally recognised, such as, among other things, the maintenance of international peace and security, the protection of human rights, the protection of the environment, and the fight against climate change.
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	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	(12) Acts by third countries are understood under customary international law to include all forms of action that are attributable to a State under customary international law. International law qualifies as an act of a State, in particular: the conduct of any State organ, of a person or entity which is not an organ of the State but which is empowered by the law of that State to exercise elements of governmental authority, an organ placed at the disposal of a State by another State, a person or group of persons that are acting on the instructions of, or under the direction or control of, that State in carrying out the conduct, a person or group of persons that are exercising elements of the	(12) Acts by third countries are understood under customary international law to include all forms of action that are attributable to a State under customary international law. International law qualifies as an act of a State, in particular: the conduct of any State organ, of a person or entity which is not an organ of the State but which is empowered by the law of that State to exercise elements of governmental authority, an organ placed at the disposal of a State by another State, a person or group of persons that are acting on the instructions of, or under the direction or control of, that State in carrying out the conduct, a person or group of persons that are exercising elements of the governmental authority in the absence or default of the official authorities and in circumstances such as to call for the exercise of those elements of authority, and conduct that the State acknowledges and adopts as its own. ¹	(12) Acts by third countries are understood under customary international law to include all forms of action or omission, including threats , that are attributable to a State under customary international law. Articles 2(a) and 4-11 of the ARSIWA confirm that customary international law qualifies as an act of a State, in particular: the conduct of any State organ, of a person or entity which is not an organ of the State but which is empowered by the law of that State to exercise elements of governmental authority, an organ placed at the disposal of a State by another State, a person or group of persons that are acting on the instructions of, or under the direction or control of, that State in carrying out the conduct, a person or group of persons that are exercising elements of the governmental authority in the absence or default of the official authorities and in circumstances such as to call for the exercise of those elements of authority, and conduct that the State	SE PRES proposes to agree (Council Mandate).	(12) Acts by third countries are understood under customary international law to include all forms of action or omission, including threats, that are attributable to a State under customary international law. Articles 2(a) and 4-11 of the ARSIWA confirm that customary international law qualifies as an act of a State, in particular: the conduct of any State organ, of a person or entity which is not an organ of the State but which is empowered by the law of that State to exercise elements of governmental authority, an organ placed at the disposal of a State by another State, a person or group of persons that are acting on the instructions of, or under the direction or control of, that State in carrying out the conduct, a person or group of persons that are exercising elements of the governmental authority in the absence or default of the official authorities and in circumstances such as to call for the exercise of those elements of authority, and conduct that the State acknowledges and adopts as its own.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	governmental authority in the absence or default of the official authorities and in circumstances such as to call for the exercise of those elements of authority, and conduct that the State acknowledges and adopts as its own.¹ 1. See Articles 2(a) and 4-11 of the Articles on Responsibility of States for Internationally Wrongful Acts, footnote 1 above.	1. See Articles 2(a) and 4-11 of the Articles on Responsibility of States for Internationally Wrongful Acts, footnote 1 above.	acknowledges and adopts as its own.¹ 1. See Articles 2(a) and 4-11 of the Articles on Responsibility of States for Internationally Wrongful Acts, footnote 1 above.		
21	(13) The Commission should examine whether third-country measures are coercive, on its own initiative or following information received from any source, including legal and natural persons or a Member State. Following this examination, the Commission should determine in a decision whether the	(13) The Commission <u>could and, in particular in the case of a substantiated complaint,</u> should examine whether third-country measures are coercive, on its own initiative or following information received from any source, including legal and natural persons, <u>the European Parliament</u> or a Member State. Following this examination, the Commission should	(13) The Commission on its own initiative or upon a reasoned request of a Member State should examine whether third-country measures are coercive, on its own initiative or following. The Commission could carry out such examination on the basis of information received from any reliable source, including legal and natural persons or a Member State. Following this		

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	third-country measure is coercive. The Commission should communicate any affirmative determination to the third country concerned, together with a request that the economic coercion cease and a request, where appropriate, that any injury be repaired.	determine in a decision whether the third-country measure is coercive. The Commission should <u>publicly</u> communicate any <u>the result of this examination. In the case of an</u> affirmative determination, <u>the Commission should communicate</u> to the third country concerned, together with a request that the economic coercion cease and a request, where appropriate, that any injury be repaired.	examination To determine if a third country applies or threatens to apply measures affecting trade or investment, the Commission's assessment should determine in-be based on facts. In order to ensure uniform conditions for the implementation of this Regulation, and in view of the effects that a decision whether the third country measure is coercive- determining the existence of economic coercion by a third country has on the Union's overall relations with the third country concerned, implementing powers should be conferred on the Council. Therefore, following the Commission's examination and in the event that should communicate any affirmative determination to the third country concerned, together with a request applies or threatens to apply coercive measures affecting trade or investment, the Commission should submit a proposal to the Council to adopt an implementing act determining that the	PUBLIC	

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			economic coercion cease and a request, where appropriate, that any injury be repairedthird country is applying a measure of economic coercion. The Council should act expeditiously.		
21a			(13bis) In an effort to secure the cessation of economic coercion, the Union should seek an early and just settlement of the matter. Accordingly, the Commission should provide adequate opportunity for consultations with the third country concerned and, if that third country is ready to enter into consultations in good faith, engage with it expeditiously. In the course of such consultations, the Commission should endeavour to resort to means such as mediation, conciliation, good offices by a third party or submitting the matter to international adjudication, without prejudice to the division of competence between the		(13bis) In an effort to secure the cessation of economic coercion <u>and, where appropriate, reparation of injury</u>, the Union should seek an early and just settlement of the matter. Accordingly, the Commission should provide adequate opportunity for consultations with the third country concerned and, if that third country is ready to enter into consultations in good faith, engage with it expeditiously. In the course of such consultations, the Commission should endeavour to resort to means such as mediation, conciliation, good offices by a third party or submitting the matter to international adjudication, without prejudice to the division of competence between the Union and the Member States. In particular, when the third country suspends its actions and agrees to submit the matter to international adjudication, an international agreement with the third country should be concluded, as necessary. Such an

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			Union and the Member States. In particular, when the third country suspends its actions and agrees to submit the matter to international adjudication, an international agreement with the third country should be concluded, as necessary. Such an international agreement could be concluded either by the Union, in accordance with the procedure laid down in Article 218 TFEU, or by the Member State concerned.		international agreement could be concluded either by the Union, in accordance with the procedure laid down in Article 218 TFEU, or by the Member State concerned.
22	(14) The Union should support and cooperate with third countries affected by the same or similar measures of economic coercion or other interested third countries. The Union should participate in international coordination in bilateral, plurilateral or multilateral fora that are geared	(14) The Union should support and cooperate with third countries <u>partners</u> affected by the same or similar measures of economic coercion or other interested third countries <u>partners</u> . The Union should participate in international coordination in <u>any</u> bilateral, plurilateral or multilateral fora that are geared towards <u>suitable for</u> the prevention or elimination of the	(14) The Union should support and cooperate with third countries affected by the same or similar measures of economic coercion or other interested third countries. The Union should participate in international coordination in bilateral, plurilateral or multilateral fora that are geared towards the prevention or elimination of economic coercion. The Commission should express the Union position after		(14) The Union should support and cooperate with third countries affected by the same or similar measures of economic coercion or other interested third countries. The Union should participate in international coordination in <u>any</u> bilateral, plurilateral or multilateral fora that are geared towards <u>suitable for</u> the prevention or elimination of economic coercion. The Commission should express the Union position after having consulted the Council in accordance with the Treaties, where appropriate, with the participation of the Member States.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	towards the prevention or elimination of the economic coercion.	economic coercion.	having consulted the Council in accordance with the Treaties, where appropriate, with the participation of the Member States the economic coercion.		
23	(15) The Union should only impose countermeasures when other means such as negotiations, mediation or adjudication do not lead to the prompt and effective cessation of the economic coercion and to reparation of the injury it has caused to the Union or its Member States, and where action is necessary to protect the interests and rights of the Union and its Member States and it is in the Union's interest. It is appropriate that the Regulation sets out the applicable rules and procedures for the	(15) The Union should only impose countermeasures when other <u>is encouraged to use proactively all available means of engagement with the third country concerned</u> such as negotiations, <u>adjudication or mediation</u> or adjudication <u>and should impose measures in cases where such means</u> do not lead to the prompt and effective cessation of the economic coercion and to reparation of the injury it has caused to the Union or its Member States, and where action is necessary to protect the interests and rights of the Union and its Member States and it is in the Union's interest. It is appropriate that the	(15) The Union should only impose countermeasures when <u>response measures if</u> other means such as negotiations, mediation or adjudication do not lead to the prompt and effective cessation of the economic coercion and, where appropriate and requested by the Union from the third country concerned, to the to reparation of the injury it has caused to the Union or its Member States, and where action is necessary to protect the interests and rights of the Union and its Member States under international law and it is in the Union's interest to take such action . It is appropriate that the Regulation sets out the applicable rules and procedures for the imposition	SE PRES proposes to agree.	(15) <u>It is desirable that</u> the Union should only impose response measures if other means <u>use proactively all available means of engagement with the third country concerned</u> such as negotiations, <u>adjudication or mediation, and it should only impose response measures in cases where such means</u> or adjudication do not lead to the prompt and effective cessation of the economic coercion and, where appropriate and requested by the Union from the third country concerned, to the reparation of the injury it has caused to the Union or its Member States, and where action is necessary to protect the interests and rights of the Union and its Member States under international law and it is in the Union's interest to take such action. It is appropriate that the Regulation sets out the applicable rules and procedures for the imposition and application of Union response measures and permits expeditious action where necessary to preserve the effectiveness of any Union response measures.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	imposition and application of Union response measures and permits expeditious action where necessary to preserve the effectiveness of any Union response measures.	Regulation sets out the applicable rules and procedures for the imposition and application of Union response measures and permits expeditious action where necessary to preserve the effectiveness of any Union response measures.	and application of Union response measures and permits expeditious action where necessary to preserve the effectiveness of any Union response measures.		
24	(16) Union response measures adopted in accordance with this Regulation should be selected and designed on the basis of objective criteria, including: the effectiveness of the measures in inducing the cessation of coercion by the third country; their potential to provide relief to economic operators within the Union affected by the third-country measures of economic coercion; the aim of avoiding or minimising negative	(16) Union response measures adopted in accordance with this Regulation should be selected and designed on the basis of objective criteria, including: <u>first and foremost</u> , the effectiveness of the measures in inducing the cessation of coercion by the third country; <u>the effectiveness of the measures in repairing the injury caused by the economic coercion; and</u> their potential to provide relief to economic operators within the Union affected by the third-country measures of economic coercion; <u>The Commission should also</u>	(16) Union response measures adopted in accordance with this Regulation should be selected and designed on the basis of objective criteria, including: the effectiveness of the measures in inducing the cessation of coercion by the third country; their the potential to provide relief to economic operators within the Union affected by the third-country measures of economic coercion; the aim of avoiding or minimising negative economic and other effects on the Union; and the avoidance of disproportionate administrative complexity and costs. It is also essential that the selection and design		(16) Union response measures adopted in accordance with this Regulation should be selected and designed on the basis of objective criteria, including: the effectiveness of the measures in inducing the cessation of <u>the</u> coercion by the third country <u>and, where appropriate, the reparation of the injury it has caused</u> ; the potential to provide relief to economic operators within the Union affected by the third-country measures of economic coercion; the aim of avoiding or minimising negative economic and other effects on the Union; and the avoidance of disproportionate administrative complexity and costs. It is also essential that the selection and design of Union response measures take account of the Union's interest, which includes, inter alia, the interests of both upstream and downstream industries and final consumers in the Union. When the

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	economic and other effects on the Union; and the avoidance of disproportionate administrative complexity and costs. It is also essential that the selection and design of Union response measures take account of the Union's interest. Union response measures should be selected from a wide array of options in order to allow the adoption of the most suitable measures in any given case.	<u>consider other relevant factors such as</u> the aim of avoiding or minimising negative economic and other effects on the Union; and the avoidance of disproportionate administrative complexity and costs. It is also essential that the selection and design of Union response measures take account of the Union's interest. Union response measures should be selected from a wide array of options in order to allow the adoption of the most suitable measures in any given case.	of Union response measures take account of the Union's interest, which includes, inter alia, the interests of both upstream and downstream industries and final consumers in the Union. When the Commission is considering Union response measures it should prioritise measures that would not have a disproportionate impact on legal certainty and predictability of the measures for economic operators, and on the administration of relevant national regulations. When the Commission is considering Union response measures affecting authorisations, registrations, licenses or other rights for the purposes of commercial activities, it should prioritise measures valid throughout the Union and based on secondary legislation, or, where no such measures are appropriate, measures in areas where extensive Union legislation exists. Union response measures		Commission is considering Union response measures it should prioritise measures that would not have a disproportionate impact on legal certainty and predictability of the measures for economic operators, and on the administration of relevant national regulations. When the Commission is considering Union response measures affecting authorisations, registrations, licenses or other rights for the purposes of commercial activities, it should prioritise measures valid throughout the Union and based on secondary legislation, or, where no such measures are appropriate, measures in areas where extensive Union legislation exists. Union response measures should be selected from a wide array of options in order to allow the adoption of the most suitable measures in any given case.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			should be selected from a wide array of options in order to allow the adoption of the most suitable measures in any given case.		
24a			(16bis) The Union should be able to designate natural or legal persons connected or linked to the government of the third country engaging in economic coercion and thereby make them subject to Union response measures in order to induce the prompt cessation of economic coercion. Such targeted response measures can effectively avoid or minimise the negative effects of such coercion on Member States' economies and Union economic operators and final consumers.		(16bis) The Union should be able to designate natural or legal persons connected or linked to the government of the third country engaging in economic coercion and thereby make them subject to Union response measures in order to induce the prompt cessation of economic coercion. Such targeted response measures can effectively avoid or minimise the negative effects of such coercion on Member States' economies and Union economic operators and final consumers.
24b			(16ter) As part of the Union response in order to induce the cessation of	SE PRES suggests making the addition of a reference to	(16ter) As part of the Union response in order to induce the cessation of economic coercion by third countries, the

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			economic coercion by third countries, the Commission could also adopt measures pursuant to other legal instruments that confer specific powers to the Commission, for example with regard to the granting of Union funding, following the applicable procedures set out therein. Measures adopted by the Commission pursuant to such other legal instruments should be synchronised with actions taken under this Regulation and be consistent with the Union's obligations under international law. In particular, such measures, together with Union response measures adopted under this Regulation, as the case may be, should be commensurate with the injury caused by the third countries' measures of economic coercion. This Regulation is without prejudice to rules and procedures under such other legal instruments.	participation in Union framework programmes conditional upon the removal of the reference to Union Funding in Annex I. SE PRES suggests accepting replacing "be commensurate with" with "not exceed"	Commission could also adopt measures pursuant to other legal instruments that confer specific powers to the Commission, for example with regard to the granting of Union funding <u>or possibilities to limit participation in Union framework programmes for research and innovation</u>, following the applicable procedures set out therein. Measures adopted by the Commission pursuant to such other legal instruments should be synchronised with actions taken under this Regulation and be consistent with the Union's obligations under international law. In particular, such measures, together with Union response measures adopted under this Regulation, as the case may be, should be commensurate with <u>not exceed</u> the injury caused by the third countries' measures of economic coercion. This Regulation is without prejudice to rules and procedures under such other legal instruments.
25					

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	(17) It is appropriate to set out rules on the origin or nationality of goods, services and service providers, investment and holders of intellectual property rights, for the purposes of determining the Union response measures. The rules of origin or of nationality should be determined in the light of the prevailing rules for non-preferential trade and investment that are applicable under Union law and the Union's international agreements.	(17) It is appropriate to set out rules on the origin or nationality of goods, services and service providers, investment and holders of intellectual property rights, for the purposes of determining the Union response measures. The rules of origin or of nationality should be determined in the light of the prevailing rules for non-preferential trade and investment that are applicable under Union law and the Union's international agreements.	(17) It is appropriate to set out rules on the origin or nationality of goods, services and service providers, investment and holders of intellectual property rights, for the purposes of determining the Union response measures. The rules of origin or and of nationality should be determined in the light of the prevailing rules for non-preferential trade and investment that are applicable under Union law and the Union's international agreements. This regulation does not affect the division of competences between the Union and its Member States in the field of investment.		(17) It is appropriate to set out rules on the origin or nationality of goods, services and service providers, investment and holders of intellectual property rights, for the purposes of determining the Union response measures. The rules of origin and of nationality should be determined in the light of the prevailing rules for non-preferential trade and investment that are applicable under Union law and the Union's international agreements. This regulation does not affect the division of competences between the Union and its Member States in the field of investment.
26	(18) In pursuing the objective of obtaining the cessation of the measure of economic coercion, Union response measures consisting of restrictions on foreign direct investment or on trade in services	(18) In pursuing the objective of obtaining the cessation of the measure of economic coercion <u>and, where appropriate, the reparation of the injury caused</u> , Union response measures consisting of restrictions on foreign direct investment or on	(18) In pursuing the objective of obtaining the cessation of the a measure of economic coercion, Union response measures consisting of restrictions on foreign direct investment or on trade in services should only apply with regard to services supplied, or direct		(18) In pursuing the objective of obtaining the cessation of a measure of economic coercion <u>and, where appropriate, the reparation of the injury caused</u> , Union response measures consisting of restrictions on foreign direct investment or on trade in services should only apply with regard to services supplied, or direct investments made, within the Union by one or more legal

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	should only apply with regard to services supplied, or direct investments made, within the Union by one or more legal persons established in the Union which are owned or controlled by persons of the third country concerned where necessary to ensure the effectiveness of Union response measures and in particular to prevent their avoidance. The decision to impose any such restrictions will be duly justified in implementing acts adopted pursuant to this Regulation in the light of the criteria specified in this Regulation.	trade in services should only apply with regard to services supplied, or direct investments made, within the Union by one or more legal persons established in the Union which are owned or controlled by persons of the third country concerned where necessary to ensure the effectiveness of Union response measures and in particular to prevent their avoidance. The decision to impose any such restrictions will be duly justified in implementing acts adopted pursuant to this Regulation in the light of the criteria specified in this Regulation.	investments made, within the Union by one or more legal persons established in the Union and which are owned or controlled by persons of the third country concerned, where necessary to ensure the effectiveness of Union response measures and in particular to prevent their avoidance. The decision to impose any such restrictions will should be duly justified in implementing acts adopted pursuant to this Regulation in the light of the criteria specified in this Regulation.		persons established in the Union and which are owned or controlled by persons of the third country concerned, where necessary to ensure the effectiveness of Union response measures and in particular to prevent their avoidance. The decision to impose any such restrictions should be duly justified in implementing acts adopted pursuant to this Regulation in the light of the criteria specified in this Regulation.
27	(19) After the adoption of Union response measures, the Commission should continuously	(19) After the adoption of Union response measures, the Commission should continuously assess the situation in relation to the	(19) After the adoption of Union response measures, the Commission should continuously assess the situation in relation to the		(19) After the adoption of Union response measures, the Commission should continuously assess the situation in relation to the third-country measures of economic coercion, the effectiveness of

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	assess the situation in relation to the third-country measures of economic coercion, the effectiveness of the Union response measures and their effects, with a view to adjusting, suspending or terminating the response measures accordingly. It is therefore necessary to set out the rules and procedures for amending, suspending and terminating Union response measures and the situations in which these are appropriate.	third-country measures of economic coercion, the effectiveness of the Union response measures and their effects, with a view to adjusting, suspending or terminating the response measures accordingly. It is therefore necessary to set out the rules and procedures for amending, suspending and terminating Union response measures and the situations in which these are appropriate.	third-country measures of economic coercion, the effectiveness of the Union response measures and their effects, with a view to adjusting, suspending or terminating the response measures accordingly. It is therefore necessary to set out the rules and procedures for amending, suspending and terminating Union response measures and the situations in which these are appropriate.		the Union response measures and their effects, with a view to adjusting, suspending or terminating the response measures accordingly. It is therefore necessary to set out the rules and procedures for amending, suspending and terminating Union response measures and the situations in which these are appropriate.
28	(20) It is essential to provide for opportunities for stakeholder involvement for the purposes of adoption and amendment of Union response measures, and as relevant for the purposes of	(20) It is essential to provide for opportunities for stakeholder involvement, <u>including businesses</u>, for the purposes of adoption and amendment of Union response measures, and as relevant for the purposes of suspension and termination, in view of the	(20) It is essential to provide for opportunities for stakeholder involvement for the purposes of the adoption and amendment of Union response measures; and, where as relevant, for the purposes of their suspension and termination, in view of the potential impact on such stakeholders.	SE PRES proposes to agree.	(20) It is essential to provide for opportunities for stakeholder involvement, <u>among which businesses</u>, for the purposes of the adoption and amendment of Union response measures and, where relevant, for the purposes of their suspension and termination, in view of the potential impact on such stakeholders.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	suspension and termination, in view of the potential impact on such stakeholders.	potential impact on such stakeholders.			
28a		<u>(20a) In light of the evident increase in the use of economic leverages by foreign countries against the Union and the likely increase of the frequency and severity of these practices in the future, the Chief Trade Enforcement officer (CTEO) should be overall responsible for the functioning and the implementation of this Regulation and including with a view to strengthening the preparedness for such instances, assessing Union's dependencies and assets, adopting the necessary coordinated measures and ultimately being able to react promptly when needed. Such a horizontal competence would provide necessary support to the Union in order to be able</u>		SE PRES proposes to agree (cf corresponding article in line 133a (Single Contact Point), with the suggested following change (replacing current proposed text): “... the Commission should be overall responsible for monitoring such cases/practices of economic coercion including with a view to” so as to better align with the task given to the Commission in line 133...”	<u>(20a) In light of the evident increase in the use of economic coercion by foreign countries against the Union and its Member States and the likely increase of the frequency and severity of these practices in the future, the Commission should be overall responsible for the functioning and the implementation of this Regulation and including with a view to providing necessary support to the Union in order to be able to better anticipate and effectively react to economic coercion.</u>

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
		<u>to better anticipate and effectively react to economic coercion.</u>			
29	(21) It is important to ensure an effective communication and exchange of views and information between the Commission on the one hand and the European Parliament and the Council on the other, in particular on efforts to engage with the third country concerned to explore options with a view to obtaining the cessation of the economic coercion and on matters that may lead to the adoption of Union response measures under this Regulation.	(21) It is important to ensure an effective communication <u>and regular dialogue</u> and exchange of views and information between the Commission on the one hand and the European Parliament and the Council on the other, in particular <u>regarding ongoing examinations or third country measures,</u> on efforts to engage with the third country concerned to explore options with a view to obtaining the cessation of the economic coercion <u>or, where appropriate, reparation of the injury caused</u> and on matters that may lead to the adoption of Union response measures under this Regulation, <u>including the stages of examination of third-country measures and determination with regard to measures of economic coercion and on the</u>	(21) It is important to ensure an effective communication and an exchange of views and information between the Commission on the one hand, and the European Parliament and the Council, on the other, in particular on efforts to engage enter into consultations with the third country concerned to explore options with a view to obtaining the cessation of the economic coercion and on matters that may lead to the adoption of Union response measures under this Regulation.		(21) It is important to ensure effective communication and an <u>an effective and regular</u> exchange of views and information between the Commission on the one hand, and the European Parliament and the Council, on the other, in particular on efforts to enter into consultations with the third country concerned to explore options with a view to obtaining the cessation of the economic coercion and on <u>the application of this Regulation, in particular regarding ongoing examinations of third-country measures, [determination with regard to measures of economic coercion,] efforts to enter into consultations with the third country concerned,</u> matters that may lead to the adoption of Union response measures under this Regulation <u>and any other relevant development at subsequent stages, including as regards the effectiveness of Union response measures.</u>

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
		<u>effectiveness on Union response measures.</u>			
30	(22) In order to allow the update of the range of Union response measures under this Regulation and the adjustment of the rules of origin or of other technical rules, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission to amend the list of Union responses set out in Annex I and technical rules necessary for the application of the Regulation, including rules of origin laid down in Annex II. It is of particular importance that the Commission carry out appropriate	(22) In order to allow the update of the range of Union response measures under this Regulation and the adjustment of the rules of origin or of other technical rules, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission to amend the list of Union responses set out in Annex I and technical rules necessary for the application of the Regulation, including rules of origin laid down in Annex II. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional	(22) In order to allow the update adjustment of the range of Union response measures under this Regulation and the adjustment of the rules of origin or of other technical rules rules of origin or nationality to take account of relevant developments in international instruments , the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union TFEU should be delegated to the Commission to amend the list of Union responses set out in Annex I and technical rules necessary for the application of the Regulation, including rules of origin laid down in in respect of amending Annex II . It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be		(22) In order to allow the adjustment of the rules of origin or nationality to take account of relevant developments in international instruments <u>and experience in the application of measures under this Regulation or other Union acts under this Regulation or other Union acts</u> , the power to adopt acts in accordance with Article 290 TFEU should be delegated to the Commission in respect of amending Annex II. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making. ⁴¹ In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council should receive all documents at the same time as Member States' experts, and their experts systematically should have access to meetings of Commission expert groups dealing with the preparation of delegated acts. <u>1. Interinstitutional Agreement between the European Parliament, the Council of</u>

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making.¹ In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council should receive all documents at the same time as Member States' experts, and their experts systematically should have access to meetings of Commission expert groups dealing with the preparation of delegated acts. ¹ OJ L 123, 12.5.2016, p. 1.	Agreement on Better Law-Making.¹ In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council should receive all documents at the same time as Member States' experts, and their experts systematically should have access to meetings of Commission expert groups dealing with the preparation of delegated acts. ¹ OJ L 123, 12.5.2016, p. 1.	conducted in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making.¹ In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council should receive all documents at the same time as Member States' experts, and their experts systematically should have access to meetings of Commission expert groups dealing with the preparation of delegated acts. ¹ Interinstitutional Agreement between the European Parliament, the Council of the European Union and the European Commission on Better Law-Making (OJ L 123, 12.5.2016, p. 1).		<u>the European Union and the European Commission on Better Law-Making (OJ L 123, 12.5.2016, p. 1).</u> ¹ Interinstitutional Agreement between the European Parliament, the Council of the European Union and the European Commission on Better Law-Making (OJ L 123, 12.5.2016, p. 1).

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
31	(23) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011.¹ 1. Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).	(23) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011.¹ 1. Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).	(23) In order to ensure uniform conditions for the implementation of Union response measures under this Regulation, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council.¹ ¹ 1. Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).	SE PRES proposes to agree (Council Mandate).	(23) In order to ensure uniform conditions for the implementation of <u>Union response measures under</u> this Regulation, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council.¹ 1. Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).
32	(24) The examination procedure should be used for the adoption of Union response measures and their amendment, suspension or	(24) The examination procedure should be used for the adoption of Union response measures and their amendment, suspension or termination given that those acts	(24) The examination procedure should be used for the adoption of Union response measures and their amendment, suspension or termination given that those actsmeasures determine the		(24) The examination procedure should be used for the adoption of Union response measures and their amendment, suspension or termination given that those measures determine the Union's response to economic coercion falling within the scope of this Regulation and as

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	termination given that those acts determine the Union's responses to economic coercion falling within the scope of this Regulation.	determine the Union's responses to economic coercion falling within the scope of this Regulation.	Union's responsesresponse to economic coercion falling within the scope of this Regulation and as determined by the Council. In exercising its implementing powers, special attention should be given by the Commission to solutions which command the widest possible support among Member States. Considering the specific nature of this Regulation and the particular sensitivity attached to the Union response measures, the Commission should not adopt a draft implementing act on any Union response measures where the committee delivers a no opinion on that act. The particular sensitivity attached to the Union response measures necessitates finding a balanced solution at all times and solutions should avoid going against any predominant position which might emerge within the appeal committee against the appropriateness of a draft implementing act.	PUBLIC	determined by the Council. In exercising its implementing powers, special attention should be given by the Commission to solutions which command the widest possible support among Member States. Considering the specific nature of this Regulation and the particular sensitivity attached to the Union response measures, the Commission should not adopt a draft implementing act on any Union response measures where the committee delivers a no opinion on that act. The particular sensitivity attached to the Union response measures necessitates finding a balanced solution at all times and solutions should avoid going against any predominant position which might emerge within the appeal committee against the appropriateness of a draft implementing act.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
33	(25) The Commission should adopt immediately applicable implementing acts of limited duration where, in duly justified cases relating to the adoption, amendment, suspension or termination of Union response measures, imperative grounds of urgency so require.	(25) The Commission should adopt immediately applicable implementing acts of limited duration where, in duly justified cases relating to the adoption, amendment, suspension or termination of Union response measures, imperative grounds of urgency so require.	(25) The Commission should adopt immediately applicable implementing acts of limited duration where, in duly justified cases relating to the adoption , amendment, suspension or termination of Union response measures, imperative grounds of urgency so require expedited action to avoid irreparable damage or to ensure consistency with international law. Such expedited action could prevent the coercion from causing or worsening any economic damage, notably with a view to protecting acute and vital interests of the Union or a Member State.		(25) The Commission should adopt immediately applicable implementing acts of limited duration where, in duly justified cases relating to the amendment, suspension or termination <u>or suspension</u> of Union response measures, imperative grounds of urgency <u>require</u> expedited action to avoid irreparable damage or to ensure consistency with international law. Such expedited action could prevent the coercion from causing or worsening any economic damage, notably with a view to protecting acute and vital interests of the Union or a Member State.
33a			(25bis) Any action taken under this Regulation, including Union response measures with regard to natural or legal persons, should respect the Charter of Fundamental Rights of	SE PRES proposes to agree (Council Mandate).	(25bis) Any action taken under this Regulation, including Union response measures with regard to natural or legal persons, should respect the Charter of Fundamental Rights of the European Union. Moreover, any processing of personal data pursuant to this Regulation

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			the European Union. Moreover, any processing of personal data pursuant to this Regulation should be consistent with the applicable rules on the protection of personal data. Processing of personal data by Member States' officials obtaining information under this Regulation should be carried out in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council¹. Processing of personal data by the Commission should be carried out in accordance with Regulation (EU) 2018/1725 of the European Parliament and of the Council². 1. Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1). 2. Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39).		should be consistent with the applicable rules on the protection of personal data. Processing of personal data by Member States' officials obtaining information under this Regulation should be carried out in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council¹. Processing of personal data <u>by the Commission</u> should be carried out in accordance with Regulation (EU) 2018/1725 of the European Parliament and of the Council². 1. Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1). 2. Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39).

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39).		
34	(26) The Commission should evaluate measures adopted under this Regulation as to their effectiveness and operation and as to possible conclusions for future measures. The Commission should also review this Regulation after gaining sufficient experience with the existence or application of this Regulation. This review should cover the scope, functioning, efficiency and effectiveness of this Regulation. The Commission should	(26) The Commission should evaluate measures adopted under this Regulation as to their effectiveness and operation and as to possible conclusions for future measures. The Commission should also review this Regulation after gaining sufficient experience with the existence or application of this Regulation, <u>and in particular in order to ensure complementarity with the upcoming review of the Blocking Statute^{1a}. The review of this Regulation.</u> This review should cover the scope, functioning, efficiency and effectiveness of this Regulation. The	(26) The Commission should evaluate measures adopted under this Regulation as to their effectiveness and operation and as to possible conclusions for future measures. The Commission should also review this Regulation after gaining sufficient experience with the existence or application of this Regulation. This review should cover the scope, functioning, efficiency and effectiveness of this Regulation and also its relationship to other Union policies and existing legal instruments. The Commission should report on its assessment to the European Parliament and the Council,	SE PRES proposes to agree	(26) The Commission should evaluate measures adopted under this Regulation as to their effectiveness and operation and as to possible conclusions for future measures. The Commission should also review this Regulation after gaining sufficient experience with the existence or application of this Regulation <u>and also its relationship to other Union policies and existing legal instruments, including the Blocking Statute^{1a}. The</u> This review of this Regulation should cover the scope, functioning, efficiency and effectiveness of this Regulation. <u>The Commission should report on its assessment to the European Parliament and the Council and also its relationship to other Union policies and existing legal instruments.</u> ^{1a} <u>Council Regulation (EC) No 2271/96 of 22 November 1996 protecting against the effects of the extra-territorial application of legislation adopted by a</u>

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	report on its assessment to the European Parliament and the Council,	Commission should report on its assessment to the European Parliament and the Council, <u>^{1a} Council Regulation (EC) No 2271/96 of 22 November 1996 protecting against the effects of the extra-territorial application of legislation adopted by a third country, and actions based thereon or resulting therefrom, OJ L 309, 29.11.1996, p. 1.</u>			<u>third country, and actions based thereon or resulting therefrom.</u> The Commission should report on its assessment to the European Parliament and the Council, <u>OJ L 309, 29.11.1996, p. 1</u>
35	HAVE ADOPTED THIS REGULATION:	HAVE ADOPTED THIS REGULATION:	HAVE ADOPTED THIS REGULATION:		HAVE ADOPTED THIS REGULATION:
36	Article 1 Subject-matter	Article 1 Subject-matter	Article 1 Subject-matter		Article 1 Subject-matter
37	1. This Regulation lays down rules and procedures in order to ensure the effective	1. This Regulation lays down rules and procedures in order to ensure the effective protection of the	1. This Regulation lays down rules and procedures in order to ensure the effective protection of the interests of	SE PRES proposes to agree	1. This Regulation lays down rules and procedures to ensure the effective protection of the interests of the Union and its Member States where a third

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	protection of the interests of the Union and its Member States where a third country seeks, through measures affecting trade or investment, to coerce the Union or a Member State into adopting or refraining from adopting a particular act. This Regulation provides a framework for the Union to respond in such situations with the objective to deter, or have the third country desist from such actions, whilst permitting the Union, in the last resort, to counteract such actions.	interests of the Union and its Member States where a third country seeks, through measures <u>any form of action, failure to act or threat thereof</u> affecting trade or investment, to coerce the Union or a Member State into adopting or refraining from adopting a particular act, <u>including a particular policy choice, legal act or a stance with regard to a policy choice</u> . This Regulation provides a framework for the Union to respond in such situations with the objective to deter, or have the third country desist from <u>of deterring, or obtaining the cessation of</u> such actions <u>and, where appropriate, repairing the injury caused, thereby permitting the Union,</u> whilst permitting the Union, in the last resort, to counteract such actions.	the Union and its Member States where a third country seeks, through measures affecting trade or investment, to coerce the Union or a Member State into adopting or refraining from adopting a particular act. This Regulation provides a framework for the Union to respond in such situations with the objective to deter, or have the third country desist from such actions, whilst permitting the Union, in the last resort, to counteract such actions.		country seeks, through <u>any</u> measures affecting trade or investment, to coerce the Union or a Member State into adopting or refraining from adopting a particular act.
37a			2. This Regulation establishes a framework for the Union to respond to	SE PRES suggests replacing "obtaining" with "requesting" the	2. This Regulation establishes a framework for the Union to respond to economic coercion with the objective of

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			economic coercion with the objective of deterring, or having the third country desist from such coercion, whilst enabling the Union, as a last resort, to counteract such coercion.	reparation of injury.	deterring, or having the third country desist from such coercion <u>and, where appropriate, obtaining the reparation of the injury caused</u> , whilst enabling the Union, as a last resort, to counteract such coercion.
38	2. Any action taken under this Regulation shall be consistent with the Union's obligations under international law and conducted in the context of the principles and objectives of the Union's external action.	2. Any action taken under this Regulation shall be consistent with the Union's obligations under international law and conducted in the context of the principles and objectives of the Union's external action.	23. Any action taken under this Regulation shall be consistent with the Union's obligations under international law and be conducted in the context of the principles and objectives of the Union's external action.	SE PRES proposes to agree (Council Mandate).	3. Any action taken under this Regulation shall be consistent with international law and be conducted in the context of the principles and objectives of the Union's external action.
38a			4. This Regulation shall be without prejudice to other existing Union instruments and international agreements, as well as actions taken thereunder, in the area of the common commercial policy, and to other Union policies. This	SE PRES proposes to agree.	4. This Regulation shall be without prejudice to other existing Union instruments and international agreements, as well as actions taken thereunder, in the area of the common commercial policy, and to other Union policies. This Regulation shall <u>does</u> not affect the division of competences between the Union and its Member States as defined

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			Regulation shall not affect the division of competences between the Union and its Member States as defined by the Treaties.		by the Treaties.
38b		<u>Article 1a</u> <u>Definitions</u> <u>For the purposes of this Regulation, the following definitions apply:</u> <u>1. "coercion" means any third-country action or measure interfering in the legitimate sovereign choices of the Union or a Member State by seeking to prevent or obtain the cessation, modification or adoption of a particular act by the Union or a Member State;</u> <u>2. "third-country action or measure" means any type of action or measure, failure to act or threat thereof that is attributable to a third country;</u> <u>3. "particular act" means a particular policy choice, legal act or a stance with regard to a</u>		SE PRES would like to discuss and possibly suggest reverting to original EP suggestion and refrain from defining "country" or "third country" in this regulation. This would mean also retaining the somewhat ambiguous term "partner" in line 68 (Article 6 International Cooperation) and line 22 (Recital 14) indicating possible for subject for EU co-operation against coercion, and change to "or partner" to signify that a country EU cooperate with does not necessarily also need to be a designated "partner".	<u>Article 1a</u> <u>Definitions</u> <u>For the purposes of this Regulation, the following definitions apply:</u> <u>1. "measure of economic coercion" means a third country interfering in the legitimate sovereign choices of the Union or a Member State by seeking to prevent or obtain the cessation, modification or adoption of a particular act by the Union or a Member State by applying or threatening to apply measures affecting trade or investment;</u> <u>2. "measure" means any act or omission;</u> <u>3. "third-country measure" means any measure attributable to a third country;</u> <u>4. "particular act" means any legal or other act, including an expression of a position by an institution or body of the Union or a Member State;</u>

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
		<u>policy choice of the Union or a Member State;</u> <u>4. "failure to act" means failure by a third country to comply with its obligations under legally binding instruments of international law;</u> <u>5. "threat of coercion" means a substantiated threat of a third country action or measure that is credible, significant, and could be quickly and easily deployed;</u> <u>6. "economic coercion" means coercion through a third-country action or measure affecting trade or investment;</u> <u>7. "injury" means negative impact suffered by the Union or a Member State, including Union economic operators;</u> <u>8. "Union response measure" means any measure adhering to the Union's international obligations or permitted under international law vis-à-vis the third country responsible for economic coercion, which is commensurate with the</u>		SE PRES would specifically ask MS views on including "any other measures adopted pursuant to other legal instruments that confer specific powers to the Commission" in the definition of "union response measures" SE PRES suggests, in order to streamline the Union interest definition with art 7bis, the following wording of 10. "Union interest": ‘... the interests of Union economic operators and Member States, including their upstream and downstream industries, ...’ However, this part is still awaiting a response from the EP SE PRES suggests accepting the other definitions.	<u>5. "injury to the Union" means injury to the Union or a Member State, including to Union economic operators;</u> <u>6. "injury" means negative impact, including economic damage;</u> <u>7. "country" means any State, separate customs territory or other subject of international law;</u> <u>8. "third country" means any country other than the Union or a Member State;</u> <u>9. "Union response measure" means any measure listed in Annex 1 and adopted pursuant to Articles 7 and 8, or any measure adopted pursuant to other legal instruments that confer specific powers to the Commission as ;</u> <u>10. "Union interest" means all the various interests taken as a whole, including the interest in avoiding interference in legitimate sovereign choices of the Union and the Member States, the interests of Union economic operators, including upstream and downstream industries, as well as the interests of Union final consumers. The Union interest shall be determined in accordance with Article 7bis.</u>

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
		<u><i>injury suffered by the Union or a Member State and aims to obtain the cessation of economic coercion and, where appropriate, the reparation for the injury caused;</i></u> <u><i>9. "Union interest" means first and foremost the need to preserve the policy space of the Union or its Member States to take legitimate sovereign choices in ensuring the social, political, and economic cohesion of the Union, and the upholding of its strategic and economic interests.</i></u>			
39	Article 2 Scope	Article 2 Scope	Article 2 Scope		Article 2 Scope
40	1. This Regulation applies where a third country:	1. This Regulation applies <u><i>only in the event of economic coercion</i></u> where a third country:	1. This Regulation applies where a third country:	SE PRES proposes to agree. However, note that with the definition of economic coercion in line 38b, this line	1. This Regulation applies <u><i>only</i></u> where a third country:

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
				could read “This Regulation applies <u>only</u> where a third country <u>takes measures of economic coercion</u> ”.	
41	- interferes in the legitimate sovereign choices of the Union or a Member State by seeking to prevent or obtain the cessation, modification or adoption of a particular act by the Union or a Member State	- interferes in the legitimate sovereign choices of the Union or a Member State by seeking to prevent or obtain the cessation, modification or adoption of a particular act by the Union or a Member State	- interferes in the legitimate sovereign choices of the Union or a Member State by seeking to prevent or obtain the cessation, modification or adoption of a particular act by the Union or a Member State		- interferes in the legitimate sovereign choices of the Union or a Member State by seeking to prevent or obtain the cessation, modification or adoption of a particular act by the Union or a Member State
42	- by applying or threatening to apply measures affecting trade or investment.	- by applying or threatening <u>applies or threatens</u> to apply measures affecting trade or investment.	- by applying or threatening to apply measures affecting trade or investment.	SE PRES proposes to agree (Council Mandate).	- by applying or threatening to apply measures affecting trade or investment.
43	For the purposes of this Regulation, such	For the purposes of this Regulation, such third-	For the purposes of this Regulation, such third-		

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	third-country actions shall be referred to as measures of economic coercion.	country actions shall be referred to as measures of economic coercion. deleted	country actions shall be referred to as 'measures of economic coercion'.		
44	2. In determining whether the conditions set out in paragraph 1 are met, the following shall be taken into account:	2. In determining whether the conditions set out in paragraph 1 are met, the following <u>Commission</u> shall be taken <u>take</u> into account <u>the following</u> :	2. In determining whether the conditions set out in paragraph 1 are met, the following shall be taken into account:		2. In determining whether the conditions set out in paragraph 1 are met, the following <u>[Commission]/[Commission and the Council]</u> shall be taken <u>take</u> into account <u>the following</u> :
45	(a) the intensity, severity, frequency, duration, breadth and magnitude of the third country's measure and the pressure arising from it;	(a) the intensity, severity, frequency, duration, breadth and magnitude of the third country's measure and/or failure to act or threat thereof as well as the pressure arising from it; <u>the Commission shall assess whether such measures are part of a broader pattern of behaviour;</u>	(a) the intensity, severity, frequency, duration, breadth and magnitude of the third country's measure, including its impact on trade or investment relations with the Union , and the pressure arising from it on the Union or a Member State ;		(a) the intensity, severity, frequency, duration, breadth and magnitude of the third country's measure, including its impact on trade or investment relations with the Union, and the pressure arising from it on the Union or a Member State;
46	(b) whether the third country is engaging in	(b) whether the third country is engaging in a	(b) whether the third country is engaging in a pattern of		(b) whether the third country is engaging in a pattern of interference seeking to

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	a pattern of interference seeking to obtain from the Union or from Member States or other countries particular acts;	<u>clear</u> pattern of interference seeking to obtain from the Union or from Member States or other countries particular acts;	interference seeking to obtain from the Union, a or from Member States State or other countries particular acts;		obtain from the Union, a Member State or other countries particular acts;
47	(c) the extent to which the third-country measure encroaches upon an area of the Union's or Member States' sovereignty;	(c) the extent to which the third-country measure <u>or failure to act or threat thereof</u> encroaches upon an area of the Union's or Member States' sovereignty;	(c) the extent to which the third-country measure encroaches upon an area of the Union's or a Member States State's sovereignty;		(c) the extent to which the third-country measure encroaches upon an area of the Union's or a Member State's sovereignty;
48	(d) whether the third country is acting based on a legitimate concern that is internationally recognised;	(d) whether the third country is acting based on a legitimate concern that is internationally recognised <u>recognised as legitimate by international law and conventions</u> ;	(d) whether the third country is acting based on the basis of a legitimate concern that is internationally recognised;		(d) whether the third country is acting on the basis of a legitimate concern that is internationally recognised;
49	(e) whether and in what manner the third country, before the	(e) whether and in what manner the third country, before the imposition of its	(e) whether and in what manner the third country, before the imposition		(e) whether and in what manner the third country, before the imposition or application of its measures, has made

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	imposition of its measures, has made serious attempts, in good faith, to settle the matter by way of international coordination or adjudication, either bilaterally or within an international forum.	measures, has made serious attempts, in good faith, to settle the matter by way of international coordination or adjudication, either bilaterally or within an international forum.	application of its measures, has made serious attempts, in good faith, to settle the matter by way of international coordination or adjudication, either bilaterally or within an international forum.		serious attempts, in good faith, to settle the matter by way of international coordination or adjudication, either bilaterally or within an international forum.
50	Article 3 Examination of third-country measures	Article 3 Examination of third-country measures	Article 3 Examination of third-country measures		Article 3 Examination of third-country measures
51	1. The Commission may examine any measure of a third country in order to determine whether it meets the conditions set out in Article 2(1). The Commission shall act expeditiously.	1. The Commission may <u>or, in the case of a duly substantiated complaint, shall</u> examine any measure of a third country, <u>failure to act or threat thereof</u> in order to determine whether it meets the conditions set out in Article 2(1). The Commission shall act expeditiously.	1. The Commission may, on its own initiative or upon a reasoned request of a Member State , examine any measure of a third country in order to determine whether it meets the conditions set out in Article 2(1). The Commission shall act expeditiously.	SE PRES suggests to accept (as a concession).	1. The Commission may, on its own initiative, <u>or</u> or upon a reasonable <u>duly substantiated</u> request, <u>including</u> of a Member State, examine any measure of a third country in order to determine whether it meets the conditions set out in Article 2(1). <u>The Commission shall act expeditiously and its examination shall normally not exceed four months.</u>

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
52	2. The Commission may carry out the examination referred to in paragraph 1 on its own initiative or following information received from any source. The Commission shall ensure the protection of confidential information in line with Article 12, which may include the identity of the supplier of the information.	2. The Commission may <u>shall</u> carry out the examination referred to in paragraph 1 <u>based on substantiated information collected</u> on its own initiative or following information received from any <u>reliable</u> source, <u>notably economic operators or trade unions. The European Parliament and a Member State may also provide such substantiated information to the Commission.</u> The Commission shall ensure the protection of confidential information in line with Article 12, which may include <u>concealing</u> the identity of the supplier of the information. <u>The Commission shall set up publicly available secure tools with a view to facilitating the submission of relevant and substantiated information from external sources.</u>	2. The Commission may <u>shall</u> carry out the examination referred to in paragraph 1 on its own initiative or following the <u>basis of</u> information received from any <u>reliable</u> source. The Commission shall ensure the protection of confidential information in line <u>accordance</u> with Article 12, which may include the identity of the supplier of the information.		2. The Commission shall carry out the examination referred to in paragraph 1 <u>based on substantiated information collected on its own initiative or on the basis of information</u> received from any reliable source, <u>including a Member State, the European Parliament, economic operators or trade unions.</u> The Commission shall ensure the protection of confidential information in accordance with Article 12, which may include <u>protecting</u> the identity of the supplier of the information. <u>The Commission shall set up publicly available secure tools with a view to facilitating the submission of information from external sources.</u>
52a			2bis. Where there are		2bis.3 <u>Where there are reasonable</u>

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			reasonable grounds to suspect that the measure of the third country concerned meets the conditions set out in Article 2(1), the Commission shall expeditiously inform Member States and keep them informed about developments.		grounds to suspect that the measure of the third country concerned meets the conditions set out in Article 2(1), the Commission shall expeditiously inform Member States and keep them informed about developments <u>The Commission shall duly and in a timely manner inform the Member States of relevant developments as regards launched and ongoing examinations.</u>
52b			<i>3. The Commission may request Member States to supply information on the impact of the measures of the third country concerned</i>		
53	3. The Commission may seek information about the impact of the measures of the third country concerned.	3. The Commission may seek information about the impact of the measures of the third country concerned.	34. The Commission may shall seek information about the impact of the measures of the third country concerned.		4. The Commission shall seek information about the impact of the measures of the third country concerned, <u>where necessary. The Commission may request Member States to supply information on such impact and Member States shall act expeditiously.</u>
54	The Commission may	<u>The Commission shall</u>	5. The Commission may	SE PRES suggests to	5. The Commission may publish a notice

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	publish a notice in the Official Journal of the European Union or through other suitable public communication means with an invitation to submit information within a specified time limit. In that event, the Commission shall notify the third country concerned of the initiation of the examination.	<u>inform duly, including in the form of an exchange of views, and in a timely manner the European Parliament and the Council of the launch of and of any development in the ongoing examination of third-country measures.</u> The Commission may publish a notice in the Official Journal of the European Union or <u>and</u> through other suitable public communication means with <u>of the launch of an examination procedure. The notice shall include</u> an invitation to submit information within a specified time limit <u>and an indication of the timeline for the determination referred to in Article 4, which shall not exceed four months.</u> In that event, the Commission shall notify the third country concerned of the initiation of the examination.	publish a notice in the Official Journal of the European Union and, where appropriate, Official Journal of the European Union or through other suitable public communication means with an invitation to stakeholders to submit information within a specified time limit. In that event, the Commission shall notify the third country concerned of the initiation of the examination.	accept (as a concession)	in the <u>the</u> Official Journal of the European Union . and, where appropriate, through other suitable public communication means with an invitation to stakeholders to submit information within a specified time limit <u>taking into account the timeline indicated in paragraph 1. In the</u> In that event <u>of the publication of a notice</u> , the Commission shall notify the third country concerned of the initiation <u>launch</u> of the examination.
54a			6. The Commission and		

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			Member States shall act expeditiously throughout the examination.		
55	Article 4 Determination with regard to the third-country measure	Article 4 Determination with regard to the third-country measure	Article 4 Determination with regard to the third-country measure		Article 4 Determination with regard to the third-country measure
56	Following an examination carried out in accordance with Article 3, the Commission shall adopt a decision determining whether the measure of the third country concerned meets the conditions set out in Article 2(1). The Commission shall act expeditiously.	Following an examination carried out in accordance with Article 3, the Commission shall adopt a decision, determining whether the measure of the third country concerned meets the conditions set out in Article 2(1). <u>Where no notice was published pursuant to Article 3 and in the case of a positive determination, the decision shall include an indication of the timeline for the adoption of the implementing act referred to in Article 7, which shall not exceed six months. On duly justified imperative grounds in order to avoid</u>	1. Following an examination carried out in accordance with Article 3, in the event that the Commission considers that the measure of the third country concerned meets the conditions of Article 2(1), it shall submit a proposal to the Council to adopt a decision an implementing act determining whether that the measure of the third country concerned meets the conditions set out in Article 2(1). The Commission- shall, where appropriate, propose that the country concerned repair the injury suffered by the Union or its Member States		

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
		<u>irreparable damage to the Union or its Member States the Commission may extend that timeline by up to a further four months.</u> The Commission shall act expeditiously. <u>The Commission shall inform, including in the form of an exchange of views, the European Parliament and the Council about the decision and publish it in the Official Journal of the European Union and through other suitable public communication means.</u>	act expeditiously.		
56a					<u>The decision of whether it is appropriate to request that the third country concerned repair the injury caused shall be based on a consideration of the nature and extent of the damage caused and all other circumstances of the particular case. Specifically, the decision shall be guided by the overall relationship with the third country concerned, other aspects of Union interest, including the desirability for Union persons having suffered damage to have that damage repaired, and the general obligation under customary</u>

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
					<u>international law to make full reparation for the injury caused through an internationally wrongful act.</u>
57	Prior to adopting its decision, the Commission may invite the third country concerned to submit its observations.	<u>Prior to adopting its decision, the Commission may invite the third country concerned to submit its observations within a reasonable and specified period of time that shall not unduly delay the Commission's decision.</u>	2. Prior to adopting its decision the proposal referred to in paragraph 1, where useful for the purposes of the determination referred to in that paragraph , the Commission may shall invite the third country concerned to submit its observations within a reasonable period of time, without prejudice to Article 5.		
57a			3. The Council shall act expeditiously throughout the process set out in this Article. The Council shall adopt the implementing act referred to in paragraph 1, acting by a qualified majority. The Council, acting by a qualified majority, may		

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			amend the Commission's proposal.		
57b			4. The Council implementing act shall be published in the Official Journal of the European Union.		
58	Where the Commission decides that the measure of the third country concerned meets the conditions set out in Article 2(1), it shall notify the third country concerned of its decision and request it to cease the economic coercion and, where appropriate, repair the injury suffered by the Union or its Member States.	Where the Commission decides that the measure of the third country concerned meets the conditions set out in Article 2(1), it shall notify the third country concerned of its decision and request it <u>that third country</u> to cease the economic coercion <u>immediately</u> and, where appropriate, repair the injury suffered by the Union or its Member States <u>within a reasonable and specified period of time</u> .	5. Where the Commission decides that the measure of the third country concerned meets the conditions set out in Article 2(1), it Council adopts the implementing act referred to in this Article, the Commission shall notify the third country concerned of its that decision and request it to cease the economic coercion and, where appropriate and so decided by the Council, request it to repair the injury suffered by the Union or its Member States.	SE PRES suggests accepting "immediately"	5. Where the <u>C</u> ouncil adopts the implementing act referred to in this Article, the Commission l shall notify the third country concerned of that decision and request it to cease the economic coercion <u>immediately</u> and, where appropriate and <u>so</u> decided by the Council... <u>request it</u> to repair the injury suffered by the Union or its Member States.
59					

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	Article 5 Engagement with the third country concerned	Article 5 Engagement with the third country concerned	Article 5 Engagement with the third country concerned		Article 5 Engagement with the third country concerned
60	The Commission shall be open to engage on behalf of the Union with the third country concerned, to explore options with a view to obtaining the cessation of the economic coercion. Such options may include:	<u>Following the notice referred to in Article 4,</u> the Commission shall be open to engage on behalf of the Union with the third country concerned <u>and, provided that the country concerned also engages in good faith, in a proactive manner,</u> to explore options with a view to obtaining the cessation of the economic coercion <u>and, where appropriate, reparation of the injury it has caused to the Union or its Member States.</u> Such options <u>shall not unduly delay the procedure and</u> may include:	1. Following the adoption of an implementing act in accordance with Article 4, the Commission shall provide adequate opportunity for consultations The Commission shall be open to engage on behalf of the Union with the third country concerned, to explore options with a view to obtaining the cessation of the economic coercion. If the third country concerned enters into consultations with the Union in good faith the Commission shall expeditiously engage in such consultations. In the course of such consultations the Commission may explore options with the third country concerned	SE PRES suggests accepting <i>without unduly delaying the procedure</i>".	1. Following the adoption of an implementing act in accordance with Article 4, the Commission shall provide adequate opportunity for consultations with the third country concerned with a view to obtaining the cessation of the economic coercion <u>and, where requested, reparation of the injury it has caused to the Union or its Member States.</u> If the third country concerned enters into consultations with the Union in good faith, the Commission shall expeditiously engage in such consultations. In the course of such consultations, the Commission may, <u>without unduly delaying the procedure,</u> explore options with the third country concerned including:

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			including Such options may include:		
61	- direct negotiations;	- direct negotiations;	- direct negotiations;		- direct negotiations;
62	- mediation, conciliation or good offices to assist the Union and the third country concerned in these efforts;	- mediation, conciliation or good offices to assist the Union and the third country concerned in these efforts; <u>deleted</u>	- mediation, conciliation or good offices by a third party to assist the Union and the third country concerned in these efforts;		
63	- submitting the matter to international adjudication.	- submitting, <u>also in parallel to the other options,</u> the matter to international adjudication.	- submitting the matter to international adjudication.		- submitting the matter to international adjudication.
63a		- <u>mediation, conciliation or good offices to assist the Union and the third country concerned in those efforts;</u>			- <u>mediation, conciliation or good offices by a third party to assist the Union and the third country concerned in those efforts;</u>

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
63b					<u>In the event of the Commission or a Member State obtaining compensation from the third country concerned for the injury suffered, the Commission or the Member State shall be guided by the International Law Commission's recommendation that such compensation should be transferred to the injured persons, subject to reasonable criteria.</u>^{FN} <u>Footnote: Draft articles on diplomatic protection, Article 19, 2006.</u>
64	The Commission shall seek to obtain the cessation of the economic coercion by also raising the matter in any relevant international forum.	The Commission shall seek to obtain the cessation of the economic coercion by also raising the matter in any relevant international forum.	2. The Commission shall seek to obtain the cessation of the economic coercion by also by raising the matter in any relevant international forum, after having, in accordance with the Treaty, consulted the Council.		2. The Commission shall seek to obtain the cessation of the economic coercion also by raising the matter in any relevant international forum, after having, in accordance with the Treaty, consulted the Council.
65	The Commission shall keep the European Parliament and the Council informed of relevant	The Commission shall keep the European Parliament and the Council <u>fully</u> informed, <u>in a regular and timely</u>	3. The Commission shall keep the European Parliament and the Council informed of any relevant developments pursuant to		3. The Commission shall keep the European Parliament and the Council informed of any relevant developments pursuant to paragraphs 1 and 2.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	developments.	<u>manner, including in the form of an exchange of views, and shall notify them of any of relevant developments in the engagement with the third country concerned.</u>	paragraphs 1 and 2.		
66	The Commission shall remain open to engage with the third country concerned after the adoption of Union response measures pursuant to Article 7. The Commission may pursue these efforts, as the case may be, in conjunction with a suspension, pursuant to Article 10(2), of any Union response measures.	The Commission shall remain open to engage with the third country concerned after the adoption of Union response measures pursuant to Article 7. The Commission may pursue these efforts, as the case may be, in conjunction with a suspension, pursuant to Article 10(2), of any Union response measures.	4. The Commission shall remain open to engage enter into consultations with the third country concerned after the adoption of Union response measures pursuant to Article 7. The Commission may pursue these efforts and, as the case may be, in conjunction with a suspension, pursuant to Article 10(2), of any Union response measures pursuant to Article 10(2).		4. The Commission shall remain open to enter into consultations with the third country concerned after the adoption of Union response measures pursuant to Article 7 and, as the case may be, in conjunction with a suspension of any Union response measures pursuant to Article 10(2).
67	Article 6 International cooperation	Article 6 International cooperation	Article 6 International cooperation		Article 6 International cooperation

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
68	The Commission shall enter into consultations or cooperation, on behalf of the Union, with any other country affected by the same or similar measures of economic coercion or with any interested third country, with a view to obtaining the cessation of the coercion. This may involve, where appropriate, coordination in relevant international fora and coordination in response to the coercion.	The Commission shall enter into consultations or cooperation, on behalf of the Union, with any other country <u>and partner</u> affected by the same or similar measures of economic coercion or with any interested third country <u>and partner</u>, with a view to obtaining the cessation of the coercion. This may involve, where appropriate, <u>coordination in sharing related information and experiences to facilitate a collective and coherent response to such coercive measures, and</u> coordination in relevant international fora and coordination in response to the coercion. <u>Such consultation or cooperation shall not unduly delay the application of this instrument. The Commission shall inform, including in the form of an exchange of views, the European Parliament and the Council about the consultation or</u>	The Commission shall enter into consultations or cooperation, on behalf of the Union, with any other third country affected by the same or similar measures of economic coercion or with any interested third country, with a view to obtaining the cessation of the coercion, after having, in accordance with the Treaty, consulted the Council. This may involve, where appropriate, coordination in relevant international fora and coordination in response to the coercion. The Commission shall keep the European Parliament and the Council informed of any relevant developments and invite, where appropriate, Member States to participate in such consultation and cooperation.	SE PRES proposes to accept.	The Commission shall enter into consultations or cooperation with any third country affected by the same or similar measures of economic coercion or with any interested third country, with a view to obtaining the cessation of the coercion, after having, in accordance with the Treaty, consulted the Council. This may involve, where appropriate, <u>sharing related information and experiences to facilitate a coherent response to such measures of economic coercion,</u> coordination in relevant international fora and coordination in response to the coercion. The Commission shall keep the European Parliament and the Council informed of any relevant developments and <u>Such consultation or cooperation shall not unduly delay the procedure under this Regulation. The Commission shall</u> invite, where appropriate, Member States to participate in such consultation and cooperation.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
		<u>cooperation.</u>			
69	Article 7 Union response measures	Article 7 Union response measures	Article 7 Union response measures		Article 7 Union response measures
70	1. The Commission shall adopt an implementing act determining that it shall take a Union response measure where:	1. The Commission shall adopt <u>take a Union response measure by means of</u> an implementing act determining that it shall take a Union response measure <u>from among the measures provided for in Annex I</u> where:	1. The Commission shall adopt an implementing act in accordance with the examination procedure referred to in Article 15(2) determining that it shall take a Union response measure under this Regulation , where:	SE PRES proposes to accept.	1. The Commission shall adopt <u>take a Union response measure by means of</u> an implementing act in accordance with the examination procedure referred to in Article 15(2) determining that it shall take a Union response measure under this Regulation , where:
71	(a) action pursuant to the Articles 4 and 5 has not resulted in the cessation of the economic coercion and reparation of the injury it has caused to the Union or a Member State within a reasonable period of time;	(a) action pursuant to the Articles 4 and 5 has not resulted in the cessation of the economic coercion and, <u>where appropriate, in the reparation of the injury it has caused to the Union or its Member States</u> within a reasonable <u>the</u> period of time <u>set in the decision referred to in</u>	(a) action pursuant to the Articles 4 and 5 has not resulted in the cessation of the economic coercion and, where appropriate, the reparation of the injury it has caused to the Union or a Member State within a reasonable period of time;	SE PRES suggests accepting (as a concession).	(a) action pursuant to Articles 4 and 5 has not resulted in the cessation of the economic coercion and, where <u>requested, in-appropriate</u> , the reparation of the injury it has caused to the Union or a Member State within a reasonable period of time; <u>and not exceeding the time period indicated in the implementing act pursuant to Article 4 where such period is indicated.</u>

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
		Article 4 ;			
72	(b) action is necessary to protect the interests and rights of the Union and its Member States in that particular case, and	(b) action is necessary to protect the interests and rights of the Union and its Member States in that particular case, and	(b) action is necessary to protect the interests and rights of the Union and its Member States in that particular case; in light of the options available ; and		(b) action is necessary to protect the interests and rights of the Union and its Member States in that particular case in light of the options available; <u>Where the third country has ceased the economic coercion but has not repaired in full the injury as requested, the consideration of whether action is necessary to protect the interests and rights of the Union and its Member States in that particular case shall be based on the nature and extent of the damage caused and all other circumstances of the particular case. Specifically, the consideration shall be guided by the overall relationship with the third country concerned, other aspects of Union interest, including the desirability for Union persons having suffered damage to have that damage repaired, and the general obligation under customary international law to make full reparation for the injury caused through an internationally wrongful act.</u> -and

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
73	(c) action is in the Union's interest.	(c) action is in the Union's interest <u>in the particular case of economic coercion under examination</u> .	(c) action is in the Union's interest in accordance with Article 7bis .		(c) action is in the Union's interest, <u>as determined</u> in accordance with Article 7bis.
74	In the implementing act, the Commission shall also determine the appropriate Union response from among the measures provided for in Annex I. Such measures may also apply with regard to natural or legal persons designated in accordance with Article 8. The Commission may also adopt measures which it can take pursuant to other legal instruments.	In the implementing act <u>referred to in the first subparagraph</u> , the Commission shall also determine the appropriate Union response from among the measures provided for in Annex I <u>justify that the conditions referred to in points (a), (b) and (c) are met. It shall also determine and justify the appropriate Union response</u> . Such measures may also apply with regard to natural or legal persons designated in accordance with Article 8. The Commission may also adopt measures which it can take pursuant to other legal instruments.	In the implementing act referred to in the first subparagraph , the Commission shall also determine the appropriate Union response from among the measures provided for in Annex I consisting in one or more measures provided for pursuant to Annex I. Such measures may also apply with regard to natural or legal persons designated in accordance with Article 8. The Commission may also adopt measures which it can take pursuant to other legal instruments.		In the implementing act referred to in the first subparagraph, the Commission shall also determine the appropriate Union response consisting in one or more measures pursuant to Annex I <u>measures</u> . <u>The Commission shall pay particular attention to the requirement to explain that the conditions referred to in points (a), (b) and (c) are met and that the Union response measure is appropriate in accordance with Article 9(2)</u> . Such measures may apply with regard to natural or legal persons designated in accordance with Article 8.
75	The implementing act	The implementing act	Insofar as the measures of		Insofar as the measures of the third

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	shall be adopted in accordance with the examination procedure referred to in Article 15(2).	<u>referred to in the first subparagraph</u> shall be adopted in accordance with the examination procedure referred to in Article 15(2). <u>The Commission shall inform, including in the form of an exchange of views, the European Parliament and the Council of the implementing act and publish it in the Official Journal of the European Union and through other suitable public communication means.</u>	the third country concerned constitute an internationally wrongful act, Union response measures The implementing act shall be adopted in accordance with the examination procedure referred to in Article 15(2) under this Regulation may consist of measures implying the non-performance of international obligations towards the third country concerned.		country concerned constitute an internationally wrongful act, Union response measures adopted under this Regulation may consist of measures implying the non-performance of international obligations towards the third country concerned.
75a		<u>The Commission may also adopt measures that are not listed in Annex I pursuant to other legal instruments. Any such adoption shall be coordinated and consistent with action under this Regulation.</u>			<u>The Commission may also adopt, pursuant to other legal instruments, measures that are not listed in Annex I. Any such adoption shall be coordinated and consistent with action under this Regulation.</u>
76	2. The Union response measures	2. The Union response measures shall apply from	2. The Union response measures shall apply from a	SE PRES suggests accepting (as a	2. The Union response measures shall apply from a specified date after the

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	shall apply from a specified date after the adoption of the implementing act referred to in paragraph 1. The Commission shall set this date of application, taking into account the circumstances, to allow for the notification of the third country concerned pursuant to paragraph 3 and for it to cease the economic coercion.	a specified date after the adoption of the implementing act referred to in paragraph 1 <u>and in any case within three months from its adoption.</u> The Commission shall set this date of application, taking into account the circumstances, to allow for the notification of the third country concerned pursuant to paragraph 3 and for it to cease the economic coercion <u>and, where appropriate, to repair the injury caused.</u>	specified date after the adoption of the implementing act referred to in paragraph 1. The Commission shall set specify the date of application of the Union response measures , taking into account the circumstances, to allow for the notification of the third country concerned pursuant to paragraph 3 and for it to cease the economic coercion.	concession).	adoption of the implementing act referred to in paragraph 1. <u>The specified date for application shall not be later than three months from the adoption of the implementing act, unless the implementing act specifies a later date in light of the specific circumstances.</u> The Commission shall specify the date of application of the Union response measures, taking into account the circumstances, to allow for the notification of the third country concerned pursuant to paragraph 3 and for it to cease the economic coercion <u>or, where requested, to repair the injury caused.</u>
77	3. The Commission shall, upon adoption of the implementing act, notify the third country concerned of the Union response measures adopted pursuant to paragraph 1. In the notification, the Commission shall, on behalf of the Union, call on the third country concerned to promptly	3. The Commission shall, upon adoption of the implementing act, notify the third country concerned of the Union response measures adopted pursuant to paragraph 1. In the notification, the Commission shall, on behalf of the Union, call on the third country concerned to promptly <u>immediately</u> cease the economic coercion, offer to negotiate	3. The Commission shall, Upon adoption of the implementing act, notify the third country concerned of the Union response measures adopted pursuant to referred to in paragraph 1. In the notification, the Commission shall, on behalf of the Union, call on notify the third country concerned to promptly cease the economic coercion, offer to negotiate a solution, and inform the third		3. Upon adoption of the implementing act referred to in paragraph 1, the Commission shall notify the third country concerned thereof and:

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	cease the economic coercion, offer to negotiate a solution, and inform the third country concerned that the Union response measure will apply, unless the economic coercion ceases.	a solution <u>including, where appropriate, with regard to the reparation of the injury caused by the third country to the Union or its Members States</u> , and inform the third country concerned that the Union response measure will apply, unless the economic coercion ceases <u>or, where appropriate, that third country repairs the injury caused</u> .	country concerned that the Union response measure will apply, unless the economic coercion ceases thereof and:		
77a			(a) <i>call on the third country concerned to promptly cease the economic coercion;</i>		(a) call on the third country concerned to promptly cease the economic coercion; <u>call on the third country concerned to immediately cease the economic coercion and, where appropriate, to repair the injury caused;</u>
77b			(b) <i>offer the third country concerned to negotiate a solution; and</i>		(b) offer the third country concerned to negotiate a solution; and
77c			(c) <i>inform the third country</i>		(c) inform the third country concerned

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			concerned that the Union response measures will apply, unless the economic coercion ceases.		that the Union response measures will apply, unless the economic coercion ceases <u>inform the third country concerned that the Union response measures will apply, unless the economic coercion ceases and, where appropriate, the third country repairs the injury caused.</u>
78	4. The implementing act referred to in paragraph 1 shall state that the application of the Union response measures shall be deferred for a period specified in that implementing act, where the Commission has credible information that the third country has ceased the economic coercion before the start of application of the adopted Union response measures. In that event, the Commission shall publish a notice in the Official Journal of the	4. The implementing act referred to in paragraph 1 shall state that the application of the Union response measures shall be deferred, <u>but only</u> for a period <u>that is necessary for the Commission to verify the actual cessation of the coercion or threat thereof and that needs to be</u> specified in that implementing act, where the Commission has credible information that the third country has ceased <u>taken concrete steps to cease</u> the economic coercion <u>or the threat thereof or, where appropriate, has repaired the injury caused</u> before the start of application of	4. The implementing act referred to in paragraph 1 shall state that the <u>provide for a deferred</u> application of the Union response measures shall be deferred for a period <u>of time</u> specified in that implementing act, where the Commission has credible information that the third country has ceased the economic coercion before the start <u>date</u> of application of the adopted Union response measures. In that In the event, that the Commission has the information referred to in the first subparagraph, it shall publish a notice in the Official Journal of the European Union	SE PRES suggests accepting the addition of "but only... that is necessary for the Commission to verify the actual cessation of the coercion and which needs to be".	4. The implementing act referred to in paragraph 1 shall provide for a deferred application of the Union response measures, <u>but only</u> for a period <u>that is necessary for the Commission to verify the actual cessation of the coercion and which needs to be</u> specified in that implementing act, where the Commission has credible information that the third country has ceased <u>or has taken concrete steps to cease</u> the economic coercion <u>and, where appropriate, has repaired the injury caused</u> before the date <u>start</u> of application of the adopted Union response measures. In the event that the Commission has the information referred to in the first subparagraph, it shall publish a notice in the <i>Official Journal of the European Union</i> indicating that there is such information and the date from which the deferral shall apply.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	European Union indicating that there is such information and the date from which the deferral shall apply. If the third country ceases the economic coercion before the Union response measures start to apply, the Commission shall terminate the Union response measures in accordance with Article 10.	the adopted Union response measures. In that event, the Commission shall publish a notice in the Official Journal of the European Union indicating that there is such information and the date from which the deferral shall apply. If the third country ceases the economic coercion <u>or, where appropriate, repairs the injury caused</u> before the Union response measures start to apply, the Commission shall terminate the Union response measures in accordance with Article 10.	Journal of the European Union indicating that there is such information and the date from which the deferral shall apply. If the third country ceases the economic coercion before the Union response measures start to apply date of application of the Union response measures , the Commission shall terminate the Union response measures in accordance with Article 10.		If the third country ceases the economic coercion <u>and, where appropriate, repairs the injury caused</u> before the date of application of the Union response measures, the Commission shall terminate the Union response measures in accordance with Article 10.
79	5. Notwithstanding paragraphs 2, 3 and 4, the Union response measures may apply without the Commission, on behalf of the Union, first calling, once more, on the third country concerned to cease the economic coercion or without	5. Notwithstanding paragraphs 2, 3 and 4, The Union response measures may apply without the Commission, on behalf of the Union, first calling, once more <u>again</u> , on the third country concerned to cease the economic coercion or without the Commission first notifying it that Union response	5. Notwithstanding paragraphs 2, 3 and 4, the implementing act referred to in paragraph 1 may provide that Union response measures may shall apply without the Commission, on behalf of the Union, first calling, once more, on the third country concerned to cease the economic coercion or without the Commission		5. Notwithstanding paragraphs 2, 3 and 4, the implementing act referred to in paragraph paragraph 1 may provide that Union response measures shall apply without the Commission first calling, once more <u>again</u> , on the third country concerned to cease the economic coercion or, <u>where appropriate, repair the injury caused, or</u> without the Commission first notifying the third country concerned that Union response measure will apply <u>pursuant to paragraph 3</u> , where in duly

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	the Commission first notifying it that Union response measure will apply, where this is necessary for the preservation of the rights and interests of the Union or Member States, notably of the effectiveness of Union response measures.	measure will apply <u>pursuant to paragraph 3</u> , where this is necessary for the preservation of the rights and interests of the Union or Member States, notably of the effectiveness of Union response measures.	first notifying it the third country concerned that Union response measure will apply, where in duly justified cases , this is necessary for the preservation of the rights and interests of the Union or a Member State States , notably of the effectiveness of Union response measures.		justified cases, this is necessary for the preservation of the rights and interests of the Union or a Member State, notably of the effectiveness of Union response measures.
79a			5bis. Notwithstanding paragraphs 2 and 4, where economic coercion consists in a threat to apply measures affecting trade or investment in accordance with Article 2(1), the date of application of the Union response measures shall be the date when the third country starts applying such measures. The Commission shall specify such date of application in the implementing act referred to in paragraph 1. If the third country delays to a specific date the application of its measures, the Commission shall publish a notice in the		5bis. Notwithstanding paragraphs 2 and 4, where economic coercion consists in a threat to apply measures affecting trade or investment in accordance with Article 2(1), the date of application of the Union response measures shall be the date when the third country starts applying such measures. The Commission shall specify such date of application in the implementing act referred to in paragraph 1. If the third country delays to a specific date the application of its measures, the Commission shall publish a notice in the Official Journal of the European Union indicating that the Union response measures shall apply on that date.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			Official Journal of the European Union indicating that the Union response measures shall apply on that date.		
80	6. On duly justified imperative grounds of urgency to avoid irreparable damage to the Union or its Member States by the measures of economic coercion the Commission shall adopt immediately applicable implementing acts imposing Union response measures, in accordance with the procedure referred to in Article 15(3). The requirements set out in paragraphs 2 to 5 shall apply. Those acts shall remain in force for a period not exceeding three months.	6. On duly justified imperative grounds of urgency to avoid irreparable damage to the Union or its Member States by the measures of economic coercion the Commission shall adopt <u>take a Union response measure by means of an implementing act referred to in Article 7(1) as</u> immediately applicable implementing acts imposing Union response measures, in accordance with the procedure referred to in Article 15(3).-The requirements set out in paragraphs 2 to 5 <u>1 to 4</u> shall apply <u>and the conditions listed in paragraph 5 are considered to be met.</u> Those acts shall remain in force for a period not	6. On duly justified imperative grounds of urgency to avoid irreparable damage to the Union or its Member States by the measures of economic coercion the Commission shall adopt immediately applicable implementing acts imposing Union response measures, in accordance with the procedure referred to in Article 15(3). The requirements set out in paragraphs 2 to 5 shall apply. Those acts shall remain in force for a period not exceeding three months.		

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
		exceeding three months <u>after which the measures may be adopted by means of an implementing act referred to in Article 7(1) may be adopted as appropriate. The Commission shall inform, including in the form of an exchange of views, the European Parliament and the Council about the implementing acts and publish them in the Official Journal of the European Union and through other suitable public communication means.</u>			
81	7. The Commission is empowered to adopt delegated acts in accordance with Article 14 to amend the list provided for in Annex I in order to provide additional types of measures to respond to a third country's measure. The Commission may adopt such delegated	7. The Commission is empowered to adopt delegated acts in accordance with Article 14 to amend the list provided for in Annex I in order to provide additional types of measures to respond to a third country's measure, <u>after having informed the European Parliament and the Council of the delegated acts.</u> The	<i>deleted</i>		

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	acts where the types of response measures would:	Commission may adopt such delegated acts where the types of response measures would:			
82	(a) be as effective or more effective than the response measures already provided for in terms of inducing the cessation of measures of economic coercion;	(a) be as effective or more effective than the response measures already provided for in terms of inducing the cessation of measures of economic coercion;	<i>deleted</i>		
83	(b) provide as effective or more effective relief to economic operators within the Union affected by the measures of economic coercion;	(b) provide as effective or more effective relief to economic operators within the Union affected by the measures of economic coercion;	<i>deleted</i>		
84	(c) avoid or minimise the negative impact on affected actors; or	(c) avoid or minimise the negative impact on affected actors; or	<i>deleted</i>		

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
85	(d) avoid or minimise administrative complexity and costs.	(d) avoid or minimise administrative complexity and costs.	<i>deleted</i>		
85a			Article 7bis Union's interest	SE proposes to agree	Article 7bis 7a <u>Article 7bis</u> <u>Determination of the</u> Union's interest
85b			A determination as to whether it is in the Union's interest to act under this Regulation shall be based on an appreciation of all the various interests taken as a whole, including the interests of Member States, Union economic operators, including upstream and downstream industries, and final consumers. The general objective of deterring or having the third country desist from measures of economic coercion, whilst enabling the Union as a last resort to counteract such actions, shall be given special	SE PRES proposes to agree.	A determination as to whether it is in the Union's interest to act under this Regulation shall be based on an appreciation of all the various interests taken as a whole, including the interests of Member States, Union economic operators, including upstream and downstream industries, and final consumers. The general objective of deterring or having the third country desist from measures of economic coercion, whilst enabling the Union as a last resort to counteract such actions, shall be given special consideration <u>in the determination</u> . The determination shall be made on the basis of all the information available. Union response measures under this Regulation shall be taken where the Commission concludes that it is in the Union's interest to take such measures.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			consideration. The determination shall be made on the basis of all the information available. Union response measures under this Regulation shall be taken where the Commission concludes that it is in the Union's interest to take such measures.		
86	Article 8 Union response measures with regard to natural or legal persons	Article 8 Union response measures with regard to natural or legal persons	Article 8 Union response measures with regard to natural or legal persons		Article 8 Union response measures with regard to natural or legal persons
87	1. The Commission may provide, in the implementing act referred to in Article 7(1), or in a separate implementing act, that:	1. The Commission may provide, in the implementing act referred to in Article 7(1), or in a separate implementing act, that:	1. The Commission may provide, in the implementing act referred to in Natural or legal persons which engage, or may engage in activities covered by Article 7(1), or in a separate implementing act, that: 207 TFEU and are connected or linked to the government of the third country concerned may be subject to Union response measures pursuant to		1. Natural or legal persons which engage, or may engage in activities covered by Article 207 TFEU and are connected or linked to the government of the third country concerned may be subject to Union response measures pursuant to Annex I.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			Annex I.		
88	(a) legal or natural persons designated in accordance with paragraph 2 point (a) shall be subject to Union response measures; or	(a) legal or natural persons designated in accordance with paragraph 2 point (a) shall be subject to Union response measures; or	<i>deleted</i>		<u>(a)</u>
89	(b) without prejudice to the responsibility of the third country under international law, Union natural or legal persons affected by the third country's measures of economic coercion shall be entitled to recover, from persons designated pursuant to paragraph 2, point (b), any damage caused to them by the measures of economic coercion up to the extent of the designated persons' contribution to such measures of economic	(b) without prejudice to the responsibility of the third country under international law, Union natural or legal persons affected by the third country's measures of economic coercion shall be entitled to recover, from persons designated pursuant to paragraph 2, point (b), any damage caused to them by the measures of economic coercion up to the extent of the designated persons' contribution to such measures of economic coercion.	<i>deleted</i>		

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	coercion.				
90	Those measures shall apply as of the same date of application as the Union response measures adopted pursuant to Article 7, or as of a later date specified in the implementing act pursuant to this paragraph.	Those measures shall apply as of the same date of application as the Union response measures adopted pursuant to Article 7, or as of a later date specified in the implementing act pursuant to this paragraph.	<i>deleted</i>		
91	Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 15(2).	Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 15(2).	<i>deleted</i>		
92	2. The Commission may designate a natural or legal person where it finds:	2. The Commission may designate a natural or legal person where it finds:	<i>deleted</i>		2.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
93	(a) that such person is connected or linked to the government of the third country concerned; or,	(a) that such person is connected or linked to the government of the third country concerned; or,	<i>deleted</i>		
94	(b) that such person is connected or linked to the government of the third country concerned and has additionally caused or been involved in or connected with the economic coercion.	(b) that such person is connected or linked to the government of the third country concerned and has additionally caused or been involved in or connected with the economic coercion.	<i>deleted</i>		
94a			3. Paragraph 1 shall only apply to natural or legal persons designated in accordance with this Article.		3. Paragraph <u>11</u> shall only apply to natural or legal persons designated in accordance with this Article.
94b			4. For the purposes of this Article, the Commission shall adopt implementing acts in accordance with the		4. For the purposes of this Article, the Commission shall adopt implementing acts in accordance with the examination procedure referred to in Article 15(2).

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			examination procedure referred to in Article 15(2). Such implementing acts shall designate persons falling under paragraph 1, and specify the Union response measures applicable to such persons.		Such implementing acts shall designate persons falling under paragraph 1, and specify the Union response measures applicable to such persons.
94c			5. The implementing act referred to in paragraph 4 of this Article may be adopted simultaneously with the implementing act referred to in Article 7(1), or subsequently.		5. The implementing act referred to in paragraph 4 of this Article may be adopted simultaneously with the implementing act referred to in Article 7(1), or subsequently.
94d			6. <i>A natural or legal person may be considered as connected or linked to the government of the third country concerned pursuant to paragraph 1 where:</i>		6. <i>A natural or legal person may be considered as connected or linked to the government of the third country concerned pursuant to paragraph 1</i> <u><i>where: A natural or legal person may be considered as connected or linked to the government of the third country concerned pursuant to paragraph 1</i></u> <u><i>where:</i></u>

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
94e			(a) <i>that government beneficially owns more than 50 % of the equity interest in such legal person, exercises directly or indirectly more than 50 % of the voting rights in it, or has the power to appoint a majority of its directors or otherwise to legally direct its actions;</i>		(a) that government beneficially owns more than 50 % of the equity interest in such legal person, exercises directly or indirectly more than 50 % of the voting rights in it, or has the power to appoint a majority of its directors or otherwise to legally direct its actions; <u>that government beneficially owns more than 50 % of the equity interest in such legal person, exercises directly or indirectly more than 50 % of the voting rights in it, or has the power to appoint a majority of its directors or otherwise to legally direct its actions;</u>
94f			(b) <i>such person benefits from exclusive or special rights or privileges granted in law or in fact by the government of the third country concerned, if it operates in a sector where that government limits to one or more the number of suppliers or buyers, or if it is allowed directly or indirectly by that government to exercise practices which prevent, restrict or distort competition; or</i>		(b) such person benefits from exclusive or special rights or privileges granted in law or in fact by the government of the third country concerned, if it operates in a sector where that government limits to one or more the number of suppliers or buyers, or if it is allowed directly or indirectly by that government to exercise practices which prevent, restrict or distort competition; or <u>such person benefits from exclusive or special rights or privileges granted in law or in fact by the government of the third country concerned, if it operates in a sector where that government limits to one or more the number of suppliers or buyers,</u>

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
					<u>or if it is allowed directly or indirectly by that government to exercise practices</u>
94g			(c) <i>such person effectively acts on behalf of, or at the direction or instigation of the government of the third country concerned.</i>		(c) such person effectively acts on behalf of, or at the direction or instigation of the government of the third country concerned. <u>such person effectively acts on behalf of, or at the direction or instigation of the government of the third country concerned.</u>
95	3. In making this designation the Commission shall examine all relevant criteria and available information, including whether the persons concerned are known to effectively act on behalf of, or are beneficially owned or otherwise effectively controlled by the government of the third country.	3. In making this designation the Commission shall examine all relevant criteria and available information, including whether the persons concerned are known to effectively act on behalf of, or are beneficially owned or otherwise effectively controlled by the government of the third country.	<i>deleted</i>		
96					

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	4. Where the Commission has grounds to consider that persons should be designated pursuant to paragraph 2, point (a) or point (b) it shall publish a provisional list of persons and, where relevant, the possible measures pursuant to Annex I that they would be subject to. Before deciding on designation, it shall give any persons provisionally designated and other interested parties the opportunity to submit comments on the possible designation, in particular whether they fall under the conditions of paragraph 2, point (a) or point (b). The Commission may also seek additional information it considers pertinent concerning the potential designation.	4. Where the Commission has grounds to consider that persons should be designated pursuant to paragraph 2, point (a) or point (b) it shall publish a provisional list of persons and, where relevant, the possible measures pursuant to Annex I that they would be subject to. Before deciding on designation, it shall give any persons provisionally designated and other interested parties the opportunity to submit comments on the possible designation, in particular whether they fall under the conditions of paragraph 2, point (a) or point (b). The Commission may also seek additional information it considers pertinent concerning the potential designation.	48. Where the Commission has grounds to consider that persons believe that a person should be designated pursuant to on the basis of paragraph 2, point (a) or point (b) it shall publish a provisional list of persons1, it shall inform such person of its intention, including the grounds for designation, and, where relevant, the possible measures pursuant to Annex I that that person that they would be subject to. Before deciding on designation, it shall give any persons provisionally designated and other interested parties the opportunity to submit comments on the possible designation, in particular whether they fall under the conditions of paragraph 2, point (a) or point (b). The Commission may also seek additional information it considers pertinent concerning the potential designationThe Commission shall publish a notice in the Official Journal of the European Union to this effect and, whenever possible, notify directly the		8. Where the Commission has grounds to believe that a person should be designated on the basis of paragraph 1, it shall inform such person of its intention, including the grounds for designation, and, where relevant, the possible measures pursuant to Annex I that that person would be subject to. The Commission shall publish a notice in the Official Journal of the European Union to this effect and, whenever possible, notify directly the person concerned.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			person concerned.		
96a			Before deciding on the designation, the Commission shall give:		Before deciding on the designation, the Commission shall give: L
96b			(a) <i>any persons referred to in the first subparagraph the opportunity to submit observations on the possible designation, in particular on whether they fall under the conditions established in paragraph 1; within a reasonable period of time; and</i>		(a) <i>any persons referred to in the first subparagraph the opportunity to submit observations on the possible designation, in particular on whether they fall under the conditions established in paragraph 11; within a reasonable period of time; and</i>
96c			(b) other interested parties the opportunity to submit observations on the possible designation.		(b) other interested parties the opportunity to submit observations on the possible designation.
96d			The Commission may also seek information it	SE PRES agrees (Council mandate)	The Commission may also seek information it considers relevant

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			considers relevant concerning the potential designation under this Article, including by requesting such information from Member States.		concerning the potential designation under this Article, including by requesting such information from Member States.
96e			9. Without prejudice to Article 10, the Commission shall review designations under this Article when new substantial evidence is submitted to the Commission and inform the designated natural or legal persons concerned accordingly.		9. Without prejudice to Article 10, the Commission shall review designations under this Article when new substantial evidence is submitted to the Commission and inform the designated natural or legal persons concerned accordingly.
97	Article 9 Criteria for selecting and designing Union response measures	Article 9 Criteria for selecting and designing Union response measures	Article 9 Criteria for selecting and designing Union response measures		Article 9 Criteria for selecting and designing Union response measures
98	1. Any Union response measure shall not exceed the	1. Any Union response measure shall not exceed <u>be commensurate to</u> the level	1. Any Union response measure shall not exceed the level that is commensurate		1. Any Union response measure shall not exceed <u>the level</u> that is commensurate <u>with of</u> the injury suffered by the Union or

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	level that is commensurate with the injury suffered by the Union or a Member State due to the third country's measures of economic coercion, taking into account the gravity of the third country's measures and the rights in question.	that is commensurate with to the injury suffered by the Union or a Member State due to the third country's measures of economic coercion, taking into account the gravity of the third country's measures and the <u>economic impact that those measures are having on the Union or a Member State and shall be effective in preserving the Union and its Member States' rights in questionmaking legitimate sovereign choices with regard to particular acts, policies or stances.</u>	with the injury suffered by the Union or a Member State due to the third country's measures of economic coercion, taking into account the gravity of the third country's measures of economic coercion and the rights in question of the Union or a Member State.		a Member State due to the third country's measures of economic coercion, taking into account the gravity of the third country's measures of economic coercion and the rights of <u>economic impact that those measures of economic coercion are having on</u> the Union or a Member State <u>State and the rights of the Union and its Member States</u> .
99	2. The Commission shall select and design an appropriate response measure taking into account the determination made pursuant to Article 4, the criteria set out in Article 2(2) and the Union's interest, on the basis of available	2. The Commission shall select and design an appropriate response measure taking into account the determination made pursuant to Article 4, the criteria set out in Article 2(2) and the <u>Union's interest</u> ² , on the basis of available information, including as collected pursuant to	2. The Commission shall select and design an appropriate response measure taking into account the determination made pursuant to Article 4, the criteria set out in Article 2(2) and the Union's interest pursuant to Article 7bis , on the basis of available information, including as collected pursuant to Article 11, and		2. The Commission shall select and design an appropriate response measure taking into account the determination made pursuant to Article 4, the criteria set out in Article 2(2) and the Union's interest <u>determination</u> pursuant to Article 7bis, on the basis of available information, including as collected pursuant to Article 11, and the following criteria:

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	information, including as collected pursuant to Article 11, and the following criteria:	Article 11, and the following criteria:	the following criteria:		
100	(a) the effectiveness of the measures in inducing the cessation of the economic coercion;	(a) the effectiveness of the measures in inducing the cessation of the economic coercion <u>and, where appropriate, reparation of the injury caused to the Union and its Member States</u> ;	(a) the effectiveness of the Union response measures in inducing the cessation of the economic coercion;		(a) the effectiveness of the Union response measures in inducing the cessation of the economic coercion <u>and, where, reparation of the injury caused to the Union and its Member States</u> ;
100a			(abis) the avoidance or minimisation of negative impacts		(abis) the avoidance or minimisation of negative impacts
100b			- on Union actors affected by Union response measures, including the availability of alternatives for such affected actors, for example alternative sources of supply for goods or services,		- on Union actors affected by Union response measures, including the availability of alternatives for such affected actors, for example alternative sources of supply for goods or services,

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
100c			- on the investment environment in the Union or a Member State, including the impact on employment and regional development policy;		- on the investment environment in the Union or a Member State, including the impact on employment and regional development policy;
101	(b) the potential of the measures to provide relief to economic operators within the Union affected by the economic coercion;	(b) the potential of the measures to provide relief to economic operators within the Union affected by the economic coercion;	(b) the potential of the Union response measures to provide relief to Union economic operators within the Union affected by the economic coercion;		(b) the potential of the Union response measures to provide relief to Union economic operators within the Union affected by the economic coercion;
102	(c) the avoidance or minimisation of negative impacts on affected actors by Union response measures, including the availability of alternatives for affected actors, for example alternative sources of supply for goods or services;	(c) the avoidance or minimisation of negative impacts on affected actors by Union response measures, including the availability of alternatives for affected actors, for example alternative sources of supply for goods or services;	(c) the avoidance or minimisation of negative impacts on affected actors by Union response measures, including the availability of alternatives for affected actors, for example alternative sources of supply for goods or services;		

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
103	(d) the avoidance or minimisation of negative effects on other Union policies or objectives;	(d) the avoidance or minimisation of negative effects on other Union policies or objectives;	(d) the avoidance or minimisation of negative effects on other Union policies or objectives by Union response measures;		(d) the avoidance or minimisation of negative effects on other Union policies or objectives by Union response measures;
103a			(dbis) any relevant action in the Union's common foreign and security policy;	SE pres agrees (Council mandate)	(dbis) any relevant action in the Union's common foreign and security policy;
104	(e) the avoidance of disproportionate administrative complexity and costs in the application of the Union response measures;	(e) the avoidance of disproportionate administrative complexity and costs in the application of the Union response measures;	(e) the avoidance of disproportionate administrative complexity and costs in the application of the Union response measures;		(e) the avoidance of disproportionate administrative complexity and costs in the application of the Union response measures;
105	(f) the existence and nature of any response measures enacted by other countries affected by the same or similar measures of economic coercion,	(f) the existence and nature of any response measures enacted by other countries affected by the same or similar measures of economic coercion, including where relevant	(f) the existence and nature of any response measures enacted by other third countries affected by the same or similar measures of economic coercion, including where relevant any		(f) the existence and nature of any response measures enacted by third countries affected by the same or similar measures of economic coercion, including where relevant any coordination pursuant to Article 6;

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	including where relevant any coordination pursuant to Article 6;	any coordination pursuant to Article 6;	coordination pursuant to Article 6;		
106	(g) any other relevant criteria established in international law.	(g) any other relevant criteria established in international law.	(g) any other relevant criteria established in international law.		(g) any other relevant criteria established in international law.
106a			In selecting Union response measures, the Commission shall give predominant weight to measures which most effectively ensure compliance with criteria (a) and (abis).		In selecting Union response measures, the Commission shall give predominant weight to measures which most effectively ensure compliance with criteria (a) and (abis).
106b			2bis. Without prejudice to paragraph 2, when selecting and designing an appropriate response measure that affects a procedure whereby a public authority in the Union grants authorisations, registrations, licenses or		<u>2bis.</u> Without prejudice to paragraph 2, when selecting and designing an appropriate response measure that affects a procedure whereby a public authority in the Union grants authorisations, registrations, licenses or other rights to a natural or legal person for the purposes of their commercial activities, the Commission shall always consider

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			other rights to a natural or legal person for the purposes of their commercial activities, the Commission shall always consider measures according to the following hierarchy of steps:		measures according to the following hierarchy of steps: L
106c			(a) measures affecting procedures duly initiated after the entry into force of the implementing act referred to in Article 7(1) or 8(1), respectively, or where no such measures are available		L (a) measures affecting procedures duly initiated after the entry into force of the implementing act referred to in Article 7(1) or 8(1), respectively, or where no such measures are available L
106d			(b) measures affecting procedures not yet completed upon the entry into force of the implementing act referred to in Article 7(1) or 8(1), respectively.		L (b) measures affecting procedures not yet completed upon the entry into force of the implementing act referred to in Article 7(1) or 8(1), respectively. L
106e			Where none of the		L Where none of the measures referred to

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			measures referred to in points (a) and (b) of the first subparagraph are available, the Commission may, in exceptional circumstances consider other response measures, where it has been demonstrated, in light of the information-gathering exercise conducted pursuant to Article 11, that those other measures would not disproportionately affect the upstream industries, downstream industries or final consumers within the Union or impose a disproportionate burden on the process of administration of relevant national regulations, whilst ensuring effectiveness.		in points (a) and (b) of the first subparagraph are available, the Commission may, in exceptional circumstances consider other response measures, where it has been demonstrated, in light of the information-gathering exercise conducted pursuant to Article 11, that those other measures would not disproportionately affect the upstream industries, downstream industries or final consumers within the Union or impose a disproportionate burden on the process of administration of relevant national regulations, whilst ensuring effectiveness. /
106f			In conjunction with the first subparagraph, when selecting and designing a response measure, the Commission shall always take into account the level of harmonisation while preferring measures		/ In conjunction with the first subparagraph, when selecting and designing a response measure, the Commission shall always take into account the level of harmonisation while preferring measures affecting procedures applied on a Union-wide basis or measures affecting procedures applied in

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			affecting procedures applied on a Union-wide basis or measures affecting procedures applied in an area where extensive Union legislation exists.		an area where extensive Union legislation exists. L
107	3. The Commission may decide to apply Union response measures under Articles 7 or 8 consisting of restrictions on foreign direct investment or on trade in services also with regard to services supplied, or direct investments made, within the Union by one or more legal persons established in the Union and owned or controlled by persons of the third country concerned where necessary to achieve the objectives of this Regulation. The Commission may decide on such application where	3. The Commission may decide to apply Union response measures under Articles 7 or 8 consisting of restrictions on foreign direct investment or on trade in services also with regard to services supplied, or direct investments made, within the Union by one or more legal persons established in the Union and owned or controlled by persons of the third country concerned where necessary to achieve the objectives of this Regulation. The Commission may decide on such application where Union response measures not covering such situations would be insufficient to effectively achieve the objectives of this Regulation, in particular where the effect	3. Where necessary to achieve the objectives of this Regulation , the Commission may decide to apply Union response measures under Articles 7 or 8 consisting of restrictions on foreign direct investment or on trade in services also with regard to services supplied, or direct investments made, within the Union by one or more legal persons established in the Union and owned or controlled by persons of the third country concerned where necessary to achieve the objectives of this Regulation . The Commission may decide on such the application whereof such Union response measures where not covering such situations would be insufficient to effectively achieve the objectives of this	SE PRES proposes to agree	3. Where necessary to achieve the objectives of this Regulation, the Commission may decide to apply Union response measures under Articles 7 or 8 consisting of restrictions on foreign direct investment or on trade in services also with regard to services supplied, or direct investments made, within the Union by one or more legal persons established in the Union and owned or controlled by persons of the third country concerned. The Commission may decide on the application of such Union response measures where not covering such situations would be insufficient to effectively achieve the objectives of this Regulation, in particular where the effect of such measures could be avoided or circumvented by the third country or the person concerned. In assessing whether to adopt the decision referred to in the first subparagraph, the Commission shall consider, in addition to the criteria under paragraphs 1 and 2, amongst other things:

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	Union response measures not covering such situations would be insufficient to effectively achieve the objectives of this Regulation, in particular where such measures could be avoided. In assessing whether to adopt such a decision the Commission shall consider, in addition to the criteria in paragraphs 1 and 2, amongst other things:	<u>of</u> such measures could be avoided <u>or circumvented</u> . In assessing whether to adopt such a decision the Commission shall consider, in addition to the criteria in paragraphs 1 and 2, amongst other things:	Regulation, in particular where such measures could be avoided– by the third country or the person concerned . In assessing whether to adopt such a decision the decision referred to in the first subparagraph , the Commission shall consider, in addition to the criteria in under paragraphs 1 and 2, amongst other things:		
108	(a) the patterns of trade in services and investment in the sector targeted by the envisaged Union response measures and the risk of avoidance of any Union response measures not applying to services supplied, or direct investments made, within the Union;	(a) the patterns of trade in services and investment in the sector targeted by the envisaged Union response measures and the risk of avoidance of any Union response measures not applying to services supplied, or direct investments made, within the Union;	(a) the patterns of trade in services and investment in the sector targeted by the envisaged Union response measures and the risk of avoidance by the third country or the person concerned of any Union response measures not applying to services supplied, or direct investments made, within the Union;	SE PRES agrees (Council mandate)	(a) the patterns of trade in services and investment in the sector targeted by the envisaged Union response measures and the risk of avoidance by the third country or the person concerned of any Union response measures not applying to services supplied, or direct investments made, within the Union;

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
109	(b) the effective contribution of such intra-Union restrictions to the objective of obtaining the cessation of the measure of economic coercion;	(b) the <u>possible</u> effective contribution of such intra-Union restrictions to the objective of obtaining the cessation of the measure of economic coercion;	(b) the effective contribution of such intra-Union restrictions referred to in the first subparagraph to the objective of obtaining the cessation to the objective of obtaining the cessation of the measure of economic coercion;	SE PRES proposes to agree.	(b) the <u>possible</u> effective contribution of such intra-Union restrictions referred to in the first subparagraph to the objective of obtaining the cessation of economic coercion;
110	(c) the existence of alternative measures capable of achieving the objective of obtaining the cessation of the measure of economic coercion that are reasonably available and less restrictive of trade in services or investment within the Union.	(c) the existence of alternative measures capable of achieving the objective of obtaining the cessation of the measure of economic coercion that are reasonably available and less restrictive of trade in services or investment within the Union.	(c) the existence of alternative measures capable of achieving the objective of obtaining the cessation of the measure of economic coercion that are reasonably available and less restrictive of trade in services or investment within the Union.		(c) the existence of alternative measures capable of achieving the objective of obtaining the cessation of the measure of economic coercion that are reasonably available and less restrictive of trade in services or investment within the Union.
111	Any decision to apply restrictions with regard to services supplied, or direct	Any decision to apply restrictions with regard to services supplied, or direct investments made, within	Any decision to apply restrictions with regard to services supplied, or direct investments made, within the	SE PRES agrees (Council mandate).	Any decision to apply restrictions with regard to services supplied, or direct investments made, within the Union by one or more legal persons established in

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	investments made, within the Union by one or more legal persons established in the Union shall be duly justified in the implementing act referred to in paragraph 1 of Article 7 in light of the above criteria.	the Union by one or more legal persons established in the Union shall be duly justified in the implementing act referred to in paragraph 1 of Article 7 in light of the above criteria.	Union by one or more legal persons established in the Union shall be duly justified in the implementing act referred to in paragraph 1 of Article 7(1) and in Article 78(1) in light of the above criteria criteria referred to in the third paragraph of this Article.		the Union shall be duly justified in the implementing act referred to in Article 7(1) and in Article 8(1) in light of the criteria referred to in the third paragraph of this Article.
111a		<u><i>The Commission shall inform the European Parliament and the Council about the criteria for selecting and designing the Union response measures.</i></u>			
112	Article 10 Amendment, suspension and termination of Union response measures	Article 10 Amendment, suspension and termination of Union response measures	Article 10 Amendment, suspension and termination of Union response measures		Article 10 Amendment, suspension and termination of Union response measures
113	1. The Commission	1. The Commission shall	1. The Commission shall		1. The Commission shall keep under

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	shall keep under review the measures of economic coercion deployed by a third country that have triggered the Union response measures, the effectiveness of the Union response measures adopted and their effects on the Union's interests and shall keep the European Parliament and the Council informed thereof.	keep under review the measures of economic coercion deployed by a third country that have triggered the Union response measures, the effectiveness of the Union response measures adopted and their effects on the Union's interests and shall keep the European Parliament and the Council <u>regularly</u> informed thereof.	keep under review the measures of economic coercion deployed by a third country that have triggered the Union response measures, the effectiveness of the Union response measures adopted and their effects on the Union's interests and shall keep the European Parliament and the Council informed thereof.		review the measures of economic coercion deployed by a third country that have triggered the Union response measures, the effectiveness of the Union response measures adopted and their effects on the Union's interests and shall keep the European Parliament and the Council <u>regularly</u> informed thereof.
114	2. Where the third country concerned suspends the economic coercion, or where it is necessary in the Union's interest, the Commission may suspend the application of the respective Union response measure for the duration of the third country's suspension, or as long as necessary in light	2. Where the third country concerned <u>entirely</u> suspends the economic coercion, or where it is necessary in the Union's interest, the Commission may <u>shall</u> suspend the application of the respective Union response measure for the duration of the third country's suspension; or, <u>where it is as long as</u> necessary in light of the Union's interest, <u>the Commission may suspend the</u>	2. Where the third country concerned suspends the measures of economic coercion, or where it is necessary in the Union's interest referred to in Article 7bis , the Commission may <u>shall</u> suspend the application of the respective Union response measure for the duration of the suspension of the measures of economic coercion by the third country's suspension , or as long as necessary in light of the Union's interest. The		2. Where the third country concerned suspends the measures of economic coercion, or where it is necessary in the Union's interest referred to in Article 7bis, the Commission shall suspend the application of the respective Union response measure for the duration of the suspension of the measures of economic coercion by the third country; or <u>concerned or for</u> as long as necessary in light of the Union's interest <u>determination pursuant to Article 7bis.</u> Where the third country concerned has offered, and the Union or the Member

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	of the Union's interest. The Commission shall suspend the Union response measures if the third country concerned has offered, and the Union has concluded, an agreement to submit the matter to binding international third-party adjudication and the third country is also suspending its measures of economic coercion. The Commission shall, by means of an implementing act, decide to suspend the Union response measure. These implementing acts shall be adopted in accordance with the examination procedure referred to in Article 15(2).	<u>application of Unions response measures for as long as necessary.</u> The Commission shall suspend the Union response measures if the third country concerned has offered, and the Union has concluded, an agreement to submit the matter to binding international third-party adjudication <u>as referred to in Article 5 and if -and- the third country is also suspending</u> <u>has also discontinued</u> its measures of economic coercion <u>and commits to support and abide by the third-party adjudication.</u> The Commission shall, by means of an implementing act, decide to suspend the Union response measure. These implementing acts shall be adopted in accordance with the examination procedure referred to in Article 15(2).	Commission shall suspend the Union response measures if Where the third country concerned has offered, and the Union or the Member State concerned has concluded, an agreement to submit the matter to binding international third-party adjudication and the third country is also suspending also suspends its measures of economic coercion, the Commission shall, by means of an implementing act, decide to suspend the Union response measure. These implementing acts shall be suspend the Union response measures for the duration of the proceedings. The Commission shall, by means of an implementing act adopted in accordance with the examination procedure referred to in Article 15(2), decide to suspend the Union response measure under this paragraph.	PUBLIC	State concerned has concluded, an agreement to submit the matter to binding international third-party adjudication and the third country also suspends its measures of economic coercion, the Commission shall suspend the Union response measures for the duration of the proceedings. The Commission shall, by means of an implementing act, adopted in accordance with the examination procedure referred to in Article 15(2), decide to suspend the Union response measure under this paragraph.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
115	3. Where it is necessary to make adjustments to Union response measures taking into account the conditions and criteria laid down in Articles 2 and 9(2), or further developments, including the third country's reaction, the Commission may, as appropriate, amend Union response measures adopted in accordance with Article 7, by means of an implementing act, in accordance with the examination procedure referred to in Article 15(2).	3. Where it is necessary to make adjustments to Union response measures taking into account the conditions and criteria laid down in Articles 2 and 9(2), or further developments, including the third country's reaction, the Commission may <u>shall</u> , as appropriate, <u>swiftly</u> amend Union response measures adopted in accordance with Article 7, by means of an implementing act, in accordance with the examination procedure referred to in Article 15(2).	3. Where it is necessary to make adjustments to Union response measures taking into account the conditions and criteria laid down in Articles Article 2 and paragraphs 2 and 9(2)3 of Article 9 , or further developments, including the third country's reaction, the Commission may, as appropriate, amend Union response measures adopted in accordance with Article 7 Articles 7 and 8 , by means of an implementing act, in accordance with the examination procedure referred to in Article 15(2).		3. Where it is necessary to make adjustments to Union response measures taking into account the conditions and criteria laid down in Article 2 and paragraphs <u>Articles</u> 2 and 3 of Article <u>9</u> , or further developments, including the third country's reaction, the Commission may <u>shall</u> , as appropriate, amend Union response measures adopted in accordance with Articles <u>Article</u> 7 and 8, by means of an implementing act, in accordance with the examination procedure referred to in Article 15(2).
116	4. The Commission shall terminate Union response measures under any of the following circumstances:	4. The Commission shall terminate Union response measures under any of the following circumstances:	4. The Commission shall terminate Union response measures under any of the following circumstances:		4. The Commission shall terminate Union response measures under any of the following circumstances:

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
117	(a) where the economic coercion has ceased;	(a) where the economic coercion has ceased <u>and the injury caused has been repaired;</u>	(a) where the economic coercion has ceased;		(a) where the economic coercion has ceased <u>and the injury caused has been repaired, where requested;</u>
117a					<u>(abis) where the third country has ceased the economic coercion but has not repaired in full the injury as requested, but it is nevertheless appropriate to terminate the Union response measures. The consideration of whether it is appropriate to terminate the Union response measures shall be based on the nature and extent of the damage caused and all other circumstances of the particular case. Specifically, the decision shall be guided by the overall relationship with the third country concerned, other aspects of Union interest, including the desirability for Union persons having suffered damage to have that damage repaired, and the general obligation under customary international law to make full reparation for the injury caused through an internationally wrongful act;</u>
118	(b) where a mutually	(b) where a mutually	(b) where a mutually agreed		(b) where a mutually agreed solution has

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	agreed solution has otherwise been reached;	agreed solution has otherwise been reached;	solution has otherwise been reached;		otherwise been reached; No changes to 4th column text.
119	(c) where a binding decision in international third-party adjudication in a dispute between the third country concerned and the Union or a Member State requires the withdrawal of the Union response measure;	(c) where a binding decision in international third-party adjudication in a dispute between the third country concerned and the Union or a Member State requires the withdrawal of the Union response measure <u>provided that the third country has taken concrete steps to implement the decision; or</u>	(c) where a binding decision in international third-party adjudication in a dispute between the third country concerned and the Union or a Member State requires the withdrawal of the Union response measure;		(c) where a binding decision in international third-party adjudication in a dispute between the third country concerned <u>on the issue of the economic coercion</u> and the Union or a Member State requires the withdrawal of the Union response measure <u>; or</u>
120	(d) where it is appropriate in light of the Union's interest.	(d) where it is appropriate in light of the Union's interest.	(d) where it is appropriate in light of the Union's interest referred to in Article 7bis.		(d) where it is appropriate in light of the Union's interest referred to in <u>as determined pursuant to</u> Article 7bis.
121	The termination of Union response measures adopted in accordance with Article 7 shall be decided, by means of	The termination of Union response measures adopted in accordance with Article 7 shall be decided, by means of an implementing act, in accordance with the	The termination of Union response measures adopted in accordance with Article Articles 7 and 8 shall be decided, by means of an implementing act, in	SE PRES proposes to agree (Council Mandate).	The termination of Union response measures adopted in accordance with Articles 7 and 8 shall be decided, by means of an implementing act, in accordance with the examination procedure referred to in Article 15(2).

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	an implementing act, in accordance with the examination procedure referred to in Article 15(2).	examination procedure referred to in Article 15(2).	accordance with the examination procedure referred to in Article 15(2).		
122	5. On duly justified imperative grounds of urgency, the Commission shall adopt immediately applicable implementing acts suspending, amending or terminating Union response measures adopted in accordance with Article 7. Those implementing acts shall be adopted in accordance with the procedure referred to in Article 15(3) and they shall remain in force for a period not exceeding two months.	5. On duly justified imperative grounds of urgency, the Commission shall adopt immediately applicable implementing acts suspending, amending or terminating <u>or amending</u> Union response measures adopted in accordance with Article 7. Those implementing acts shall be adopted in accordance with the procedure referred to in Article 15(3) and they shall remain in force for a period not exceeding two months, <u>after which an implementing act referred to in paragraphs 2, 3 or 4 may be adopted as appropriate. The Commission shall keep the European Parliament informed without delay about the decision and its justification.</u>	5. On duly justified imperative grounds of urgency, such as avoiding irreparable damage to the Union or a Member State or continuing to ensure consistency with the Union's obligations under international law pursuant to the suspension or cessation of measures of economic coercion from the third country concerned, the Commission shall adopt immediately applicable implementing acts suspending, amending or terminating Union response measures adopted in accordance with Article 7 Articles 7 and 8. Those implementing acts shall be adopted in accordance with the procedure referred to in Article 15(3) and they shall remain in force for a period not exceeding two months.	SE PRES proposes to agree (Council Mandate besides removal of "terminating").	5. On duly justified imperative grounds of urgency, such as avoiding irreparable damage to the Union or a Member State or continuing to ensure consistency with the Union's obligations under international law pursuant to the suspension or cessation of measures of economic coercion from the third country concerned, the Commission shall adopt immediately applicable implementing acts suspending, amending or terminating <u>or amending</u> Union response measures adopted in accordance with Articles 7 and 8. Those implementing acts shall be adopted in accordance with the procedure referred to in Article 15(3) and they shall remain in force for a period not exceeding two months.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
123	Article 11 Information gathering related to Union response measures	Article 11 Information gathering related to Union response measures	Article 11 Information gathering related to Union response measures		Article 11 Information gathering related to Union response measures
124	1. Before the adoption of Union response measures or the amendment of such measures, the Commission shall, and before the suspension or termination of such measures, respectively, the Commission may, seek information and views regarding the economic impact on Union operators and Union's interest, through a notice published in the Official Journal of the European Union or through other suitable public communication means. The notice	1. Before the adoption of Union response measures or the amendment of such measures, the Commission shall, and before the suspension or termination of such measures, respectively, the Commission may, seek information and views regarding the economic impact on Union operators and Union's interest <u>as necessary</u> , through a notice published in the Official Journal of the European Union or through other suitable public communication means. The notice shall indicate the period within which the input is to be submitted.	1. Before the adoption of Union response measures or the amendment of such Union response measures, the Commission shall, and before the suspension or termination of such measures, respectively, the Commission may, seek information and views regarding the economic impact on Union economic operators and Union's interest, through a notice published in the Official Journal of the European Union and, where appropriate, Official Journal of the European Union or through other suitable public communication means. The notice shall indicate the period within which the input is to be submitted.	SE PRES proposes to agree.	1. Before the adoption or amendment of Union response measures, the Commission shall, and before the suspension or termination of such measures, respectively, the Commission may, seek information and views regarding the economic impact on Union economic operators and Union's interest <u>as necessary</u> , through a notice published in the <i>Official Journal of the European Union</i> -and, where appropriate, through other suitable public communication means. The notice shall indicate the period within which the input is to be submitted.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	shall indicate the period within which the input is to be submitted.				
125	2. The Commission may start the information gathering at any time it deems appropriate.	2. The Commission may start the information gathering at any time it deems appropriate.	2. The Commission may start the information gathering at any time it deems appropriate.		2. The Commission may start the information gathering at any time it deems appropriate.
126	3. In conducting the information gathering under paragraph 1, the Commission shall inform and consult stakeholders, in particular industry associations, affected by possible Union response measures, and Member States involved in the preparation or implementation of legislation regulating the affected fields.	3. In conducting the information gathering under paragraph 1, the Commission shall inform and consult stakeholders, in particular industry associations <u>and Union social partners</u> , affected by possible Union response measures, and Member States involved in the preparation or implementation of legislation regulating the affected fields.	3. In conducting the information gathering under paragraph 1, the Commission shall inform and consult stakeholders, in particular industry associations acting on behalf of Union economic operators , affected by possible Union response measures, and Member States' authorities involved in the preparation or implementation of legislation regulating the affected fields.	SE PRES proposes to agree.	3. In conducting the information gathering under paragraph 1, the Commission shall inform and consult stakeholders, in particular associations acting on behalf of Union economic operators <u>and Union social partners</u> , affected by possible Union response measures, and Member States' authorities involved in the preparation or implementation of legislation regulating the affected fields.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
127	4. Without unduly delaying the adoption of Union response measures, the Commission shall, in particular, seek information on:	4. Without unduly delaying the adoption of Union response measures, the Commission shall, in particular, seek information on:	4. Without unduly delaying the adoption of Union response measures, the Commission shall identify possible options for Union response measures and , in particular, seek information and views on:	SE PRES proposes to agree (Council mandate).	4. Without unduly delaying the adoption of Union response measures, the Commission shall identify possible options for Union response measures and, in particular, seek information and views on:
128	(a) the impact of such measures on third-country actors or Union competitors, users or consumers or on Union employees, business partners or clients of such actors;	(a) the impact of such measures on third-country actors or Union competitors, users or consumers or on Union employees, business partners or clients of such actors;	(a) the impact of such measures on third-country actors or Union economic operators' competitors, users or consumers or on Union employees, business partners or clients of such actors;	SE PRES agrees (Council mandate)	(a) the impact of such measures on third-country actors or Union economic operators' competitors, users or consumers or on Union employees, business partners or clients of such actors;
129	(b) the interaction of such measures with relevant Member State legislation;	(b) the interaction of such measures with relevant <u>Union and</u> Member State legislation;	(b) the interaction of such measures with relevant Member State legislation;	SE PRES agrees (Council mandate).	(b) the interaction of such measures with relevant Member State legislation;
130	(c) the administrative burden which may be occasioned by such	(c) the administrative burden which may be occasioned by such	(c) the administrative burden which may be occasioned by such measures;		(c) the administrative burden which may be occasioned by such measures;

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	measures;	measures;			
131	(d) the Union's interest.	(d) the Union's interest <u>effect of such measures on diminishing the negative impact of the third country's coercive measures.</u>	(d) the Union's interest referred to in Article 7bis.	SE PRES agrees (Council mandate).	(d) the Union's interest referred to in Article 7bis.
132	5. The Commission shall take utmost account of the information gathered during the information gathering exercise. An analysis of the envisaged measures shall accompany the draft implementing act when submitted to the committee in the context of the examination procedure referred to in Article 15(2).	5. The Commission shall take utmost account of the information gathered during the information gathering exercise. An analysis of the envisaged measures <u>and their potential impacts</u> shall accompany the draft implementing act when submitted to the committee in the context of the examination procedure referred to in Article 15(2). <u>The Commission shall inform the European Parliament of such analysis in accordance with Article 10 of Regulation (EU) No 182/2011.</u>	5. The Commission shall take utmost account of the information gathered during the information gathering exercise. An analysis of the envisaged measures shall accompany the draft implementing act when submitted to the committee in the context of the examination procedure referred to in Article 15(2). That analysis shall include a thorough assessment of impact on both upstream and downstream industries and final consumers within the Union and, if relevant, point out any potential disproportionate effects.	SE PRES proposes to agree.	5. The Commission shall take utmost account of the information gathered during the information gathering exercise. An analysis of the envisaged measures <u>and their potential impacts</u> shall accompany the draft implementing act when submitted to the committee in the context of the examination procedure referred to in Article 15(2). That analysis shall include a thorough assessment of impact on both upstream and downstream industries and final consumers within the Union and, if relevant, point out any potential disproportionate effects.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
133	6. Prior to the adoption of an implementing act in accordance with Article 7(6) or Article 10(5), the Commission shall seek information and views from relevant stakeholders in a targeted manner, unless the imperative grounds of urgency are such that information seeking and consultations are not possible or not needed for objective reasons, for instance to ensure compliance with international obligations of the Union.	6. <u>The Commission shall seek information and views from relevant stakeholders especially the economic operators affected by the economic coercion, as a general principle</u> prior to the adoption of an implementing act in accordance with Article 7(6) or Article 10(5), the Commission shall seek information and views from relevant stakeholders in a targeted manner, unless the <u>unless the exceptional situation of</u> imperative grounds of urgency are such that information seeking and consultations are not possible or not needed for objective reasons, for instance to ensure compliance with international obligations of the Union.	6. Prior to the adoption of an implementing act in accordance with Article 7(6) or Article 10(5), the Commission shall seek information and views from relevant stakeholders in a targeted manner, unless the imperative grounds of urgency are such that information seeking and consultations are not possible or not needed for objective reasons, for instance to ensure compliance with international obligations of the Union.	SE PRES proposes to agree.	6. Prior to the adoption of an implementing act in accordance with Article 10(5), the Commission shall seek information and views from relevant stakeholders in a targeted manner <u>The Commission shall seek information and views in a targeted manner from relevant stakeholders prior to the adoption of an implementing act in accordance with Article 10(5), unless the exceptional situation of</u> imperative grounds of urgency are such that information seeking and consultations are not possible or not needed for objective reasons, for instance to ensure compliance with international obligations of the Union.
133a		<u>Article 11a</u>		SE PRES proposes to agree. Also see	<u>Article 11a</u>

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
		<u>The Chief Trade Enforcement Officer</u> <u>The Chief Trade Enforcement Officer (CTEO) shall be responsible for the implementation of this Regulation and its coordination with other tools related to anti-coercion such as the Blocking Statute^{1a}. For the purposes of this Regulation, the CTEO shall:</u> <u>(a) gather information and provide cost and data analyses with a view to determining the nature of economic coercion measures;</u> <u>(b) act, in full compliance with the principle of confidentiality, as the main contact point for EU businesses and private sector stakeholders affected by economic coercion measures, including with regard to assistance to be provided in the context of ongoing economic coercion;</u> <u>^{1a} Council Regulation</u>		suggested language in corresponding recital, line 28a.	<u>Single contact point</u> <u>There shall be a single contact point within the Commission in relation to the implementation of this Regulation and its coordination with other tools related to anti-coercion policy such as the Blocking Statute^{1a}.</u> <u>For the purposes of this Regulation, the Commission shall:</u> <u>(a) gather information and provide cost and data analyses with a view to determining the nature of economic coercion measures;</u> <u>(b) act, in full compliance with the principle of confidentiality, as the main contact point for EU businesses and private sector stakeholders affected by economic coercion measures, including with regard to assistance to be provided in the context of ongoing economic coercion;</u> <u>^{1a} Council Regulation (EC) No 2271/96 of 22 November 1996 protecting against the effects of the extra-territorial application of legislation adopted by a third country, and actions based thereon or resulting therefrom (OJ L 309, 29.11.1996, p. 1.) (57).]</u>

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
		<u>(EC) No 2271/96 of 22 November 1996 protecting against the effects of the extra-territorial application of legislation adopted by a third country, and actions based thereon or resulting therefrom (OJ L 309, 29.11.1996, p. 1.) (57).</u>			
134	Article 12 Confidentiality	Article 12 Confidentiality	Article 12 Confidentiality		Article 12 Confidentiality
135	1. Information received pursuant to this Regulation shall be used only for the purpose for which it was requested.	1. Information received pursuant to this Regulation shall be used only for the purpose for which it was <u>supplied</u> , requested, <u>or obtained</u> .	1. Information received pursuant to this Regulation shall be used only for the purpose for which it was requested.		1. Information received pursuant to this Regulation shall be used only for the purpose for which it was <u>supplied</u> , requested, <u>or obtained</u> .
136	2. The supplier of information may request that information supplied be treated as confidential. In such	2. The supplier of information may request that information supplied be treated as confidential. In such cases, it shall be accompanied by a non-	2. The supplier of information may request that <u>such</u> information supplied be treated as confidential. In such cases, it shall be accompanied by a		2. The supplier of information may request such information be treated as confidential. In such cases, it shall be accompanied by a non-confidential <u>but meaningful</u> summary of the information concerned or a statement of the reasons

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	cases, it shall be accompanied by a non-confidential summary or a statement of the reasons why the information cannot be summarised. The Commission, the Council, the European Parliament, Member States or their officials shall not reveal any information of a confidential nature received pursuant to this Regulation, without specific permission from the supplier of such information.	confidential <u>but meaningful</u> summary or a statement of the reasons why the information cannot be summarised. The Commission, the Council, the European Parliament, Member States or their officials shall not reveal <u>are prohibited from revealing</u> any information of a confidential nature received pursuant to this Regulation, without specific permission from the supplier of such information.	non-confidential summary of the information concerned or a statement of the reasons explaining why the information concerned cannot be summarised. The Commission, the Council, the European Parliament, Member States or their officials shall not reveal any information of a confidential nature received pursuant to this Regulation, without specific permission from the supplier of such information.		explaining why the information concerned cannot be summarised. The Commission, the Council, the European Parliament, Member States or their officials shall not reveal any information of a confidential nature received pursuant to this Regulation, without specific permission from the supplier of such information.
137	3. Paragraph 2 shall not preclude the Commission to disclose general information in a summary form, which does not contain information allowing to identify the supplier of the information. Such disclosure shall	3. Paragraph 2 shall not preclude the Commission to disclose general information in a summary <u>but meaningful</u> form, which does not contain information allowing to identify the supplier of the information. Such disclosure shall take into account the legitimate	3. Paragraph 2 shall not preclude the Commission to disclose from disclosing general information in a summary form, which provided that such disclosure does not contain information allowing to identify the identity of the supplier of the information to be known . Such disclosure		3. Paragraph 2 shall not preclude the Commission from disclosing general information in summary <u>but meaningful</u> form, provided that such disclosure does not contain information allowing the identity of the supplier of the information to be known. Such disclosure shall take into account the legitimate interest of the parties concerned in not having confidential information disclosed.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	take into account the legitimate interest of the parties concerned in not having confidential information disclosed.	interest of the parties concerned in not having confidential information disclosed.	shall take into account the legitimate interest of the parties concerned in not having confidential information disclosed.		
138	Article 13 Rules of origin	Article 13 Rules of origin	Article 13 Rules of origin and nationality		Article 13 Rules of origin and nationality
139	1. The origin or nationality of a good, service, service provider, investment or intellectual property rightholder shall be determined in accordance with Annex II.	1. The origin or nationality of a good, service, service provider, investment or intellectual property rightholder shall be determined in accordance with Annex II.	1. The origin or nationality of a good, service, service provider, investment or intellectual property rightholder shall be determined in accordance with Annex II.		1. The origin or nationality of a good, service, service provider, investment or intellectual property rightholder shall be determined in accordance with Annex II.
140	2. The Commission is empowered to adopt delegated acts in accordance with Article 14 to amend	2. The Commission is empowered to adopt delegated acts in accordance with Article 14 to amend points 2 to 4 of	2. The Commission is empowered to adopt delegated acts in accordance with Article 14 to supplement or amend points		2. The Commission is empowered to adopt delegated acts in accordance with Article 14 to supplement or amend points 2 <u>to 4</u> and 3 of Annex II to take account of relevant developments in

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	points 2 to 4 of Annex II in order to amend the rules of origin and add any other technical rules necessary for the application of the Regulation, to ensure its effectiveness and to take account of relevant developments in international instruments and experience in the application of measures under this Regulation or other Union acts.	Annex II in order to amend the rules of origin and add any other technical rules necessary for the application of the Regulation, to ensure its effectiveness and to take account of relevant developments in international instruments and experience in the application of measures under this Regulation or other Union acts.	2 to 4 and 3 of Annex II in order to amend the rules of origin and add any other technical rules necessary for the application of the Regulation, to ensure its effectiveness and to take account of relevant developments in international instruments and experience in the application of measures under this Regulation or other Union acts..		international instruments- <u>and experience in the application of measures under this Regulation or other Union acts under this Regulation or other Union acts.</u>
141	Article 14 Delegated Acts	Article 14 Delegated Acts	Article 14 Delegated Acts		Article 14 Delegated Acts
142	1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.	1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.	1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.		1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
143	2. The power to adopt delegated acts referred to in Articles 7(7) and 13(2) shall be conferred on the Commission for an indeterminate period of time from [date of entry into force].	2. The power to adopt delegated acts referred to in Articles 7(7) and 13(2) shall be conferred on the Commission for an indeterminate period of time from [date of entry into force].	2. The power to adopt delegated acts referred to in Articles 7(7) and Article 13(2) shall be conferred on the Commission for an indeterminate five years period of time from [date of entry into force of this Regulation]. Such delegation of power shall be tacitly extended for periods of an identical duration unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.		2. The power to adopt delegated acts referred to in Article 13(2) shall be conferred on the Commission for a period of five years from the the date of entry into force of this Regulation . Such delegation of power shall be tacitly extended for periods of an identical duration unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.
144	3. The delegation of power referred to in Articles 7(7) and 13(2) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day	3. The delegation of power referred to in Articles 7(7) and 13(2) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the	3. The delegation of power referred to in Articles 7(7) and Article 13(2) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European		3. The delegation of power referred to in Article 13(2) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.	European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.	Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.		

145	4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016.	4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016.	4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016.		4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016.
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146	5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the	5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and	5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to		5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.
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	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	European Parliament and to the Council.	to the Council.	the Council.		
147	A delegated act adopted pursuant to Articles 7(7) and 13(2) shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.	A delegated act adopted pursuant to Articles 7(7) and 13(2) shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.	A delegated act adopted pursuant to Articles 7(7) and Article 13(2) shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.		A delegated act adopted pursuant to Article 13(2) shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
148	Article 15 Committee procedure	Article 15 Committee procedure	Article 15 Committee procedure		Article 15 Committee procedure
149	1. The Commission shall be assisted by a Committee. That committee shall be a committee within the meaning of Article 3 of Regulation (EU) No 182/2011.	1. The Commission shall be assisted by a Committee. That committee shall be a committee within the meaning of Article 3 of Regulation (EU) No 182/2011.	1. The Commission shall be assisted by a Committee. That committee shall be a committee within the meaning of Article 3 of Regulation (EU) No 182/2011.		1. The Commission shall be assisted by a Committee. That committee shall be a committee within the meaning of Article 3 of Regulation (EU) No 182/2011.
150	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply. Where the Committee delivers no opinion, the Commission shall not adopt the draft implementing act and the third subparagraph of Article 5(4) of Regulation (EU) No 182/2011 shall apply.	SE PRES proposes to agree (Council Mandate).	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply. Where the Committee delivers no opinion, the Commission shall not adopt the draft implementing act and the third subparagraph of Article 5(4) of Regulation (EU) No 182/2011 shall apply.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
151	3. Where reference is made to this paragraph, Article 8 of Regulation (EU) No 182/2011 in conjunction with Article 5 thereof, shall apply.	3. Where reference is made to this paragraph, Article 8 of Regulation (EU) No 182/2011 in conjunction with Article 5 thereof, shall apply.	3. Where reference is made to this paragraph, Article 8 of Regulation (EU) No 182/2011 in conjunction with Article 5 thereof, shall apply.		3. Where reference is made to this paragraph, Article 8 of Regulation (EU) No 182/2011 in conjunction with Article 5 thereof, shall apply.
151a			Article 15bis --		
151b			Member States officials obtaining information under this Regulation shall be subject to a duty of professional secrecy with regard to any confidential information which has come to their knowledge in the course of the performance of their official duties. A secure and encrypted system shall be provided by the Commission to support direct cooperation and exchange of information with Member States		

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
			officials.		
152	Article 16 Review	Article 16 <u>Reporting and</u> Review	Article 16 Review		Article 16 <u>Reporting and</u> Review
153	1. The Commission shall evaluate any Union response measure adopted pursuant to Article 7 six months after its termination, taking into account stakeholder input and any other relevant information. The evaluation report shall examine the effectiveness and operation of the Union response measure, and draw possible conclusions for future measures.	1. The Commission shall evaluate any Union response measure adopted pursuant to Article 7 six months after its termination, taking into account stakeholder input, <u>and information provided by the European Parliament and the Council</u> , and any other relevant information. The <u>Commission shall publish every year an</u> evaluation report shall examine <u>in which it examines</u> the effectiveness and operation of the Union response measure, and draw possible conclusions for future measures. <u>The Commission shall present such report to the European Parliament and the Council.</u>	1. The Commission shall evaluate any Union response measure adopted pursuant to Article 7 Articles 7 and 8 six months after its termination, taking into account stakeholder input and any other relevant information. The and shall report to the European Parliament and the Council. In this evaluation report the Commission shall examine the effectiveness and operation of the Union response measure, and, where appropriate, draw draw possible conclusions for future Union response measures and the review of this regulation pursuant to paragraph 2.		1. The Commission shall evaluate any Union response measure adopted pursuant to Articles 7 and 8 six months after its termination, taking into account stakeholder input and any other relevant information and shall report to the European Parliament and the Council. In this evaluation the Commission shall examine the effectiveness and operation of the Union response measure, and keep the European Parliament and the Council informed, regularly and in a timely manner, of relevant developments in the application of this Regulation at the stage of examination [of any acts proposed or adopted pursuant to Article 4], engagement and international cooperation, and in the period during which Union response measures are in force. The reporting obligation may include an exchange of views where appropriate, draw conclusions for future Union response measures and the review of this regulation pursuant to paragraph 2 or requested by the European

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
					<u>Parliament or the Council. The European Parliament may express its views to [the Council and] the Commission via any appropriate means.</u>
154	2. No later than three years after the adoption of the first implementing act under this Regulation or six years after the entry into force of this Regulation, whichever is earlier, the Commission shall review this Regulation and its implementation and shall report to the European Parliament and the Council.	2. No later than three years after the adoption of the first implementing act <u>under entry into force of this Regulation, and at the latest every four years thereafter</u> or six years after the entry into force of this Regulation, whichever is earlier , the Commission shall review this Regulation and its implementation, <u>in particular, in ensuring complementarity with the review of the Blocking Statute</u> and shall report to the European Parliament and the Council <u>notably in the relevant reporting of the Chief Trade Enforcement Officer</u> .	2. No later than three years after the adoption of the first implementing act under this Regulation or six five years after the date of entry into force of this Regulation, whichever is earlier, and every five years thereafter , the Commission shall review this Regulation and its implementation and shall report to the European Parliament and the Council. In the course of such review, the Commission shall give particular consideration to any issues which may arise as regards the relationship of this Regulation to other existing Union instruments.	SE proposes to agree with the addition of a reference to Blocking Statute	2. No later than three years after the adoption of the first implementing act under this Regulation or five three years after the date of entry into force of this Regulation, whichever is earlier, and every five years thereafter, the Commission shall review this Regulation and its implementation and shall report to the European Parliament and the Council. In the course of such review, the Commission shall give particular consideration to any issues which may arise as regards the relationship of this Regulation to other existing Union instruments, <u>such as the Blocking Statute</u> .
155	Article 17 Entry into force	Article 17 Entry into force	Article 17 Entry into force		Article 17 Entry into force

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
G	156	This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.	This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.		This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.
G	157	This Regulation shall be binding in its entirety and directly applicable in all Member States.	This Regulation shall be binding in its entirety and directly applicable in all Member States.		This Regulation shall be binding in its entirety and directly applicable in all Member States.
G	158	Done at Brussels,	Done at Brussels,		Done at Brussels,
G	159	For the European Parliament	For the European Parliament		For the European Parliament
G	160	The President	The President		The President

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
G	161	For the Council	For the Council		For the Council
G	162	The President	The President		The President
	163	Union response measures pursuant to Articles 7 and 8	Union response measures pursuant to Articles 7 and 8		Union response measures pursuant to Articles 7 and 8
	164	Measures which may be adopted pursuant to Articles 7 and 8 are:	Measures which may be adopted pursuant to Articles 7 and 8 are:		Measures which may be adopted pursuant to Articles 7 and 8 are:
	165	(a) the suspension of any tariff concessions, as necessary, and the imposition of new or increased customs duties, including the re-establishment of customs duties at the	(a) the suspension of any tariff concessions, as necessary, and the imposition of new or increased customs duties, including the re-establishment of customs duties at the most- (a) the suspension of non-performance of applicable international obligations as regards any tariff concessions, as necessary, and the imposition of new or increased customs duties, including the re-		(a) the non-performance of applicable international obligations as regards any tariff concessions, as necessary, and the imposition of new or increased customs duties, including the re-establishment of customs duties at the most-favoured-nation level or the imposition of customs duties beyond the most-favoured-nation

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	most-favoured-nation level or the imposition of customs duties beyond the most-favoured-nation level, or the introduction of any additional charge on the importation or exportation of goods;	favoured-nation level or the imposition of customs duties beyond the most-favoured-nation level, or the introduction of any additional charge on the importation or exportation of goods;	establishment of customs duties at the most-favoured-nation level or the imposition of customs duties beyond the most-favoured-nation level, or the introduction of any additional charge on the importation or exportation of goods;		level, or the introduction of any additional charge on the importation or exportation of goods;
166	(b) the suspension of applicable international obligations, as necessary, and the introduction or increase of restrictions on the importation or exportation of goods, whether made effective through quotas, import or export licences or other measures, or on the payment for goods;	(b) the suspension of applicable international obligations, as necessary, and the introduction or increase of restrictions on the importation or exportation of goods, whether made effective through quotas, import or export licences or other measures, or on the payment for goods;	(b) the suspension non-performance of applicable international obligations, as necessary, and the introduction or increase of restrictions on the importation or exportation of goods, whether made effective through quotas, import or export licences or other measures, or on the payment for goods;		(b) the non-performance of applicable international obligations, as necessary, and the introduction or increase of restrictions on the importation or exportation of goods, whether made effective through quotas, import or export licences or other measures, or on the payment for goods;
167	(c) the suspension of applicable international	(c) the suspension of applicable international obligations, as necessary,	(c) the suspension non-performance of applicable international obligations, as		(c) the non-performance of applicable international obligations, as necessary, and the introduction of restrictions on

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	obligations, as necessary, and the introduction of restrictions on trade in goods made effective through measures applying to transiting goods or internal measures applying to goods.	and the introduction of restrictions on trade in goods made effective through measures applying to transiting goods or internal measures applying to goods.	necessary, and the introduction of restrictions on trade in goods made effective through measures applying to transiting goods or internal measures applying to goods.		trade in goods made effective through measures applying to transiting goods or internal measures applying to goods.
168	(d) the suspension of applicable international obligations concerning the right to participate in tender procedures in the area of public procurement, as necessary, and:	(d) the suspension of applicable international obligations concerning the right to participate in tender procedures in the area of public procurement, as necessary, and:	(d) the suspension - non-performance of applicable international obligations concerning the right to participate in tender procedures in the area of public procurement, as necessary, and:		(d) the non-performance of applicable international obligations concerning the right to participate in tender procedures in the area of public procurement, as necessary, and:
169	(i) the exclusion from public procurement of goods, services or suppliers of goods or services of the third country concerned or the exclusion of tenders the total value	(i) the exclusion from public procurement of goods, services or suppliers of goods or services of the third country concerned or the exclusion of tenders the total value of which is made up of more than a	(i) the exclusion from public procurement of goods, services or suppliers of goods or services of the third country concerned or the exclusion of tenders the total value of which is made up of more than a specified		(i) the exclusion from public procurement of goods, services or suppliers of goods or services of the third country concerned or the exclusion of tenders the total value of which is made up of more than 50 % <u>a specified percentage</u> of goods or services originating in <u>services originating in</u> the third country concerned; and/or

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	of which is made up of more than a specified percentage of goods or services of the third country concerned; and/or	specified percentage of goods or services of the third country concerned; and/or	percentage 50 % of goods or services of originating in the third country concerned; and/or		
170	(ii) the imposition of a mandatory price evaluation weighting penalty¹ on tenders of goods, services or suppliers of goods or services of the third country concerned. 1. Mandatory price evaluation weighting penalty means an obligation for contracting authorities or entities conducting public procurement procedures to increase, subject to certain exceptions, the price of goods or services falling under this paragraph that have been offered in contract award procedures.	(ii) the imposition of a mandatory price evaluation weighting penalty¹ on tenders of goods, services or suppliers of goods or services of the third country concerned. 1. Mandatory price evaluation weighting penalty means an obligation for contracting authorities or entities conducting public procurement procedures to increase, subject to certain exceptions, the price of goods or services falling under this paragraph that have been offered in contract award procedures.	(ii) the imposition of a mandatory price evaluation weighting penalty score adjustment¹ on tenders of goods, services or suppliers of goods or services of the third country concerned. 1. Mandatory price evaluation weighting penalty Score adjustment means an obligation for contracting authorities or entities conducting public procurement procedures to increase relatively diminish, subject to certain exceptions, the price of goods or services falling under this paragraph that have been offered in score of a tender resulting from its evaluation, on the basis of the contract award criteria defined in the relevant public procurement documents, by a given percentage. In cases where price or cost is the only contract award procedure procedures the score adjustment means the relative increase, for the purpose of the evaluation of tenders, by a given percentage of the price offered by a tenderer.		(ii) the imposition of a score adjustment⁺¹ on tenders of goods, services or suppliers of goods or services of the third country concerned. <u>1. Score adjustment means an obligation for contracting authorities or entities conducting public procurement procedures to increase relatively diminish, subject to certain exceptions, the score of a tender resulting from its evaluation, on the basis of the contract award criteria defined in the relevant public procurement documents, by a given percentage. In cases where price or cost is the only contract award criterion, the score adjustment means the relative increase, for the purpose of the evaluation of tenders, by a given percentage of the price offered by a tenderer.</u> 1. Score adjustment means an obligation for contracting authorities or entities conducting public procurement procedures to increase relatively diminish, subject to certain exceptions, the score of a tender resulting from its evaluation,

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
					<i>on the basis of the contract award criteria defined in the relevant public procurement documents, by a given percentage. In cases where price or cost is the only contract award criterion, the score adjustment means the relative increase, for the purpose of the evaluation of tenders, by a given percentage of the price offered by a tenderer.</i>
171	Origin shall be determined on the basis of Annex II;	Origin shall be determined on the basis of Annex II;	Origin shall be determined on the basis of Annex II;		Origin shall be determined on the basis of Annex II;
172	(e) the suspension of applicable international obligations, as necessary, and the imposition of restrictions on the exportation of goods falling under the Union export control regime;	(e) the suspension of applicable international obligations, as necessary, and the imposition of restrictions on the exportation of goods falling under the Union export control regime;	<i>deleted</i>		
173	(f) the suspension of applicable international	(f) the suspension of applicable international obligations regarding trade	(f) the suspension non-performance of applicable international obligations		(f) the non-performance of applicable international obligations regarding trade in services, as necessary, and the

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	obligations regarding trade in services, as necessary, and the imposition of measures affecting trade in services;	in services, as necessary, and the imposition of measures affecting trade in services;	regarding trade in services, as necessary, and the imposition of measures affecting trade in services;		imposition of measures affecting trade in services;
174	(g) the suspension of applicable international obligations, as necessary, and the imposition of measures affecting foreign direct investment;	(g) the suspension of applicable international obligations, as necessary, and the imposition of measures affecting foreign direct investment;	(g) the suspension non-performance of applicable international obligations, as necessary, and the imposition of measures affecting the access of foreign direct investment to the Union ;		(g) the non-performance of applicable international obligations, as necessary, and the imposition of measures affecting the access of foreign direct investment to the Union;
175	(h) the suspension of applicable international obligations with respect to trade-related aspects of intellectual property rights, as necessary, and the imposition of restrictions on the protection of such intellectual property rights or their	(h) the suspension of applicable international obligations with respect to trade-related aspects of intellectual property rights, as necessary, and the imposition of restrictions on the protection of such intellectual property rights or their commercial exploitation, in relation to right-holders who are nationals of the third	(h) the suspension non-performance of applicable international obligations with respect to trade-related aspects of intellectual property rights granted by a Union institution or agency and valid throughout the Union , as necessary, and the imposition of restrictions on the protection of such intellectual property rights or their commercial		(h) the non-performance of applicable international obligations with respect to trade-related aspects of intellectual property rights granted by a Union institution or agency and valid throughout the Union , as necessary, and the imposition of restrictions on the protection of such intellectual property rights or their commercial exploitation, in relation to right-holders who are nationals of the third country concerned;

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	commercial exploitation, in relation to right-holders who are nationals of the third country concerned;	country concerned;	exploitation, in relation to right-holders who are nationals of the third country concerned;		
176	(i) the suspension of applicable international obligations with respect to financial services, as necessary, and the imposition of restrictions for banking, insurance, access to Union capital markets and other financial service activities;	(i) the suspension of applicable international obligations with respect to financial services, as necessary, and the imposition of restrictions for banking, insurance, access to Union capital markets and other financial service activities;	(i) the suspension non-performance of applicable international obligations with respect to financial services, as necessary, and the imposition of restrictions for banking, insurance, access to Union capital markets and other financial service activities;		(i) the non-performance of applicable international obligations with respect to financial services, as necessary, and the imposition of restrictions for banking, insurance, access to Union capital markets and other financial service activities;
177	(j) the suspension of applicable international obligations with respect to the treatment of goods, as necessary, and the imposition of restrictions on	(j) the suspension of applicable international obligations with respect to the treatment of goods, as necessary, and the imposition of restrictions on registrations and authorisations under the chemicals legislation of the	<i>deleted</i>		

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	registrations and authorisations under the chemicals legislation of the Union;	Union;			
178	(k) the suspension of applicable international obligations with respect to the treatment of goods, as necessary, and the imposition of restrictions on registrations and authorisations related to the sanitary and phytosanitary legislation of the Union;	(k) the suspension of applicable international obligations with respect to the treatment of goods, as necessary, and the imposition of restrictions on registrations and authorisations related to the sanitary and phytosanitary legislation of the Union;	<i>deleted</i>		
179	(l) the suspension of applicable international obligations, as necessary, and the imposition of restrictions on access to Union-funded	(l) the suspension of applicable international obligations, as necessary, and the imposition of restrictions on access to Union-funded research programmes or exclusion from Union-funded	<i>deleted</i>		

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	research programmes or exclusion from Union-funded research programmes.	research programmes.			
180	Rules of Origin	Rules of Origin	Rules of Origin and Nationality		Rules of Origin and Nationality
181	1. The origin of a good shall be determined in accordance with Regulation (EU) No 952/2013 of the European Parliament and of the Council.¹ ¹ Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code (OJ L 269, 10.10.2013, p. 1).	1. The origin of a good shall be determined in accordance with Regulation (EU) No 952/2013 of the European Parliament and of the Council.¹ ¹ Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code (OJ L 269, 10.10.2013, p. 1).	1. The origin of a good shall be determined in accordance with Regulation (EU) No 952/2013 of the European Parliament and of the Council.¹ ¹ Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code (OJ L 269, 10.10.2013, p. 1).		1. The origin of a good shall be determined in accordance with Regulation (EU) No 952/2013 of the European Parliament and of the Council.¹ ¹ Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code (OJ L 269, 10.10.2013, p. 1).
182	2. The origin of a service, including a service supplied in the	2. The origin of a service, including a service supplied in the area of	2. The origin of a service, including a service supplied in the area of public		2. The origin of a service, including a service supplied in the area of public procurement, shall be determined on the

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	area of public procurement, shall be determined on the basis of the origin of the natural or legal person providing it. The origin of the service provider shall be deemed to be:	public procurement, shall be determined on the basis of the origin of the natural or legal person providing it. The origin of the service provider shall be deemed to be:	procurement, shall be determined on the basis of the origin of the natural or legal person providing it. The origin nationality of the service provider shall be deemed to be:		basis of the origin of the natural or legal person providing it. The nationality of the service provider shall be deemed to be:
G	183	(a) in the case of a natural person, the country of which the person is a national or where the person has a right of permanent residence;	(a) in the case of a natural person, the country of which the person is a national or where the person has a right of permanent residence;		(a) in the case of a natural person, the country of which the person is a national or where the person has a right of permanent residence;
G	184	(b) in the case of a legal person any of the following:	(b) in the case of a legal person any of the following:		(b) in the case of a legal person any of the following:
G	185	(i) if the service is provided other than through a commercial presence within the Union, the country	(i) if the service is provided other than through a commercial presence within the Union, the country where the legal		(i) if the service is provided other than through a commercial presence within the Union, the country where the legal person is constituted or otherwise organised under the laws of that country and in the

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	where the legal person is constituted or otherwise organised under the laws of that country and in the territory of which the legal person is engaged in substantive business operations;	person is constituted or otherwise organised under the laws of that country and in the territory of which the legal person is engaged in substantive business operations;	or otherwise organised under the laws of that country and in the territory of which the legal person is engaged in substantive business operations;		territory of which the legal person is engaged in substantive business operations;
186	(ii) if the service is provided through a commercial presence within the Union,	(ii) if the service is provided through a commercial presence within the Union,	(ii) if the service is provided through a commercial presence within the Union,		(ii) if the service is provided through a commercial presence within the Union,
187	(a) if the legal person is engaged in substantive business operations in the territory of the Member State where the legal person is established such that it has a direct and effective link with the economy of that Member State the origin of that legal person shall be deemed to be that of	(a) if the legal person is engaged in substantive business operations in the territory of the Member State where the legal person is established such that it has a direct and effective link with the economy of that Member State the origin of that legal person shall be deemed to be that of the Member State in which it is established	(a) if the legal person is engaged in substantive business operations in the territory of the Member State where the legal person is established such that it has a direct and effective link with the economy of that Member State the origin of that legal person shall be deemed to be that of the Member State in which it is established		(a) if the legal person is engaged in substantive business operations in the territory of the Member State where the legal person is established such that it has a direct and effective link with the economy of that Member State the origin of that legal person shall be deemed to be that of the Member State in which it is established

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	the Member State in which it is established				
188	(b) if the legal person providing the service is not engaged in substantive business operations such that it has a direct and effective link with the economy of the Member State in which it is established, the origin of that legal person shall be deemed to be the origin of the natural or legal persons which own or control it. The legal person shall be considered to be "owned" by persons of a given country if more than 50 % of the equity interest in it is beneficially owned by persons of that country and "controlled" by persons of a given country if such persons have the power to name a	(b) if the legal person providing the service is not engaged in substantive business operations such that it has a direct and effective link with the economy of the Member State in which it is established, the origin of that legal person shall be deemed to be the origin of the natural or legal persons which own or control it. The legal person shall be considered to be "owned" by persons of a given country if more than 50 % of the equity interest in it is beneficially owned by persons of that country and "controlled" by persons of a given country if such persons have the power to name a majority of its directors or otherwise to legally direct its actions.	(b) if the legal person providing the service is not engaged in substantive business operations such that it has a direct and effective link with the economy of the Member State in which it is established, the origin of that legal person shall be deemed to be the origin of the natural or legal persons which own or control it. The legal person shall be considered to be "owned" by persons of a given country if more than 50 % of the equity interest in it is beneficially owned by persons of that country and "controlled" by persons of a given country if such persons have the power to name a majority of its directors or otherwise to legally direct its actions.		(b) if the legal person providing the service is not engaged in substantive business operations such that it has a direct and effective link with the economy of the Member State in which it is established, the origin of that legal person shall be deemed to be the origin of the natural or legal persons which own or control it. The legal person shall be considered to be "owned" by persons of a given country if more than 50 % of the equity interest in it is beneficially owned by persons of that country and "controlled" by persons of a given country if such persons have the power to name a majority of its directors or otherwise to legally direct its actions.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	majority of its directors or otherwise to legally direct its actions.				
189	(iii) By derogation from sub-paragraph (ii)(a), if it is decided that Union response measures should apply to legal persons falling under subparagraph (ii)(a), the origin of that person shall be the nationality or the place of permanent residence of the natural or juridical person or persons who own or control the legal person in the Union. The legal person shall be considered to be "owned" by persons of a given country if more than 50 % of the equity interest in it is beneficially owned by persons of that country and "controlled" by	(iii) By derogation from sub-paragraph (ii)(a), if it is decided that Union response measures should apply to legal persons falling under subparagraph (ii)(a), the origin of that person shall be the nationality or the place of permanent residence of the natural or juridical person or persons who own or control the legal person in the Union. The legal person shall be considered to be "owned" by persons of a given country if more than 50 % of the equity interest in it is beneficially owned by persons of that country and "controlled" by persons of a given country if such persons have the power to name a majority of its directors or otherwise to legally direct its actions.	(iii) By derogation from sub-paragraph (ii)(a), if it is decided that Union response measures should apply to legal persons falling under subparagraph (ii)(a), the origin of that person shall be the nationality or the place of permanent residence of the natural or juridical legal person or persons who own or control the legal person in the Union. The legal person shall be considered to be "owned" by persons of a given country if more than 50 % of the equity interest in it is beneficially owned by persons of that country and "controlled" by persons of a given country if such persons have the power to name a majority of its directors or otherwise to legally direct its actions.		(iii) By derogation from sub-paragraph (ii)(a), if it is decided that Union response measures should apply to legal persons falling under subparagraph (ii)(a), the origin of that person shall be the nationality or the place of permanent residence of the natural or legal person or persons who own or control the legal person in the Union. The legal person shall be considered to be "owned" by persons of a given country if more than 50 % of the equity interest in it is beneficially owned by persons of that country and "controlled" by persons of a given country if such persons have the power to name a majority of its directors or otherwise to legally direct its actions.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	persons of a given country if such persons have the power to name a majority of its directors or otherwise to legally direct its actions.				
190	3. The nationality of an investment shall be:	3. The nationality of an investment shall be:	3. The nationality of an investment shall be:		3. The nationality of an investment shall be:
191	(a) if the investment is engaged in substantive business operations in the territory of the Member State where the investment is established such that it has a direct and effective link with the economy of that Member State the nationality of the investment shall be deemed to be that of the Member State in which it is	(a) if the investment is engaged in substantive business operations in the territory of the Member State where the investment is established such that it has a direct and effective link with the economy of that Member State the nationality of the investment shall be deemed to be that of the Member State in which it is established;	(a) if the investment is engaged in substantive business operations in the territory of the Member State where the investment is established such that it has a direct and effective link with the economy of that Member State the nationality of the investment shall be deemed to be that of the Member State in which it is established;		(a) if the investment is engaged in substantive business operations in the territory of the Member State where the investment is established such that it has a direct and effective link with the economy of that Member State the nationality of the investment shall be deemed to be that of the Member State in which it is established;

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	established;				
192	(b) if the investment is not engaged in substantive business operations such that it has a direct and effective link with the economy of the Member State in which it is established, the nationality of the investment shall be deemed to that of the natural or legal persons which own or control it. The investment shall be considered to be "owned" by persons of a given country if more than 50 % of the equity interest in it is beneficially owned by persons of that country and "controlled" by persons of a given country if such persons have the power to name a majority of its directors or otherwise	(b) if the investment is not engaged in substantive business operations such that it has a direct and effective link with the economy of the Member State in which it is established, the nationality of the investment shall be deemed to that of the natural or legal persons which own or control it. The investment shall be considered to be "owned" by persons of a given country if more than 50 % of the equity interest in it is beneficially owned by persons of that country and "controlled" by persons of a given country if such persons have the power to name a majority of its directors or otherwise to legally direct its actions;	(b) if the investment is not engaged in substantive business operations such that it has a direct and effective link with the economy of the Member State in which it is established, the nationality of the investment shall be deemed to that of the natural or legal persons which own or control it. The investment shall be considered to be "owned" by persons of a given country if more than 50 % of the equity interest in it is beneficially owned by persons of that country and "controlled" by persons of a given country if such persons have the power to name a majority of its directors or otherwise to legally direct its actions;		(b) if the investment is not engaged in substantive business operations such that it has a direct and effective link with the economy of the Member State in which it is established, the nationality of the investment shall be deemed to that of the natural or legal persons which own or control it. The investment shall be considered to be "owned" by persons of a given country if more than 50 % of the equity interest in it is beneficially owned by persons of that country and "controlled" by persons of a given country if such persons have the power to name a majority of its directors or otherwise to legally direct its actions;

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	to legally direct its actions;				
193	(c) by derogation from sub-paragraph (a), if it is decided that Union response measures should apply to legal persons falling under subparagraph (a), the nationality of the investment shall be the nationality or the place of permanent residence of the natural or juridical person or persons who own or control the investment in the Union. The investment shall be considered to be "owned" by persons of a given country if more than 50 % of the equity interest in it is beneficially owned by persons of that country and "controlled" by persons of a given country if such	(c) by derogation from sub-paragraph (a), if it is decided that Union response measures should apply to legal persons falling under subparagraph (a), the nationality of the investment shall be the nationality or the place of permanent residence of the natural or juridical person or persons who own or control the investment in the Union. The investment shall be considered to be "owned" by persons of a given country if more than 50 % of the equity interest in it is beneficially owned by persons of that country and "controlled" by persons of a given country if such persons have the power to name a majority of its directors or otherwise to legally direct its actions.	(c) by derogation from sub-paragraph (a), if it is decided that Union response measures should apply to legal persons falling under subparagraph (a), the nationality of the investment shall be the nationality or the place of permanent residence of the natural or juridical legal person or persons who own or control the investment in the Union. The investment shall be considered to be "owned" by persons of a given country if more than 50 % of the equity interest in it is beneficially owned by persons of that country and "controlled" by persons of a given country if such persons have the power to name a majority of its directors or otherwise to legally direct its actions.		(c) by derogation from sub-paragraph (a), if it is decided that Union response measures should apply to legal persons falling under subparagraph (a), the nationality of the investment shall be the nationality or the place of permanent residence of the natural or legal person or persons who own or control the investment in the Union. The investment shall be considered to be "owned" by persons of a given country if more than 50 % of the equity interest in it is beneficially owned by persons of that country and "controlled" by persons of a given country if such persons have the power to name a majority of its directors or otherwise to legally direct its actions.

	Commission Proposal	EP Mandate	Council Mandate	PRES ASSESSMENT	COM COMPROMISE 9/1 (markups as compared to Council mandate)
	persons have the power to name a majority of its directors or otherwise to legally direct its actions.				
194	4. Regarding trade-related aspects of intellectual property rights, the term “nationals” shall be understood in the same sense as it is used in the paragraph 3 of Article 1 of the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights.	4. Regarding trade-related aspects of intellectual property rights, the term “nationals” shall be understood in the same sense as it is used in the paragraph 3 of Article 1 of the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights.	4. Regarding trade-related aspects of intellectual property rights, the term "nationals" shall be understood in the same sense as it is used in the paragraph 3 of Article 1 of the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) .		4. Regarding trade-related aspects of intellectual property rights, the term “nationals” shall be understood in the same sense as it is used in the paragraph 3 of Article 1 of the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).