Eurozone growth revised down to 1.4% in 2011

The eurozone economy slowed at the end of last year and is now in a "mild recession", EU officials have stated. The announcement is a further blow to stock markets already falling on Greek debt worries. The latest data and comment from the European Union points to a double-dip recession within three years for the 17-nation eurozone, still struggling to overcome the debt crisis which has badly hit confidence. According to the EU statistics office Eurostat, the eurozone economy grew by 1.4% last year, less than the previously estimated 1.5% growth. Eurostat also confirmed an estimate that output shrank by 0.3% in the fourth quarter and revised down growth for the third quarter from 0.2% to 0.1%. The figures track a slowdown from the middle of last year, and the EU's Economic Affairs Commissioner Olli Rehn has stated: "The euro area is currently in a mild recession". Mr. Rehn's remark means that the eurozone is in its second period of recession in three years. Over the whole of 2011 in the 27-nation European Union, GDP expanded by 1.5% compared with 2.0 percent in 2010. In comparison, US GDP rose 0.7% in the fourth quarter and 1.7% overall in 2011, and in Japan, GDP fell 0.6% in the fourth quarter and 0.9% overall in 2011. The data showed poor performance in the last quarter of 2011 for the various components of GDP, with investment dropping 0.7% in both areas while imports fell 1.2% and exports dropped 0.4%. Among the countries where data was available, only three of the 17 sharing the euro saw growth in the last 2011 quarter, Slovakia, France and Finland. The sharpest falls were registered by Portugal, Estonia, Italy and the Netherlands. (Source: EUBusiness)
http://www.eubusiness.com/news-eu/eurozone-growth.fke

Jato Dynamics state car CO_2 emissions decreased in 2011

Sector analyst firm, Jato Dynamics, has stated that average emissions from new cars sold in Europe fell by 3.4% last year to 136.1 grams of carbon dioxide per kilometre, according to preliminary data. This data would mean that almost 30% of new cars now have emissions below 120gCO2/km. Portugal continued to have the lowest emissions at 112gCO2/km, followed by the Netherlands, which introduced new CO2-linked tax rules last year. Denmark, Belgium, France, Ireland and Italy also managed to bring their averages below 130gCO2/km last year. EU carmakers have until 2015 to cut emissions from the entire new car fleet to below 130gCO2/km; 65% of the fleet must meet this target this year. Official EU figures showed a 3.7% drop in 2010 and a 5.1% drop in 2009. Jato plan to release their full results at the end of March. (Source: ENDS)
http://www.endseurope.com/28326/car-co2-emissions-fell-again-in-2011-analyst?referrer=bulletin&DCMP=EMC-ENDS-EUROPE-DAILY

European Commission pushes for improved green law enforcement

The European Commission has released a Communication stating that the EU could save €50bn a year by improving implementation of its environmental legislation. The Commission suggests a range of approaches including improved surveillance and inspection, better sharing of information, and more access to justice for environmental groups. The Communication is intended to create a debate on enforcement to inform development of the EU's 7th Environmental Action Programme (7EAP), the Commission says. Proposals for 7EAP are due to be released in the autumn. While not recommending the immediate creation of an EU environmental inspectorate – a recurring call among some stakeholders – the communication does float this as an option alongside upgrades to existing national frameworks for inspection and enforcement, and the inclusion of more specific inspection rules in new legislation. If a central inspectorate is eventually created to augment the work done by member states, it could be a fixed body, could make use of 'peer review' by other member states or could use independent experts on an ad hoc basis, the commission suggests. The EU executive has also promised to put forward proposals for an information sharing system (SEIS) by the summer and to investigate setting up structured implementation and information frameworks (SIIFs) to clarify the requirements of particular directives and to help assess how effectively they are being implemented. The Commission hopes better sharing of information and knowledge will help address uneven enforcement levels between member states, which the commission states harms the environment, undermines confidence in EU legislation and distorts competition in the common market. (Source: European Commission) http://europa.eu/rapid/pressReleasesAction.do?reference=IP/12/220&format=HTML&aged=0&language=EN&guiLanguage=en

Poland reluctant to accept 2050 low carbon roadmap

EU environment ministers are likely to endorse the European Commission's low-carbon roadmap to 2050, but in a much watered-down form, as Poland is continuing to oppose any mention of tighter climate targets. The roadmap, presented by the European Commission in March 2011 outlined cuts in greenhouse gas emissions by 25% by 2020 as well as targets for 2030 (40%), 2040 (60%) and 2050 (80-95%). Poland backed the target for 2050 at an EU summit in 2009 but is reluctant to agree on the intermediary steps or milestones contained in the Commission's roadmap. Poland currently relies on coal for more than 90% of its electricity, and blocked proposals to toughen the EU's carbon dioxide emissions targets in June 2011. A Polish government source is quoted as saying that Warsaw would again veto two texts of draft conclusions on Friday, one relating to the Low Carbon Roadmap and one follow-up paper on last December's Durban Climate Change Conference. In a bid to prevent a Polish veto, the Danish EU presidency had already omitted reference to the 25% emissions reduction milestone for 2020 from the draft conclusions. While some central and eastern European nations are sympathetic to Poland's concerns, bigger EU member states such as the UK, Germany and France have not given up on the roadmap's vision. These countries underline the necessity of setting a target for 2030 because it would help prop up Europe's depressed carbon market already in the current period. Carbon prices are currently hovering at around €8 a tonne, below the €25 to €40 considered necessary to have a significant influence on business decisions. (Source: EurActiv) http://www.euractiv.com/climate-environment/poland-defies-europe-2050-low-carbon-roadmap-news-511380

Week ahead

European Commission
No relevant activity

Council of Ministers
Friday 16 March – Foreign Affairs - TRade
Ministers are expected to adopt :

- Political agreement on the signing and provisional application of a Free Trade Agreement (FTA) with Columbia and Peru.
- Conclusions on trade, growth and development.

Ministers are expected to discuss:

- An FTA with Singapore.
- A proposal for a regulation establishing transitional arrangements for bilateral investment agreements between Member States and third countries.
- A proposal for the revision of the regulation applying the Generalised Scheme of Tariff Preferences (GSP).
- The state of play regarding the signature and ratification of the Anti-Counterfeiting Trade Agreement (ACTA) on enforcement of Intellec-tual Property Rights.

European Parliament (Plenary Session - Strasbourg)
13 March – Conclusions of the European Council
15 March – Competitive Low Carbon Economy in 2050