


Trade: Council adopts a regulation to protect the EU from third-country economic coercion

The Council has adopted a regulation to help the EU and its member states protect themselves from **economic coercion** by third countries.

The new legislation, known as the **Anti-Coercion Instrument (ACI)**, is meant to serve as a **deterrent** for third countries targeting the EU or its member states. The aim is to use this legislation to de-escalate and induce the discontinuation of coercive measures in trade and investment through dialogue.

When this is not possible, and as a last resort, the EU will be able to adopt **countermeasures** such as the imposition of trade restrictions, in the form of, for example, increased customs duties, import or export licences, restrictions on trade in services or access to foreign direct investment or public procurement.



The new legislation will make the EU a stronger and more sovereign trading power, better equipped to deter and when necessary counter third countries' coercive trade measures against the EU and its member states.

Héctor Gómez Hernández, Spanish acting minister for industry, trade and tourism

Definition of economic coercion

Economic coercion is defined as a situation where a third country attempts to pressure the EU or a Member State into making a particular choice by applying or threatening to apply, measures affecting trade or investment against the EU or a member state.

Activation of the mechanism

The Council will have significant involvement in the decision-making process, **determining the existence of economic coercion**.

The European Commission will be given **implementing powers** in decisions on the EU's response measures, while ensuring increased involvement of member states in these decisions.

The instrument can be triggered by a wide range of coercive economic practices where a third country applies or threatens to apply a measure affecting trade or investment in order to prevent or obtain the cessation, modification or adoption of a particular act by the Union or a member state. Input from stakeholders will be taken into account when considering activation of the instrument, and businesses are encouraged to come forward with relevant information.

The ACI and any actions which can be taken under the instrument are consistent with the EU's international obligations and **fully grounded in international law**.

Next steps

The signing of the regulation is expected to take place on 22 November 2023 and will enter into force 20 days after its publication in the Official Journal of the EU.

Background

The European Commission proposed this legislation on 8 December 2021 at the request of the Council and the European Parliament. The European Parliament's negotiating mandate was adopted on 19 October 2022, while the Council's negotiating position was agreed on 16 November 2022. An interinstitutional political agreement was reached on 28 March 2023. On 3 October, the European Parliament green-lighted the regulation. Today's decision at the Council was adopted as a point without discussion at a meeting of Agriculture and Fisheries EU Ministers.

- [Regulation and statements on the protection from economic coercion](#)
- [Council's negotiating position](#)
- [Commission's proposal](#)
- [European Parliament's negotiation position](#)
- [Trade relevant news and information](#)

Press office - General Secretariat of the Council of the EU

Rue de la Loi 175 - B-1048 BRUSSELS - Tel.: +32 (0)2 281 6319

press@consilium.europa.eu - www.consilium.europa.eu/press