

EU-US Trade and Investment agreement announced

The European Commission has announced that the EU and US have agreed to launch negotiations for a comprehensive trade and investment agreement. When negotiations are completed the agreement would be the biggest bilateral trade deal ever negotiated, estimated to add 0.5% to the EU's annual economic output. In a joint statement, President of the United States of America Barack Obama, European Commission President José Manuel Barroso and European Council President Herman Van Rompuy stressed that through this negotiation, the United States and the European Union will have the opportunity not only to expand trade and investment across the Atlantic, but also to contribute to the development of global rules that can strengthen the multilateral trading system. The Commission has stated that the Transatlantic Trade and Investment Partnership aims to go beyond the standard approach of removing tariffs and opening markets on investment, services and public procurement. In addition, it will focus on aligning rules and technical product standards which currently form the most important barrier to transatlantic trade. Studies show that the additional cost burden due to such regulatory differences is equivalent to a tariff of more than 10%, and even 20% for some sectors, whereas classic tariffs are at around 4%. The decision on an agreement follows last week's discussions between EU Trade Commissioner Karel De Gucht and United States Trade Representative Ron Kirk in Washington DC. Chairing the "High Level Working Group on Jobs and Growth", created in November 2011, they finalised a report recommending the launch of negotiations of a comprehensive trade and investment agreement between the EU and US. Both parties envisage starting internal procedures leading to the actual launch of negotiations at the earliest possible moment. On the EU side, the European Commission will present draft negotiating directives to Council, on which the latter has to decide. This is scheduled to take place towards the second half of March. The US administration plans to send a notification to Congress triggering a 90-day layover period. Both sides aim to advance fast once negotiations are started.

(Source: European Commission)

<http://trade.ec.europa.eu/doclib/press/index.cfm?id=869>

European Commission proposes to open plurilateral trade negotiations on services

The European Commission has asked the Council to give its green light for negotiations on a new international agreement on trade in services. 21 WTO Members will be at the negotiating table as negotiations commence, but the EU is keen to encourage others to join. The EU is also pushing for the agreement to dovetail with WTO rules so it can be later folded into the WTO system. The negotiations will cover all services sectors, including information and communication technology (ICT) services, logistics and transport, financial services and services for businesses. However, the EU, like the other participants, is looking for the negotiations to go beyond simply further opening up markets for services. The aim is also to develop new rules on trade in services, such as those applying to government procurement of services, licensing procedures or access to communication networks. The European Commission will now submit its proposal to the Council for adoption, with negotiations expected to start in spring 2013.

(Source: European Commission)

http://europa.eu/rapid/press-release_IP-13-118_en.htm?locale=en



Industrial producer prices down by 0.2% in EU

Figures published by Eurostat, the statistical office of the European Union, show that the first estimate for the December 2012 EU trade in goods balance was a 0.7 billion euro deficit, compared with -0.2 billion in December 2011. The November 2012 balance was 1.9 billion, compared with -9.3 billion in November 2011. In December 2012 compared with November 2012, seasonally adjusted exports decreased by 1.9% and imports by 1.6%. EU exports to most of its major partners grew in January-November 2012 compared with January-November 2011, except for India (-5%) and Switzerland (-3%). The most notable increases were recorded for exports to South Korea (+17%), Russia and Japan (both +15%), the USA (+13%) and Brazil (+11%). Regarding EU imports, the pattern was mixed. The largest increases were recorded for imports from Switzerland (+14%), Norway (+9%) and the USA (+8%), and the largest falls with India and Japan (both -7%). The EU trade surplus increased with the USA (+80.2 billion euro in January-November 2012 compared with +64.6 billion in January-November 2011) and Turkey (+25.3 billion compared with +22.9 billion), but fell with Switzerland (+25.8 billion compared with +41.9 billion). The EU trade deficit declined with China (-135.3 billion compared with -146.9 billion), Russia (-81.2 billion compared with -83.3 billion) and Japan (-8.2 billion compared with -19.1 billion), but rose with Norway (-46.7 billion compared with -42.1 billion). Concerning the total trade of Member States, the largest surplus was observed in Germany (+174.6 billion euro in January-November 2012), followed by the Netherlands (+46.0 billion), Ireland (+39.9 billion) and the Czech Republic (+12.1 billion). The United Kingdom (-152.9 billion) registered the largest deficit, followed by France (-75.2 billion), Spain (-30.0 billion) and Greece (-19.0 billion). (Source: Eurostat)

http://europa.eu/rapid/press-release_STAT-13-25_en.htm?locale=en



Week ahead

European Commission

22 February

2013 European Economic Forecast

Council of Ministers

18-19 February

Competitiveness Council

This Council will focus on the following two areas; research and innovation and issues, and internal market and industry issues. The key topics for discussion include the Europe 2020 strategy for growth and jobs, the implementation of Innovation Union commitments, open access to scientific information of publicly funded research projects, Joint Programming, Commission's Annual Growth Survey 2013, Single Market Act packages, and the REACH system.

22 February

Transport, Telecommunications and Energy Council

This Council will debate on proposed changes to the 1998 fuel quality directive and the 2009 directive on the promotion of the use of energy from renewable sources. A debate will also be held on the Communication entitled "Making the Internal Energy Market work", as well as on the Commission's Annual Growth Survey for 2013.

European Parliament (Committee week)

TRAN – 18 February

Temporary derogation from Directive 2003/87/EC of the European Parliament and of the Council establishing a scheme for greenhouse gas emission allowance trading within the Community.

Consideration of amendments (vote on 19 February)

ENVI – 18 February

Modalities for reaching the 2020 target to reduce CO₂ emissions from new light commercial vehicles.

Consideration of draft report

ENVI – 19 February

Modalities for reaching the 2020 target to reduce CO₂ emissions from new passenger cars. Consideration of draft report

INTA – 21 February

Final report on the EU-US High-Level Working Group for Jobs and Growth and the way ahead. Exchange of views