Council of the European Union
General Secretariat

PUBLIC

Brussels, 21 January 2020

WK 644/2020 INIT

LIMITE

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WORKING DOCUMENT

From:	SE Delegation
To:	Working Party on Trade Questions
Subject:	Amended Enforcement Regulation - Comments by Sweden

PUBLIC

Questions from Sweden on the Enforcement Regulation to the Presidency and General Secretariat on 20 January 2020

- How does the Commission proposal effect the rules-based trading system with the WTO at its core? Could it be a risk for a down-ward spiral here and that unilateral actions could be copied by other countries the world over?

- The Commission says, that the proposal for amending Regulation 654/2014 is in accordance with the WTO. Are there any analysis or studies to confirm that?

- For Sweden, retaliation is a trade policy failure, which should be used with caution. What is the practical problem that those measures aim to solve?
  a) How often is retaliation effective generally?
  b) Has the US retaliation on Airbus had any effect on the EU?
  c) Does the Commission have examples where retaliation has solved a trade problem?

- We are reluctant to the text in Article 1) 1a. aa) "in whole or in in part". The expression **"in part**" is rather vague and could create uncertainty and arbitrariness and should therefore be deleted.

Regional Trade Agreement/Free Trade Agreement

- What will the process be, to decide the measures to be taken if a third country does not fulfil their trade obligations? Will there be an arbitration board involving experts to discuss and decide or will the decision be taken by the Commission?

- Are there indications that disputes in the RTA/FTA are going to increase in the near future? If the dispute settlement section in an existing Agreement does not fulfil the requirements, it would be better to modernize it.

- Which RTA/FTA will, according to the Commission, be affected by the proposed changes in the Regulation? Why was this not included in the negotiation at the time? How will our FTA-partners react?