

A new settlement for the UK in the EU

Following the European Council meeting last week, EU leaders reached a deal on Britain's special status in the EU. It is a legally binding and irreversible decision by all 28 leaders. The settlement looks to address all of Prime Minister Cameron's concerns without compromising EU fundamental values.

In summary, the UK's renegotiation deal includes changes to:

- **Competitiveness** - The settlement calls on all EU institutions and member states to "make all efforts to fully implement and strengthen the internal market" and to take "concrete steps towards better regulation", including by cutting red tape.
- **Eurozone** - Britain won't need to adopt the Euro while being in Europe, without fear of discrimination. Any British money spent on bailing out eurozone nations will be reimbursed.
- **Protection for the City of London** - Safeguards for Britain's large financial services industry to prevent eurozone regulations being imposed on it
- **'Red card' for national parliaments** - It will be easier for governments to band together to block unwanted legislation. If 55% of national EU parliaments object to a piece of EU legislation it will be rethought.
- **Some limits on free movement** - Denying automatic free movement rights to nationals of a country outside the EU who marry an EU national, as part of measures to tackle "sham" marriages. There are also new powers to exclude people believed to be a security risk - even if they have no previous convictions.
- **Child benefit** - Child benefit payments to migrant workers for children living overseas to be recalculated to reflect the cost of living in their home countries
- **Migrant welfare payments** - The UK can decide to limit in-work benefits for EU migrants during their first four years in the UK. This so-called "emergency brake" can be applied in the event of "exceptional" levels of migration, but must be released within seven years - without exception.

- **Sovereignty** - There is an explicit commitment that the UK will not be part of an "ever closer union" with other EU member states. This will be incorporated in an EU treaty change.

The referendum in the UK is now set to take place on 23 June 2016. (Source: [Council](#) and [BBC](#))

ACEA – CV Registrations +12% in January

Figures released by the European Automobile Manufacturers' Association (ACEA) show that the EU market for new commercial vehicles (CVs) kept growing, in line with its positive performance in 2015. Demand increased (+12.0%), totalling 159,712 units. The truck and heavy truck segments saw significant growth, while bus and coach registrations remained stable. Four of the five largest markets in the EU posted gains in January, Italy (+23.9%) and Spain (+21.0%) recorded the highest growth rates. (Source: [ACEA](#))

Automotive and telecom industries set joint priorities for CAVs

In order to facilitate the uptake of automated and connected driving in the near future, the European automotive and telecom sectors have identified three priority areas for further cooperation at the annual Mobile World Congress in Barcelona. Recognising challenges, the European automotive and telecom sectors joined forces in September last year by launching an 'EU Industry Dialogue on automated and connected driving' to identify, and jointly overcome, the remaining barriers. The three priority areas are:

- **Connectivity**: Firstly, automated driving will require upgraded communication systems that provide higher performance levels in terms of latency, throughput and reliability of the network. Europe needs to support private investment by all

operators in order to foster the deployment of the necessary enhanced fixed and mobile infrastructure. For example, through ensuring a technology neutral regulatory framework, or through public funding, where investment is not feasible on a commercial basis.

- **Standardisation:** Secondly, standardisation is crucial for a timely and cost efficient market development of connected and automated driving. To that end, the two industries have agreed to map all relevant standardisation activities that are being undertaken, either by the auto industry or by the telecom industry, and to jointly determine priorities.
- **Security:** Thirdly, to obtain customer trust in connected and automated driving, it is critical to ensure that all data transmission to and from vehicles, as well as all data processing that is required, occurs in a secure manner. Both sectors are already involved in industry-led initiatives in this field, but have now agreed to use this dialogue to strengthen their cooperation.

(Source: [ACEA](#))

12th round of TTIP negotiations

From 22 to 26 February, the 12th round of the [Transatlantic Trade and Investment Partnership \(TTIP\)](#) negotiations between the EU and the US took place in Brussels. This round marked the beginning of an intensified period in these talks. The negotiators discussed all three pillars of TTIP: market access for EU and US firms, regulatory cooperation, and rules of trade. Regulatory cooperation was expected to be at forefront of the discussions as both sides were preparing to exchange new textual proposals and intensify talks on the nine industry sectors which were identified before the start of TTIP. Talks on investment protection resumed and the EU will present for the first time its proposal for a new Investment Court System (ICS). (Source: [Commission](#))

European Skills Council

The European Automotive Skills Council held its final conference at the European Economic and Social Committee, where European policymakers, industry and social dialogue stakeholders gathered to discuss the critical skills challenges confronting the automotive sector. 23% of the European automotive workforce are near or at the point of retirement and less than a quarter of employees are female. These demographic trends, coupled with the digitalisation of the industry, reflect the significant skills challenges that the European automotive sector faces. These are key issues addressed by the European Automotive Skills Council (EASC), following more than a year's work of research and dialogue with a wide variety of industry partners. (Source: [EASC](#))

Week ahead

Council of the EU

Monday 29 February

- Competitiveness Council – Single market strategy for services and goods as well as competitiveness check-up and the circular economy

Friday 4 March

- Environment Council – Implementation of Paris Agreement

