WEEK IN BRUSSELS

Week ending Friday 13 April

European Parliament committee discusses noise with industry

The European Parliament's Environment Committee held a workshop for parliamentarians and stakeholders to discuss in depth the challenges of the Commission's proposal on the sound level of motor vehicles. The proposal includes minimum and maximum noise limits; and is aimed at ensuring a high-level of human health and environmental protection and to safeguard the internal market for motor vehicles as regards their sound level. In the committee workshop, MEPs heard from noise experts, automotive industry representatives and the environmental lobby. The automotive industry focused on concerns over vehicle categories, limit values and lead-times; with the environmental lobby stressing concerns over any 'weakening' of the proposal. The range of parameters and complexities of measuring noise; including the impact of different tyres and road surfaces was strongly debated. The Commission confirmed it would review vehicle categories. The EP's Transport Committee has just published its draft opinion, the Internal Market Committee will do the same in mid-May with the Environment Committee voting in early July. Currently, the plenary vote is scheduled for October. (Source: European Parliament)
http://www.europarl.europa.eu/committees/en/envi/home.html

Industrial production up 0.2% in the EU

Figures published by Eurostat, the statistical office of the European Union, show that industrial production in the EU rose by 0.2% in February 2012, compared with January 2012 (the euro area saw a 0.5% rise). However, in February 2012 compared with February 2011, industrial production fell 1.8%. (Source: Eurostat)
http://europa.eu/rapid/pressReleasesAction.do?reference=STAT/12/55&format=HTML&aged=0&language=EN&guiLanguage=en

Emissions Trading Scheme state aid rules due in June

The European Commission is hoping to finalise guidelines on the state aid that can be given to firms threatened by the EU emissions trading scheme (ETS) by mid-June. The rules, which will enter into force next January, had been expected in the first part of 2012. The guidelines specify rules on the free allocation of ETS allowances under the next phase of the scheme, but rules for firms at indirect risk of carbon leakage because of the additional cost of electricity under the ETS are less settled at this stage. Responses to a stakeholder consultation launched by the European Commission in December highlight a number of contentious issues. These include the scope of current proposals, limits to how much aid each ETS installation can receive and the methodology used to calculate total state aid levels. Member state respondents are, on the whole, keen for the rules to be as restrictive as possible to avoid overcompensating industry and distortions within the EU market. Governments in Denmark, France, Italy and Latvia all suggest, for example, that no aid is needed at the current carbon price. They want thresholds of between €20 and €50 per allowance; subsidies would kick in above this point. However, Poland and Germany are closer to industry's stance on the rules. They want the list of sectors eligible for aid to be widened and believe compensation should be available for all indirect ETS costs. The Commission says that only 85% of these costs should be covered in 2013, falling to 75% by 2020. Many industry representatives say anything less than 100% compensation would still leave EU companies vulnerable to competition from abroad. Many respondents, including some member states, are also calling for calculations to be based on actual electricity bills, rather than a 2005-11 baseline. (Source: ENDS) http://www.endseurope.com/28563/ets-state-aid-rules-due-in-next-few-months?referrer=bulletin&DCMP=EMC-ENDS-EUROPE-DAILY

Clean investments in EU continue to grow

Investment in clean energy in Europe grew by about 8.7% in 2011 to $92.7bn, according to a global report produced by researchers at Bloomberg New Energy Finance for US charity the Pew Environment Group. Growth in other regions was much higher. A slight decline in Germany and sharper falls in some member states such as Portugal and Greece were compensated by strong growth in Italy, the UK, Spain and France. But the report's authors warn it might be difficult to maintain current investment levels in the EU because of debt problems. To lure back investors and to create growth in Greece, the government in Athens has just unveiled a plan to radically transform the country's energy sector. The plan foresees a massive increase in renewable energy capacity, particularly solar power. The Bloomberg New Energy Finance report, shows growth in clean energy investments in 2011 was mainly driven by a combination of falling prices – notably for solar panels – and an increase in asset finance and investments in small projects such as residential solar installations. Asset finance – essentially money invested in renewable energy generating capacity – increased by 12% in 2011 to $141bn. This represents nearly half of the total $263bn global investment in clean energy that year. Investments in small projects increased by 25% to $71.5bn; some $8.6bn came from venture capital. Clean energy projects also continued to benefit from the economic stimulus funds pledged by G20 countries in 2008/09. About $142bn of the total $194bn committed to these programmes has already been spent, including $46bn last year. Some 37% of the funds was spent on energy efficiency and 34% on renewables. (Source: ENDS) http://www.endseurope.com/28578/clean-investments-in-eu-continue-to-grow?referrer=news

Week ahead

European Commission
Thursday 19 April – DG Employment
Proposal to facilitate cross-border motor vehicle registration

Council of Ministers
No relevant activity

European Parliament
Constituency week

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