

- **The EU's position on certain aspects of WTO reform: Improving the WTO's deliberative function, addressing State interventions and subsidies rules**
- **The Indo-Pacific Economic Framework: A different kind of economic agreement?**
- **The European Commission authorises the use of 2-methyloxolane as a food extraction solvent**
- **Recently adopted EU legislation**

## **The EU's position on certain aspects of WTO reform: Improving the WTO's deliberative function, addressing State interventions and subsidies rules**

On 22 February 2023, the EU circulated a communication on 'Reinforcing the Deliberative Function of the WTO to Respond to Global Trade Policy Challenges' (WT/GC/W/864) to all Members of the World Trade Organization (hereinafter, WTO), outlining its vision for certain aspects of WTO reform. The communication emphasises the need to improve the WTO's deliberative function and identifies thematic areas in which enhanced deliberative engagement could strengthen the organisation's relevance and better equip the WTO membership to respond to global challenges. This article reviews the EU's communication and focuses on the issue of State intervention rules under WTO disciplines, identifying related recent policy developments, their detrimental impacts on the business environment and, how the EU's proposals could make a difference.

### ***Reinforcing the deliberative function of the WTO according to the EU***

In recent years, the WTO's effectiveness has been reduced due to various reasons and with various consequences, including the paralysed dispute settlement system and limited progress in its rule-making function. In its recent Communication, the EU recalls these facts and further contributes to discussions on WTO reform by adding to other WTO Members' endeavours in pursuing different reform-motivated priorities.

The EU's Communication sees the deliberative function as a vital pillar of WTO reform to enhance the organisation's ability to address new global challenges, including geopolitical tensions, the green and digital transitions, the integration of developing countries into global value chains, food security, and sustainability. The EU's communication identifies the following three thematic areas: 1) "Trade policy and State intervention in support of industrial sectors"; 2) "Trade and global environmental challenges"; and 3) "Trade and inclusiveness". Each thematic area of the EU's Communication targets different dimensions of a "reinvigorated deliberative function": addressing State interventions and their potential detrimental impacts, as well as recognising the need to tackle environmental challenges while including stakeholders in deliberations for enhanced outcomes.

## ***The existing subsidies framework under the WTO***

One key issue raised in the EU's Communication is the issue of State intervention and subsidies. Currently, subsidies disciplines are covered under different WTO agreements, namely the *Subsidies and Countervailing Measures* (hereinafter, SCM) *Agreement*, the *Agreement on Agriculture*, and the *General Agreement on Trade in Services* (GATS). The *SCM Agreement*, in particular, disciplines the use of government subsidies and the application of remedies to address subsidised trade that has harmful commercial effects. Companies based in any WTO Member can benefit from the *SCM Agreement* in various ways, including through the use of procedural and substantive safeguards to ensure that countervailing duties are not imposed arbitrarily against companies' exports. In simple terms, subsidies are financial contributions in different forms that are provided by a government specifically to a company or group of companies, which confer a benefit. Some subsidies are prohibited by the *SCM Agreement*, while others are only "actionable", but, most importantly, for the purposes of this article, all WTO Members are required to notify to the *WTO Committee on Subsidies and Countervailing Measures* all subsidies granted or maintained within their territories.

According to the EU's Communication, neither the rules nor the transparency practiced through notification obligations are sufficiently effective, and these shortcomings should be considered in the context of the WTO reform discussions in order to address the consequential tensions in international trade. As part of the consequences created by State interventions in the economy, the EU refers to a "lack of transparency of some [State] interventions", explaining that "there is a risk that lack of transparency of State intervention and subsidy races increase trade conflicts, undermine the cooperation that is necessary to achieve the climate transition, and harm the interests of developing countries".

### ***Increased State intervention and subsidies to the detriment of competitiveness***

State intervention has always been important for economies worldwide, but, *inter alia*, the *Covid-19* pandemic, the war in Ukraine, the global food supply crisis, and the energy crisis have led Governments around the world to an increased utilisation of subsidies and other forms of intervention. Examples of recent State interventions and subsidies around the world include the *Inflation Reduction Act* in the US, with its financial benefits for US-made goods, and those adopted since 2020 in various countries in response to the *Covid-19* pandemic for national social protection, such as water and electricity deferrals of payment, food vouchers, housing rent waivers, and fuel subsidies. The EU itself has also had recourse to such policy tools. For instance, the EU has been considering a green subsidy strategy, the *Net-Zero Industry Act* (NZIA), which was announced in January 2023, and which aims to "simplify and fast-track permitting for new clean tech production sites" and "to focus investment on strategic projects along the entire supply chain". The EU's *Critical Raw Materials Act* is another initiative currently under discussion, which aims at ensuring access to critical minerals and metals through, *inter alia*, diversification of supply and strengthened monitoring capacity.

The EU's Communication must be seen in this context and with the aim of providing the space to discuss how current and future subsidies relate to existing rules, enhancing transparency through deliberation among WTO Members, and enabling WTO Members to more effectively address global issues, such as climate change, collectively.

With respect to the transparency concerns expressed in the EU's Communication, the notification of measures is the common remedy used to prevent and mitigate trade frictions, and the EU intends to also add reinvigorated deliberations to the toolbox. As part of the solution, the EU's Communication proposes deliberations on the activities of State-owned enterprises, on "the design of measures in a way that minimises negative spill-overs to other WTO Members", with a focus on the green dimension, and on the "positive and negative impacts of industrial subsidies on both trade and the environment". The aim of these proposals is "to provide more transparency on support schemes and other forms of State intervention, looking beyond the legal characterisation of whether a particular measure may qualify as a subsidy under WTO law or not".

## ***Restoring the WTO as a forum for more meaningful policy deliberations***

The EU believes that the WTO must restore itself as a *forum* for more meaningful policy deliberations that impact global trade. The EU suggests that a “*reinvigorated deliberative function*” of the WTO could, *inter alia*, improve the understanding of new trade policy challenges, identify best practices, develop non-binding instruments, and assess the scope for convergence on issues not yet sufficiently addressed by the WTO. These practices could bring benefits when addressing the issue of State intervention in the economy, including subsidies, by mitigating its detrimental impacts on trade, global markets, and environmental protection. The EU views the WTO as a *forum* that could be used for such discussions, with the aim of achieving enhanced transparency and identifying possible gaps in the current rules.

With respect to the specific form and space to be created within the WTO for these deliberations, the EU suggests establishing “*a Member-driven dedicated space to conduct these discussions, in a form to be decided within the WTO*”. Thus, the EU does not specifically refer to the *SCM Committee* as the dedicated *forum*, but generally stresses the importance of addressing State interventions, including in the form of subsidies, leaving it open for the WTO Membership to decide. Complementarily, the EU views the 13<sup>th</sup> WTO Ministerial Conference, which will take place in February 2024, as an opportunity to establish the dedicated space to conduct the suggested deliberations, which would be based on “*submissions from Members, with inputs from international organisations, academics, businesses, NGOs and think-tanks*”.

## ***Towards greater involvement of civil society?***

In the context of the third thematic area on “*Trade and inclusiveness*”, the EU stresses the importance of strengthening the “*inclusiveness of the trade policy-making process by bringing in broader perspectives and concerns to address today’s agenda*”. The EU explains that, while the WTO’s *Marrakesh Agreement* “*explicitly recognises the role that non-governmental organisations (NGOs) can play in its activities, there is scope for enhancing engagement with external stakeholders*”. The Communication notes that external stakeholders’ engagement in different WTO committees, bodies, and negotiations has the potential to inform the trade policy-making debate and support evidence-based discussions.

More specifically, the EU proposes the creation of “*a standing WTO consultative committee with balanced representation of business, labour and civil society*” to bring business expertise and other groups’ perspectives closer to WTO Members’ deliberations and to contribute to the work of the organisation.

## ***Addressing harmful trends through increased engagement***

Stakeholders should engage to increase traction on this proposal and generally demonstrate support for initiatives, such as those put forth by the EU, that aim at reinvigorating the rules-based multilateral trading system. As recognised in the EU’s Communication, a rules-based system creates long-term benefits, promoting prosperity, and reducing poverty through the management of tensions in international trade.

Global markets have recently been afflicted by increasing State interventions that have the potential to increase risks and make businesses more vulnerable. In this uncertain context, businesses should demand action from the EU and other WTO Members for the promotion of greater legal certainty and commercial predictability, making it a better environment for traders and investors. If the current trend is left unaddressed, uncontrollable market distortions and unfair competitive practices are increasingly poised to further erode the rules-based multilateral trading system, leading to an even more harmful business environment.

## ***A real debate?***

The discussions on WTO reform are currently being held in the WTO under various tracks, addressing, *inter alia*, the dispute settlement system, the WTO's rule-making function, and the development dimension. WTO Members' submissions on WTO reform address different facets of the WTO's work and the EU's recent Communication feeds into this process. The issue of WTO reform is longstanding, but in recent years the Membership appears to be dedicating more attention to these reform endeavours. It remains to be seen whether the 13<sup>th</sup> Ministerial Conference in 2024 will be a milestone in this regard, with concrete outcomes on reform, addressing the different pillars, including the WTO's deliberative function. While in recent years progress in the WTO has been slow and rather limited, it is important for WTO Members to further fuel this debate and to, ultimately, modernise certain rules.

## **The Indo-Pacific Economic Framework: A different kind of economic agreement?**

On 23 May 2022, US President *Joe Biden* had formally launched the *Indo-Pacific Economic Framework* (hereinafter, IPEF), a regional arrangement aimed at building cooperation and economic integration in the Indo-Pacific region. To date, 14 countries participate in the IPEF, namely, Australia, Brunei Darussalam, Fiji, India, Indonesia, Japan, the Republic of Korea, Malaysia, New Zealand, the Philippines, Singapore, Thailand, the US, and Viet Nam, which, collectively, represent 40% of global GDP and 28% of global trade in goods and services. With the launch of the IPEF, the participating countries began discussions on four pillars, namely: 1) Trade; 2) Supply chains; 3) Clean energy; and 4) Fair Economy. At the first ministerial meeting of the IPEF, held from 8 to 9 September 2022, the participating countries reached consensus on ministerial statements for each of the four IPEF pillars. While the IPEF will not be a preferential trade agreement, experts expect that it would pave the way for future trade agreements.

### ***The US' Indo-Pacific Strategy***

The US has long recognised the Indo-Pacific region as vital to its security and prosperity. In February 2022, the US published its *Indo-Pacific Strategy*, which states that, under the *Biden* Administration, the US was determined to strengthen its long-term position in and commitment to the Indo-Pacific, as the region faces "*mounting challenges, particularly from the People's Republic of China (China)*", noting that China was combining its economic, diplomatic, military, and technological influence as it "*seeks to become the world's most influential power*".

In this context, the US aims at modernising its long-standing alliance with Indo-Pacific countries, at strengthening emerging partnerships, as well as at investing in a regional organisation that would empower the region to respond to the "*21<sup>st</sup> century's challenges and seize its opportunities*". The US pursues an Indo-Pacific region that is "*free and open, connected, prosperous, secure, and resilient*". Notably, the Strategy puts forward five objectives to be pursued in the region, namely: 1) Advance a free and open Indo-Pacific; 2) Build connections within and beyond the region; 3) Drive regional prosperity; 4) Bolster Indo-Pacific security; and 5) Build regional resilience to transnational threats.

### ***The IPEF and its approach***

In line with the US' Indo-Pacific strategy, as well as to avoid the kind of supply chain disruptions caused by global events such as the *Covid-19* pandemic and the ongoing war in Ukraine, on 23 May 2022, the US proposed an economic initiative through the establishment of the IPEF. According to the Office of the *United States Trade Representative* (USTR), the countries participating in the IPEF aim to "*contribute to cooperation, stability, prosperity, development, and peace within the region*".

The IPEF comes five years after the US unilaterally withdrew from the *Trans-Pacific Partnership*, a trade agreement signed by 12 countries in the Asia-Pacific, as well as from North and South America. In light of the US' withdrawal from the TPP, the remaining 11 countries launched the *Comprehensive and Progressive Agreement for Trans-Pacific Partnership* (CP-TPP), which incorporates the provisions of the TPP with a number of exceptions. The IPEF can be considered as the US' move to reassert its economic engagement in the Indo-Pacific region.

At the first ministerial meeting of the IPEF in September 2022, the participating countries reached consensus on ministerial statements for each of the four IPEF pillars, namely Pillar I on [Trade](#), Pillar II on [Supply Chains](#), Pillar III on [Clean Economy](#), and Pillar IV on [Fair Economy](#), as the basis of future negotiations. The IPEF is designed to be flexible for the participating countries, as they are not required to join all four pillars and may choose which pillar they would like to participate in. Nonetheless, the participating countries must commit to all parts of each pillar they participate in. Each pillar is addressed by a dedicated negotiating group.

The first negotiation round was held in Australia in December 2022, where participating countries committed to hold monthly rounds of negotiations with the aim of concluding negotiations by November 2023, in time for the *Asia-Pacific Economic Cooperation* (APEC) Summit. Following the first round of negotiations, a special negotiating round was held in New Delhi, India, from 8 to 11 February 2023. The special round covered discussions on three of the four pillars, namely Pillar II on Supply Chains, Pillar III on Clean Economy, and Pillar IV on Fair Economy. India has opted out of the Trade Pillar and argued that some issues proposed in relation to Pillar I, such as labour, environment, digital trade, and public procurement, would not serve India's interests.

According to a [press release](#) by Fiji's Ministry of Commerce, Trade, Tourism and Transport, the participating countries aim at concluding negotiations on at least one pillar by May 2023. The second round of negotiations is scheduled to take place from 13 to 19 March 2023 in Bali, Indonesia.

### ***Trade-related aspects of the IPEF***

Trade-related issues are contained under the *IPEF's* Pillar I on Trade and Pillar II on Supply Chains. Through the related negotiations, the US seeks to agree on "*high-standard, inclusive, free, and fair-trade commitments and to develop new, creative, and economically meaningful approaches to trade policy in the Indo-Pacific region*". In this context, the participating countries intend to focus on provisions and initiatives that relate to digital trade, labour, environment, agriculture, transparency and good regulatory practices, competition policy, trade facilitation, inclusivity, as well as technical assistance and economic cooperation.

With regard to Pillar I on Trade, the countries participating in the *IPEF* negotiations seek to cooperate in the following areas: 1) Digital economy – by promoting and supporting, *inter alia*, trusted and secure cross-border data flows, as well as responsible development and use of emerging technologies; 2) Agriculture – by, *inter alia*, advancing food security and sustainable agricultural practices (e.g., promoting the use of technologies to improve "*climate-smart, sustainable practices that are context-appropriate and evidence-based*", increase productivity by optimising the use of land, water, and fuel, as well as contribute to the mitigation of and adaptation to climate change, food security, and resilience), seeking to enhance food and agricultural supply chain resilience and connectivity, avoiding unjustified measures that restrict food and agricultural imports, and by improving the transparency of regulatory processes and procedures, that are consistent with the WTO Agreements; and 3) Trade facilitation – by, *inter alia*, seeking to effectively implement the WTO Agreement on Trade Facilitation, facilitating trade through simplified Customs procedures and clearance, and fostering the digitalisation of trade facilitation measures.

With respect to Pillar II on Supply Chains, the participating countries committed to improve transparency, diversity, security, and the sustainability of supply chains (e.g., by promoting labour rights) through coordinated actions to mitigate and prevent future supply chain disruptions and secure critical sectors and key products for the countries' manufacturers. To achieve these objectives, the countries participating in the *IPEF* negotiations seek to cooperate to, *inter alia*: 1) Establish criteria for critical sectors and goods by jointly identifying critical goods and sectors to anticipate major supply chain disruptions affecting one or more *IPEF* members; 2) Establish an information-sharing and crisis response mechanism between governments and the private sector for timely warning of supply chain disruptions and more efficient, proportionate, and effective responses; 3) Strengthen supply chain logistics through, *inter alia*, facilitating investments and technical cooperation to support improvements to supply chain logistics, including its supporting infrastructure; and 4) Enhance the role of workers by pursuing provisions and initiatives to invest in training and development opportunities for workers, while also promoting labour rights based on the *International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work*.

### **Further areas of cooperation**

The *IPEF* pillars on Clean Economy and Fair Economy go beyond issues addressed in traditional economic agreements. With regard to Pillar III on Clean Economy, the participating countries seek to address climate-related issues through an increase in the use of renewable energy, decarbonisation, energy efficiency standards, carbon removal, and methane emission reduction. In this context, *IPEF* countries seek to, *inter alia*, reduce greenhouse gas emissions in priority sectors through policies and incentive frameworks. Finally, Pillar IV on Fair Economy focuses on a common approach to tax and anti-corruption policies.

### **A different kind of economic agreement?**

The future *Indo-Pacific Economic Framework*, which is perceived as the economic correlative of the US' Indo-Pacific strategy, is not a preferential trade agreement. A [press release](#) issued by the USTR underlines that the *IPEF* is designed to be “*different from a traditional Free Trade Agreement*”, as it will not provide for preferential market access, but only for enhanced cooperation and coordination on specific issues.

As the *IPEF* is still in its early stage of negotiations and has yet to establish a tangible partnership, it remains to be seen how the final agreement would take shape, such as whether its trade pillar would be further developed into a preferential trade agreement. Nonetheless, many stakeholders within the region have pointed out the tremendous prospects for economic collaboration.

## **The European Commission authorises the use of 2-methyloxolane as a food extraction solvent**

On 26 January 2023, the European Commission (hereinafter, Commission) adopted [Commission Directive \(EU\) 2023/175 amending Directive 2009/32/EC of the European Parliament and of the Council as regards 2-methyloxolane](#), authorising 2-methyloxolane as a food extraction solvent. 2-methyloxolane, also known as tetrahydro-2-methylfuran or 2-methyltetrahydrofuran (MeTHF), is an organic liquid solvent and the by-product of sugarcane bagasse, the dry pulpy fibrous material that remains after crushing sugarcane or sorghum stalks to extract their juice. The Commission authorised the use of 2-methyloxolane as an extraction solvent, *inter alia*, in the production or fractionation of fats, oils or cocoa butter, which is expected to be an alternative to petroleum-derived *hexane*. This article provides an overview of [Commission Directive \(EU\) 2023/175](#) and of the [European Food Safety Authority's](#) (hereinafter, EFSA) assessment of 2-methyloxolane, discusses safety considerations on *hexane*, and the implications of the approval of 2-methyloxolane for the food industry.

## **The use of extraction solvents in foods**

Extraction solvents are defined in Article 1(2) of [Directive 2009/32/EC of the European Parliament and of the Council on the approximation of the laws of the Member States on extraction solvents used in the production of foodstuffs and food ingredients](#) as solvents (i.e., “any substance for dissolving a foodstuff or any component thereof, including any contaminant present in or on that foodstuff”) “used in an extraction procedure during the processing of raw materials, of foodstuffs, or of components or ingredients of these products and which are removed but which may result in the unintentional, but technically unavoidable, presence of residues or derivatives in the foodstuff or food ingredient”.

‘Extraction solvent’ under [Directive 2009/32/EC](#) falls under the term ‘processing aid’ defined in Article 3(2)(b) of [Regulation \(EC\) No 1333/2008 of the European Parliament and of the Council on food additives](#) as “any substance which:(i) is not consumed as a food by itself; (ii) is intentionally used in the processing of raw materials, foods or their ingredients, to fulfil a certain technological purpose during treatment or processing; and (iii) may result in the unintentional but technically unavoidable presence in the final product of residues of the substance or its derivatives provided they do not present any health risk and do not have any technological effect on the final product”. Processing aids like extraction solvents are not covered by [Regulation \(EC\) No 1333/2008 on food additives](#) with the important consequence that the rules on the labelling of additives with the corresponding E-numbers do not apply. Therefore, there is no legal obligation to indicate the use of extraction solvents, such as the now approved 2-methyloxolane, used during the processing of raw materials, on the label of foods, even if the use may result in the unintentional, but technically unavoidable, presence of residues or derivatives in the foodstuff or food ingredient.

The EU rules on extraction solvents for use in foodstuffs primarily take human health requirements into account, but they also factor in, within the limits required for the protection of health, economic and technical needs. [Directive 2009/32/EC](#) has been transposed in EU Member State law, *inter alia*, in Germany by the [Regulation on the use of extraction solvents in the production of foodstuffs](#) in the version of 7 March 2018 and in Spain by [Royal Decree 1101/2011, of 22 July 2011, which approves the positive list of the extraction solvents that can be used in the manufacture of food products and of their ingredients](#). Annex I of [Directive 2009/32/EC](#) lists around 20 extraction solvents that may be used during the processing of raw materials, of foodstuffs, of food components or of food ingredients. Part I of Annex I lists extraction solvents to be used in compliance with good manufacturing practices for all uses, while Part II and Part III list extraction solvents for which conditions of use are specified.

Hexane, defined as “a commercial product consisting essentially of acyclic saturated hydrocarbons containing six carbon atoms and distilling between 64 °C and 70 °C”, is listed in Part II of Annex I for the production or fractionation of fats and oils and production of cocoa butter, with an MRL of 1 mg/kg in the fat or oil or cocoa butter, and for the preparation of defatted protein products and defatted flours.

[Directive 2009/32/EC](#) has only been amended twice during the 13 years of its existence, in order to add certain substances, by [Commission Directive 2010/59/EU of 26 August 2010](#) and by [Commission Directive \(EU\) 2016/1855 of 19 October 2016](#). For requests for amendments to [Directive 2009/32/EC](#), the Commission recommends to follow the requirements set in [Commission Regulation \(EU\) No 234/2011 of 10 March 2011 implementing Regulation \(EC\) No 1331/2008 of the European Parliament and of the Council establishing a common authorisation procedure for food additives, food enzymes and food flavourings](#) and the information within the practical guidance for applicants provided on the Commission’s [Common Authorisation Procedure](#) webpage. The Commission notes that “it is essential that the technological need is well explained, including the reason for setting a maximum residual level at a certain level. It should also be clearly demonstrated that the (new) extraction solvent (use) would not be of safety concern”.

## ***The EFSA's safety assessment and the Commission's approval of 2-methyloxolane***

On 6 January 2020, *Pennakem Europa*, an affiliate of the *Minafin Group*, a global fine chemicals developer and manufacturer for pharmaceuticals, cosmetics and agriculture industries, submitted an application requesting the authorisation of *2-methyloxolane* as an extraction solvent. According to the recitals of [Commission Directive \(EU\) 2023/175 amending Directive 2009/32/EC of the European Parliament and of the Council as regards 2-methyloxolane](#), *Pennakem Europa* stated that *2-methyloxolane* could be used as an alternative to the currently permitted hexane, in particular for the extraction processes in the production or fractionation of fats, oils or cocoa butter, in the preparation of defatted protein products and defatted flours, and in the preparation of defatted cereal germs and flavourings from natural flavouring materials.

Upon request of the Commission, the EFSA evaluated the safety of the proposed use of *2-methyloxolane* as a food extraction solvent. The EFSA's [Safety assessment of 2-methyloxolane as a food extraction solvent](#), adopted on 26 January 2022, concluded that the extraction solvent *2-methyloxolane* does not raise a safety concern when used as intended and when respecting the proposed maximum residue limits for furan and 2-methylfuran, the impurities with the highest potentially hazardous properties, which do not pose a safety concern if present at their maximum limits of 50 mg/kg and 500 mg/kg respectively, in accordance with the specifications.

### ***Hexane and 2-methyloxolane as food industry extraction solvents***

Petroleum-derived *hexane* has had an unchallenged position as a food industry extraction solvent for over than 50 years, with around one million metric tonnes used each year in food processing, worldwide. According to [studies](#), *hexane* has been recognised as a proven neurotoxicant for humans and a cause of occupational disease in several European countries. However, it remains classified as “*suspected neurotoxic*” by its suppliers. Only recently, the [European Chemicals Agency \(ECHA\) launched a process](#) to have *hexane* reclassified as a “*proven neurotoxic for humans*”. This new classification will reportedly be effective in Europe in June 2023 at the latest and should trigger action from the Commission regarding its approval as an extraction solvent.

*2-Methyloxolane* is derived from renewable carbon and its production has a low CO<sub>2</sub> footprint, with its release in the atmosphere not contributing to global warming. According to industry sources, if only sugarcane bagasse is considered, more than 400 million metric tonnes of it are produced each year worldwide, which are generally burned to produce energy for the sugarcane mills. For the production of the one million metric tonnes of *2-methyloxolane* solvent needed to substitute all the *hexane* used in food, 20 million metric tonnes of sugarcane bagasse would be needed. More than 30,000 metric tonnes of *2-methyloxolane* are already produced today in the world for pharmaceutical synthesis. According to industry sources, there appears to be no technical difficulty to scale up the production to one million metric tonnes.

### ***Outlook***

[Commission Directive \(EU\) 2023/175](#) authorising *2-methyloxolane* as an extraction solvent in food entered into force on 16 February 2023. EU Member States must bring into force the laws, regulations and administrative provisions necessary to comply with the Directive no later than 2 years after the date of entry into force of the Directive.



## Recently adopted EU legislation

### Trade Law

- *Corrigendum to Commission Delegated Regulation (EU) 2022/262 of 7 September 2022 amending Annex II to Regulation (EU) No 1233/2011 of the European Parliament and of the Council on the application of certain guidelines in the field of officially supported export credits (OJ L 38, 8.2.2023)*
- *Commission Implementing Regulation (EU) 2023/448 of 1 March 2023 amending Implementing Regulation (EU) 2018/574 on technical standards for the establishment and operation of a traceability system for tobacco products*
- *Commission Implementing Regulation (EU) 2023/455 of 2 March 2023 correcting Regulation (EC) No 1480/2004 laying down specific rules concerning goods arriving from the areas not under the effective control of the Government of Cyprus in the areas in which the Government exercises effective control*
- *Commission Implementing Regulation (EU) 2023/514 of 8 March 2023 amending Implementing Regulation (EU) 2021/405 as regards highly refined products, the list of third countries with an approved control plan and the inclusion of Moldova in the list of third countries authorised for the entry into the Union of consignments of eggs intended for placing on the market as Class A eggs (Text with EEA relevance)*

### Trade Remedies

- *Commission Implementing Regulation (EU) 2023/442 of 28 February 2023 initiating a 'new exporter' review of Implementing Regulation (EU) 2017/1171 imposing a definitive anti-dumping duty on imports of melamine originating in the People's Republic of China for one Chinese exporting producer, repealing the duty with regard to imports from that exporting producer and making these imports subject to registration*
- *Commission Implementing Regulation (EU) 2023/453 of 2 March 2023 extending the definitive anti-dumping duty imposed by Implementing Regulation (EU) 2017/141 on imports of certain stainless steel tube and pipe butt-welding fittings, whether or not finished, originating in the People's Republic of China to imports of certain stainless steel tube and pipe butt-welding fittings, whether or not finished, consigned from Malaysia, whether declared as originating in Malaysia or not*

### Customs Law

- *Commission Implementing Decision (EU) 2023/438 of 24 February 2023 granting a derogation requested by certain Member States pursuant to Regulation (EU) No 952/2013 of the European Parliament and of the Council to use means other than electronic data-processing techniques for the exchange and storage of information for Release 2 of the Import Control System 2 (notified under document C(2023) 1174) (Only the Croatian, Danish, Dutch, Estonian, French, German, Greek, Polish, Romanian and Swedish texts are authentic)*
- *Commission Implementing Regulation (EU) 2023/507 of 7 March 2023 fixing the import duties applicable to certain types of husked rice from 8 March 2023*

## Food Law

- *Commission Delegated Regulation (EU) 2023/439 of 16 December 2022 amending the Annex to Regulation (EU) No 609/2013 of the European Parliament and of the Council to allow the use of nicotinamide riboside chloride as a source of niacin in food for special medical purposes and total diet replacement for weight control (Text with EEA relevance)*
- *Commission Regulation (EU) 2023/440 of 28 February 2023 amending Annex II to Regulation (EC) No 1333/2008 of the European Parliament and of the Council and the Annex to Commission Regulation (EU) No 231/2012 as regards the use of carbomer in food supplements (Text with EEA relevance)*
- *Commission Regulation (EU) 2023/441 of 28 February 2023 amending Annex I to Regulation (EC) No 1334/2008 of the European Parliament and of the Council as regards the inclusion of 2-hydroxy-4-methoxybenzaldehyde in the Union list of flavourings (Text with EEA relevance)*
- *Corrigendum to Commission Implementing Directive (EU) 2022/1647 of 23 September 2022 amending Directive 2003/90/EC as regards a derogation for organic varieties of agricultural plant species suitable for organic production (Official Journal of the European Union L 248 of 26 September 2022)*
- *Commission Regulation (EU) 2023/447 of 1 March 2023 amending Annex II to Regulation (EC) No 1333/2008 of the European Parliament and of the Council and the Annex to Commission Regulation (EU) No 231/2012 as regards the use of glucosylated steviol glycosides as sweetener (Text with EEA relevance)*
- *Corrigendum to Commission Regulation (EU) 2023/466 of 3 March 2023 amending Annexes II, III and V to Regulation (EC) No 396/2005 of the European Parliament and of the Council as regards maximum residue levels for isoxaben, novaluron and tetraconazole in or on certain products (Official Journal of the European Union L 68 of 6 March 2023)*
- *Commission Implementing Regulation (EU) 2023/454 of 2 March 2023 amending Regulation (EU) No 37/2010 as regards the classification of the substance toltrazuril with respect to its maximum residue limit in foodstuffs of animal origin (Text with EEA relevance)*
- *Commission Implementing Regulation (EU) 2023/463 of 3 March 2023 authorising the placing on the market of bovine milk osteopontin as a novel food and amending Implementing Regulation (EU) 2017/2470 (Text with EEA relevance)*
- *Commission Regulation (EU) 2023/465 of 3 March 2023 amending Regulation (EC) No 1881/2006 as regards maximum levels of arsenic in certain foods (Text with EEA relevance)*
- *Commission Regulation (EU) 2023/466 of 3 March 2023 amending Annexes II, III and V to Regulation (EC) No 396/2005 of the European Parliament and of the Council as regards maximum residue levels for isoxaben, novaluron and tetraconazole in or on certain products (Text with EEA relevance)*
- *Commission Implementing Regulation (EU) 2023/513 of 8 March 2023 amending Annexes XV and XIX to Implementing Regulation (EU) 2021/404 as regards the list of third countries, territories or zones thereof authorised for the entry into the Union of meat products from ungulates, poultry and game birds and of eggs and egg products (Text with EEA relevance)*

- *Commission Implementing Regulation (EU) 2023/462 of 2 March 2023 amending Annexes V and XIV to Implementing Regulation (EU) 2021/404 as regards the entries for Canada, the United Kingdom and the United States in the lists of third countries authorised for the entry into the Union of consignments of poultry, germinal products of poultry and fresh meat of poultry and game birds (Text with EEA relevance)*

*Felipe Amoroso, Ignacio Carreño, Joanna Christy, Tobias Dolle, Alya Mahira, Lourdes Medina Perez, and Paolo R. Vergano contributed to this issue.*

*Follow us on twitter @FratiniVergano*

To subscribe to *Trade Perspectives*®, please click [here](#). To unsubscribe, please click [here](#).

FRATINIVERGANO specialises in European and international law, notably WTO and EU trade law, EU agricultural and food law, EU competition and internal market law, EU regulation and public affairs. For more information, please contact us at:

FRATINIVERGANO – EUROPEAN LAWYERS

Boulevard Brand Whitlock 144, 1200 Brussels, Belgium. Telephone: +32 2 648 21 61, Fax: +32 2 646 02 70. [www.fratinivergano.eu](http://www.fratinivergano.eu)

*Trade Perspectives*® is issued with the purpose of informing on new developments in international trade and stimulating reflections on the legal and commercial issues involved.

*Trade Perspectives*® does not constitute legal advice and is not, therefore, intended to be relied on or create any client/lawyer relationship.

To stop receiving *Trade Perspectives*® or for new recipients to be added to our mailing list, please contact us at [TradePerspectives@fratinivergano.eu](mailto:TradePerspectives@fratinivergano.eu)

Our privacy policy and data protection notice is available at <http://www.fratinivergano.eu/en/data-protection/>