

WEEK IN BRUSSELS

Week ending Friday 20 July

Commission proposes to open negotiations for a Free Trade deal with Japan

The European Commission has decided to ask member states for their agreement on opening negotiations for a Free Trade Agreement with Japan. Negotiating directives will be submitted to the Council which will have to give the Commission a mandate to start negotiating. Japan is the EU's second biggest trading partner in Asia, after China, and together the EU and Japan account for more than a third of world GDP. A trade deal with Japan is estimated to boost the EU's GDP by almost 1%, increase EU exports to Japan by one third, and provide 420,000 new jobs in the EU. Given the importance that the elimination of non-tariff barriers has for realising the level playing field for European businesses on the Japanese market, the negotiating directives foresee that Japanese non-tariff barriers will have to be eliminated in parallel to any tariff reductions on the EU side, and that the European Commission should suspend negotiations if progress as specified in the non-tariff barriers and railways and urban transport roadmaps does not materialise within one year from the start of the negotiations. Commenting on the announcement, EU Trade Commissioner, Karel De Gucht, stated: "If growth in the next twenty years is likely to come from Asia, then overlooking Japan would be a serious mistake in our trade strategy. Our priority in our talks will be to tackle the non-tariff barriers on the Japanese market, for example in the car sector, and to allow European business to access Japan's public procurement market. If Japan will not have removed key non-tariff barriers within one year from the start of the negotiations, we will stop the negotiations".

(Source: European Commission)

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/12/810&format=HTML&aged=0&language=EN&guiLanguage=en>

Commission publishes roadworthiness proposals

The European Commissions has published proposals for tougher vehicle testing rules, following an increase

in road deaths in recent months. The roadworthiness package would require old vehicles and those with exceptionally high mileage to undergo a first test after four years, then every two years after, and also proposes minimum standards for vehicle inspections and a clamping down on mileage fraud.

(Source: European Commission)

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/12/780&>



European CV registrations down 2.8% in June 2012

Figures published by ACEA, the European Automobile Manufacturers' Association, show that in June 2012 new passenger car registrations declined by 2.8% in the EU, continuing the downward trend started in October 2011. In total, 1,201,578 new cars were registered in the EU in the month, which counted on average the same number of working days as in June 2011. In the first half of 2012 demand for new cars was down 6.8%, compared to the first half of 2011, amounting to 6,644,829 units. June results were diverse across the EU, leading to the overall 2.8% downturn. Looking at the major markets, Germany (+2.9%) and the UK (+3.5%) posted growth, while Spain (-12.1%) and Italy (-24.4%) contracted. The French market remained stable (-0.6%). From January to June, Germany (+0.7%) and the UK (+2.7%), the two largest markets, performed better than in the first six months of last year. Downturn prevailed in Spain (-8.2%), France (-14.4%) and Italy (-19.7%). (Source: ACEA)

http://www.acea.be/index.php/news/news_detail/passenger_car_registrations_-6.8_in_first_half-year_-2.8_in_june

Commission targets barriers to single market for research and innovation

The European Commission has set out steps Member States should take to achieve the European Research Area (ERA), a single market for research and innovation in Europe. The goal is to enable researchers, research institutions and businesses to better move, compete and co-operate across borders. This scheme aims to strengthen member states' research bases, increase their competitiveness and allow them to work together more effectively to tackle major societal challenges, such as climate change, food and energy security and public health. To help achieve the European Research Area, the Commission has also signed a Joint Statement and Memorandums of Understanding with organisations representing key research organisations and research funding bodies. The proposals are a response to the deadline set by EU leaders to make the European Research Area a reality by 2014. (Source: European Commission)

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/12/788&format=HTML&aged=0&language=EN&guiLanguage=en>

Commission rejects extensions for NO2 standards

The European Commission has rejected a number of requests for extra time to meet nitrogen dioxide (NO₂) standards. Fewer than half of the air quality zones concerned met conditions for an extension. EU states can delay a 2010 deadline for meeting local NO₂ targets set in 1999 if they can persuade Brussels that hourly and annual goals will be met by 2015. But the EU executive has traditionally taken a tough stance on requests for derogations. The Commission has made decisions on applications from six member states, with only Finland's application, which relates solely to Helsinki, was approved in full. In June, the Commission granted extensions to 12 of the 24 requested air quality zones in the UK.

(Source: ENDS)

<http://www.endseurope.com/29316/commission-continues-tough-line-on-air-quality>



Week ahead

European Commission

No relevant activity

Council of Ministers

24 July

General Affairs Council

European Parliament

Parliament will be in recess until 3 September 2012.