# WEEK IN BRUSSELS

**Week ending Friday 2 August**

## First EU-US Interoperability Centre for electric vehicles opens for business

The first of two centres designed to promote common standards in electric mobility and smart grids in the EU and US has opened in Chicago. These centers aim to converge standards and interoperability between smart grids and electric vehicles, allowing for deeper penetration of renewable energies in the electricity systems. The launch of the Interoperability Centre for electric vehicles and smart grids follows the Letter of Intent (LoI) for closer co-operation, signed by the JRC, the European Commission's in-house science service, and the US Department of Energy (DOE) in 2011. The Interoperability Centre hosted at DOE's Argonne National Laboratory near Chicago will be followed by the second Centre in the EUin 2014, at the JRC sites in Petten, the Netherlands and Ispra, Italy. The trade and investment agreement currently being negotiated by the EU and the US known as the Transatlantic Trade and Investment Partnership (TTIP), aims to remove tariffs and differences in technical regulations, standards and certifications which cost time and money to companies and consumers. In the context of the importance of this agreement for converging standards across the Atlantic, the work of the twin Interoperability Centres will play a scene-setting role for technology harmonisation in the two biggest world economies.
(Source: European Commission)
http://ec.europa.eu/dgs/jrc/index.cfm?id=1410&dt_code=NWS&obj_id=17390&ori=RSS

## EU trade deal with Honduras, Nicaragua and Panama becomes operational

The EU and Honduras, Nicaragua and Panama have agreed to start applying the trade part of an Association Agreement signed in 2012 from 1 August 2013. The aim of this agreement is also to reinforce economic integration and promote sustainable development in the region. The comprehensive trade part of this agreement will open up markets for goods, public procurement, services and investment on both sides. This will aim to create a stable business and investment environment based on predictable and enforceable trade rules which, in many instances, go further than the commitments the parties have made in the World Trade Organisation (WTO). The agreement also sets up institutions to tackle trade related issues and provides a transparent way to settle trade disputes. The benefits of the agreement at a macroeconomic level are expected to be considerably more tangible for the Central American countries. This is due to the relative size of the economies involved with Central American GDP representing less than 1% of the European GDP. Central America's economy is expected to grow by over two and a half billion euros annually once the agreement applies to the entire region. Commenting on the announcement, EU Trade Commissioner Karel De Gucht stated: “This Association Agreement is another proof of our interest and involvement in Central America. It will further cement our strategic alliance based on common values and mutual respect. The benefits are not just economic: as European unification has shown, economic integration has a positive impact on political integration, so this agreement should bring more stability to the region. I am glad that Honduras, Nicaragua and Panama are now taking a step in this direction and I am looking forward to seeing other partners in the region joining in very soon.'
(Source: European Commission)
http://europa.eu/rapid/press-release_IP-13-758_en.htm?locale=en

## Industrial free allocation for ETS phase three to be decided in September

The European Commission plans to adopt a decision on Member States' national implementation measures (NIMs) for phase three of the EU ETS during the course of September 2013. The date of the adoption and publication of the decision will be announced on this website at least 24 hours in advance. The decision will not only comprise the results of the NIMs scrutiny process but also lay down the size of any cross-sectoral correction factor needed. EU ETS rules foresee that a cross-sectoral correction factor should be applied if the preliminary allocation for industrial installations through NIMs exceeds the maximum amount of allowances available. In this case, free allocation to all industrial installations across the EU would be reduced by the same proportion. The decision will also fix the final EU ETS cap for phase three. Following adoption of the decision it will be for respective member states' registry authorities to take the necessary steps to distribute the free allowances to installations. The Commission estimates that this will take around one to three months depending on the procedures to be applied in each member state. It will also depend on whether the Commission decision requires changes to the preliminary allocations in the NIMs. The decision on free allocation for 2013 may also require a change in the number of allowances to be auctioned. Once the decision is adopted the Commission will examine whether this is the case. If so it will be assessed and decided, together with member states and auction platforms as well as in line with relevant provisions in the Auctioning Regulation, whether any adjustment to the volume to be auctioned should be made to the 2013 auction calendars or taken into account in the 2014 auction calendars. (Source: European Commission)
http://ec.europa.eu/clima/news/articles/news_2013073001_en.htm

## June industrial producer prices stable in EU

Figures published by Eurostat, the statistical office of the European Union, show that in June compared with May the industrial producer price index remained stable in both the euro area (EA17) and the EU. Among the Member States for which data are available, prices remained stable in Germany, Spain, Cyprus, Romania, Slovenia and Finland. The highest increases in the total index were observed in Estonia (+6.7%), Denmark (+0.5%), Italy and Malta (both +0.4%), and the largest decreases in Lithuania (-0.8%), the Netherlands (-0.4%), Latvia, Austria and the United Kingdom (all -0.3%). In June 2013 compared to June 2012 industrial producer prices rose by 0.3% in the euro area and by 0.6% in the EU. Among the Member States for which data are available, the highest increases in the total index were observed in Estonia (+14.2%), Romania (+4.9%) and Denmark (+3.6%), and the largest decreases in Cyprus (-2.1%), Poland (-1.3%) and Sweden (-1.2%). (Source: Eurostat)
http://europa.eu/rapid/press-release_STAT-13-119_en.htm?locale=en

## Week ahead

**European Parliament**
The European Parliament is on recess until 2 September


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