

Regulatory Alert



United Kingdom Retained European Union Law (Revocation and Reform) Act 2023

Region: United Kingdom

WHY IS THIS ALERT IMPORTANT?

When the United Kingdom (UK) was a member of the European Union (EU), the EU laws and rights were in effect in the UK. After leaving the EU (Brexit), these laws were incorporated into domestic law as a new legal category known as "Retained EU law". All or part of the listed 587 EU-derived regulations under Schedule 1 to the Retained EU Law (Revocation and Reform) Act 2023 (the Act) will no longer be in use, starting from 31 December 2023. Schedule 1 includes the EU laws that will no longer be in effect and those that are retained.

Therefore, if your company is exporting and/or importing substances covered by the listed UK Retained EU law (REUL), you are legally obligated to comply with the Act, which was signed into law on 29 June 2023 as it makes major changes to the body of the REUL in UK domestic law.

INTENDED AUDIENCE

This Regulatory Alert is intended for IAEG members and their suppliers who export and/or import the substances covered by certain UK retained European Union (EU) regulations listed under Schedule 1 to the aforementioned Act.

BACKGROUND ON REGULATION

The UK domestic law known as "Retained EU law (REUL)", created by the <u>EU (Withdrawal) Act 2018</u>, came into effect at the end of the UK's post-Brexit transition period (December 2020) to ensure legal certainty and continuity immediately after Brexit, by preserving all EU and EU-derived law. As the transition period and dynamic alignment with EU law ended, the REUL aimed to keep any significant changes to the UK domestic law to a minimum. Hence, domestic laws that had previously implemented EU obligations and transformed certain parts of EU law into a corresponding domestic version were preserved.

With the introduction of the Retained EU Law (Revocation and Reform) Act 2023, significant changes have been made to the framework of REUL.

What does the Act do?

The Retained EU Law (Revocation and Reform) Act 2023 contains 23 sections and 5 Schedules, addressing various regulatory and constitutional issues. The Act aims to provide the UK government with the power to revoke and amend certain retained EU legislation.

Regulatory Alert



<u>Part 1</u> and <u>Part 2</u> of Schedule 1 to the Act outline the sunset¹ of EU-derived subordinate legislation and the retained direct EU legislation, respectively. At the end of 2023, the Act will automatically revoke all or part of the listed 587 EU-derived regulations under Schedule 1, including but not limited to the following:

- » Annex VIII to the Regulation (EC) No 1272/2008 of the European Parliament and of the Council
- » Commission Delegated Regulation (EU) No 1078/2014
- » Council Decision (EU) 2015/633
- » Commission Delegated Regulation (EU) 2015/2229
- » Commission Implementing Decision (EU) 2016/1115
- » Commission Delegated Regulation (EU) 2018/172
- » Commission Delegated Regulation (EU) 2019/330
- » Commission Delegated Regulation (EU) 2019/1701
- » Commission Delegated Regulation (EU) 2020/1068

The reason for their revocation is included in the <u>Schedule of retained EU law</u>. Furthermore, the following will be revoked by the Act at the end of 2023:

- » all rights and obligations formerly conferred under EU treaties or directives
- » the principle of supremacy of EU law
- » the retained general principles of EU law that govern the interpretation of REUL

In addition, the Act:

- » renames "retained EU law" as "assimilated law"
- » facilitates the departure from retained case law by domestic courts
- » imposes a duty to update the retained EU law dashboard²
- » imposes a duty to periodically report to Parliament on retained EU law reforms and set out plans for further reform

APPLICABILITY

The Act will apply to the export and/or import of substances covered by the listed 587 EU-derived regulations under Schedule 1 when they are revoked at the end of 2023. The act extends to England, Wales, Scotland, and Northern Ireland.

RELEVANT DATES

December 2023: Revocation [Subordinate legislation and retained direct EU legislation listed under Schedule 1].

¹ A provision in a bill that gives it an expiry date once it is passed into law. Sunset clauses are included in legislation when it is felt that UK Parliament should have the chance to decide on its merits again after a fixed period.

² This dashboard shows a list of retained EU laws (REUL). These are laws that the UK saved to ensure legislative continuity immediately after Brexit.

Regulatory Alert



REGULATORY OBLIGATIONS

A review of the list of regulations to be revoked under Schedule 1 is required to avoid non-compliance, starting from 31 December 2023.

RISKS TO AEROSPACE AND DEFENSE

Penalties for non-compliance are not detailed in the Act. However, the Act does allow national authorities to impose penalties in specific cases mentioned in Section 14 of the Act.

USEFUL LINKS

Retained EU Law (Revocation and Reform) Act 2023

Schedule of retained EU Law that will be revoked or sunset by 31 December 2023

List of retained EU laws

DISCLAIMER

THIS DOCUMENT IS PROVIDED BY INTERNATIONAL AEROSPACE ENVIRONMENTAL GROUP, INC. ("IAEG") FOR INFORMATIONAL PURPOSES ONLY. ANY INACCURACY OR OMISSION IS NOT THE RESPONSIBILITY OF IAEG. DETERMINATION OF WHETHER AND/OR HOW TO USE ALL OR ANY PORTION OF THIS DOCUMENT IS TO BE MADE IN YOUR SOLE AND ABSOLUTE DISCRETION. PRIOR TO USING THIS DOCUMENT OR ITS CONTENTS, YOU SHOULD REVIEW IT WITH YOUR OWN LEGAL COUNSEL. NO PART OF THIS DOCUMENT CONSTITUTES LEGAL ADVICE. USE OF THIS DOCUMENT IS VOLUNTARY. IAEG DOES NOT MAKE ANY REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THIS DOCUMENT OR ITS CONTENTS. IAEG HEREBY DISCLAIMS ALL WARRANTIES OF ANY NATURE, EXPRESS, IMPLIED OR OTHERWISE, OR ARISING FROM TRADE OR CUSTOM, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT, QUALITY, TITLE, FITNESS FOR A PARTICULAR PURPOSE, COMPLETENESS OR ACCURACY. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAWS, IAEG SHALL NOT BE LIABLE FOR ANY LOSSES, EXPENSES OR DAMAGES OF ANY NATURE, INCLUDING, WITHOUT LIMITATION, SPECIAL, INCIDENTAL, PUNITIVE, DIRECT, INDIRECT OR CONSEQUENTIAL DAMAGES OR LOST INCOME OR PROFITS, RESULTING FROM OR ARISING OUT OF A COMPANY'S OR INDIVIDUAL'S USE OF THIS DOCUMENT, WHETHER ARISING IN TORT, CONTRACT, STATUTE, OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.