

WEEK IN BRUSSELS

Week ending Friday 26 July

EU-Colombia trade agreement to take effect on 1 August 2013

Trade barriers between the EU and Colombia will be lifted as of 1 August 2013, when a comprehensive and far-reaching trade deal enters into application. The agreement will open up markets for both EU and Colombian exporters, estimated to eventually bring annual savings of more than €500m for companies. The improved, more stable conditions for trade and investment are expected to boost trade and investment between the EU and the Andean region. The deal was signed by the EU, Colombia and Peru in June 2012 and will now be applied between all three parties. At the end of the transition period, there will be no customs duties at all on industrial and fisheries products and trade in agricultural products will become considerably more open. As a result, exporters could save as much as €500 million annually in tariffs alone. The main benefit of the new trade regime will come from a more transparent, predictable and enforceable business environment. This is expected to create significant new opportunities for businesses and consumers on both sides. Better conditions for creating business links should lead to more integrated value chains and make it easier to transfer technology. The aim of the agreement between the EU, Colombia and Peru is also to foster regional integration among the Andean countries. Therefore, the door is still open for the other Andean countries – Ecuador and Bolivia – to enter into the partnership. Commenting on the announcement, EU Commissioner for Trade, Karel De Gucht stated: "This agreement opens a new chapter in EU-Colombia relations and I do hope that companies on both sides will take full advantage of the many opportunities the deal offers. Let's use this trade agreement as a springboard for a closer growth-based relationship between the EU and the Andean region." (Source: European Commission)

http://europa.eu/rapid/press-release_IP-13-749_en.htm?locale=en



European commercial vehicle registrations fall 4.8% in June

Figures published by ACEA, the European Automobile Manufacturers' Association, show that in June new commercial vehicle registrations continued their downward trend, declining by 4.8% with a total of 149,996 units recorded in the EU. All segments were down, from -4.2% for vans to -14.0% for buses and coaches. Looking at the major markets, Spain (+14.7%) and the UK (+3.7%) expanded in June, while Germany (-7.1%), France (-9.3%) and Italy (-13.1%) faced a downturn. Over the first six months of the year, demand for new commercial vehicles reached 832,093 units, or 6.9% less than in the first half-year of 2012. The UK was the only market to post growth (+7.2%), while downturn ranged from -6.0% in Spain to -9.4% in France, -10.2% in Germany and -19.5% in Italy. (Source: ACEA)

http://www.acea.be/index.php/news/news_detail/commercial_vehicle_registrations_-_6.9_in_first_semester_-4.8_in_june

Japan and Australia call on Britain to retain strong voice in EU

Japan has added its voice to calls for Britain to maintain a leading role in the European Union, saying that membership is a key advantage for companies looking to access Europe's single market. Japan

submitted its statement to a review ordered by British Prime Minister David Cameron into the balance of power between London and Brussels. The submission highlighted that more than 1,300 companies have invested in Britain, creating 130,000 jobs and highlighted that the UK as a gateway to the European market has attracted Japanese investment. A statement on Japan's British embassy website stated: "The [Japanese] government is committed to making its relationship with the EU stronger than ever before. In this context, it expects that the UK will maintain a strong voice and continue to play a major role in the EU." Australia has also informed Britain it hopes it will remain part of the European Union in its response to the Balance of Competences Review, stating that: "Australia recognises the UK's strength and resilience and looks forward to seeing it continue as a leading economy and effective power. Strong effective membership of the EU contributes to this."

(Source: Euractiv)

<http://www.euractiv.com/uk-europe/japan-urges-uk-remain-strong-voi-news-529484>

EU negotiations with Armenia and Georgia on FTA successfully concluded

The EU has successfully concluded a free trade deal with Georgia on 22 July and with Armenia on 24 July. The comprehensive FTAs will see Georgia and Armenia gaining better access to the EU market for its goods and services. To achieve this, these countries carried out substantial reforms in key trade and investment-related regulatory areas. The EU is both countries' biggest trading partner. In Georgia, total trade with the EU in 2012 accounted for 26.6% with bilateral trade in goods amounting to €2.63 billion, whereas, in Armenia, its total trade in 2012 covered about 32% and bilateral trade in goods amounted to €951m. Georgia's trade with the EU is heavily reliant on base metals and other primary commodities. The DCFTA will have significant impacts on Armenia's trade. The forecast 15.2% increase in Armenian exports and an 8.2% increase in its imports will, in the long run, lead to improving Armenia's trade balance in relative terms. A recently-published study suggests that in the long term, the Armenian economy could gain an extra €146m a year, representing a 2.3% increase in GDP. The removal of non-tariff measures is key to realising these benefits. For its part, the EU is expected to gain by some €74m per year.



Week ahead

European Parliament

The European Parliament is in recess until 2 September