

ACEA – CV registrations: +11.8% over eight months

Figures released by the European Automobile Manufacturers Association (ACEA) showed an increase in the demand for new commercial vehicles (CVs) in the EU (+8.7%) for the eighth consecutive month, totalling 113,865 units. Growth was sustained across all commercial vehicle segments. Southern European markets confirmed the positive momentum, with Spain (+43.6%) and Italy (+21.2%) posting double-digit percentage gains, followed by the UK (+15.8%), while France remained stable (+0.2%) and Germany (-8.7%) saw its demand for commercial vehicles decrease. Over eight months in 2015, the EU market expanded (+11.8%), totalling 1,308,788 commercial vehicles. During the same period, Spain (+37.0%), the UK (+19.0%), Italy (+10.3%), Germany (+2.4%) and France (+0.8%) all posted growth. (Source: [ACEA](#))

Conclusions of the Competitiveness Council

On 1 October, Ministers discussed urgent micro-economic issues and held a debate as to how to maximise European added-value through making sure that EU regulation contributes to removing barriers to the Single Market. At an informal working lunch, Ministers discussed the reform of the EU's emissions trading system and the recent events regarding controls of car emissions in the automotive sector. Ministers addressed the recent developments in the automotive sector regarding controls of air pollutant car emissions. The Council took note of the action announced by the European Commission to strengthen controls of car emissions and the explanations provided by the German government as to steps taken to look into the recent events. "We need to reassure the markets and show that we are taking the necessary steps to re-establish confidence. I am optimistic after hearing the explanations of the Commission, in particular the German colleague. I felt a strong will among colleagues to speak and act with one voice." said Etienne Schneider after the meeting. (Source: [Council of the EU](#))

Capital Markets Union – Action Plan launched

The European Commission launched its Capital Markets Union Action Plan this week to help build a true single market for capital across the 28 EU Member States. As part of the Juncker Commission priority to boost jobs, growth and investment across the EU, the Capital Markets Union (CMU), a key pillar of the Investment Plan, aims to tackle investment shortages head-on by increasing and diversifying the funding sources for Europe's businesses and long-term projects. The Commission also wants to break down barriers that are blocking cross-border investments in the EU to make it easier for companies and infrastructure projects to get the finance they need, regardless of where they are located. The CMU is a medium-term project but with some important early initiatives. The Commission unveiled a first set of measures to relaunch high-quality securitisation, and to promote long-term investment in infrastructure. In addition, the Commission announced will announce changes to the Prospectus Directive before the end of the year, with a view to making it easier and less expensive for small and medium-sized companies to raise capital. The Commission's overall goal for CMU is to create opportunities for investors, connect finance to the wider economy, and foster a more resilient financial system, with deeper integration and more competition. (Source: [European Commission](#))

Hollande and Merkel join forces to push for eurozone integration

François Hollande and Angela Merkel will make a historic joint address to the European Parliament on Wednesday (7 October). Announced at the end of September, this intervention is the fruit of the efforts of European Parliament President Martin Schulz. The idea was first raised at a dinner attended by the three leaders on 30 January this year. While the refugees' crisis has added a new dimension to the rifts within the European Union, the initial objective of this address was to deepen economic integration. And it is

the future of the Economic and Monetary Union (EMU) that is behind this French-German intervention, only the second in the history of the European Parliament. Angela Merkel and François Hollande will each speak in the Strasbourg hemicycle for 15 minutes, and then answer questions from members of the European Parliament. This is a first: heads of state do not often voluntarily expose themselves to parliamentary debate, especially not in the European Parliament. The political intention is to promote the reform of the Economic and Monetary Union (EMU), the first stage of which could include changes at national level and new European directives. The next stage, a treaty change, is not currently on the cards, but the recent [Five Presidents' Report](#) raised this as a possibility. (Source: [Euractiv](#))

Euro zone inflation turns negative

Euro zone inflation turned negative again in September as oil prices fell, raising pressure on the European Central Bank to bolster its asset purchases to kick start anaemic price growth. Prices fell by 0.1% on an annual basis, the first time since March that inflation has dipped below zero, missing analysts' expectations for a zero reading after August's 0.1%. The negative reading is an issue for the ECB, which is buying 60 billion Euros (\$67.37 billion) of assets a month to boost prices. It has already said it may have to increase or extend the quantitative easing (QE) scheme because inflation may fall short of its target of almost 2% even in 2017. Long term inflation expectations have dropped to their lowest since February, before the ECB's asset purchases started, as China's economic slowdown, the commodity rout and diminished euro zone lending growth reinforce pessimistic predictions.

(Source: [UK Reuters](#))

EU and China sign a key partnership on 5G

The EU and China have signed a [milestone agreement](#) in the global race to develop 5G networks, during this week's EU-China High Level Economic and Trade Dialogue in Beijing. 5G is expected to become the backbone of the digital future and the foundation of a trillion euro EU market in the [Internet of Things](#), i.e. new functionalities and applications ranging from connected cars to smart homes. The

joint declaration was signed by Günther Oettinger, European Commissioner in charge of the Digital Economy and Society, and Miao Wei, Chinese Minister of Industry and Information Technology. Under this Declaration, the EU and China will – amongst other – strengthen cooperation to:

- reach a global understanding, by the end of 2015, on the concept, basic functionalities, key technologies and time plan for 5G
- explore possibilities in cooperating and implementing joint research actions
- explore the possibilities for cooperative research on the services and applications for 5G, especially in the area of the Internet of Things (IoT).

Both parties are committed to reciprocity and openness in terms of access to 5G networks research funding, market access as well as in membership of Chinese and EU 5G associations. This joint declaration builds on similar agreements with South Korea and Japan signed with the Commission in recent months. The European Commission is investing €700 million through the [Horizon 2020 Programme](#) to support research and innovation in 5G. Through its [Digital Single Market Strategy](#) announced in May, the Commission is committed to improving spectrum coordination in the EU, particularly in view of future 5G needs. (Source: [European Commission](#))

Week ahead

European Commission

Thursday 8 October

- New Energy Market design conference

European Council

Monday 5 October

- Employment, Social Policy, Health and Consumer Affairs Council

Tuesday 6 October

- Economic and Financial Affairs Council

Wednesday 7 October

- Informal meeting of transport ministers dedicated to cycling as a transport mode

Thursday 8 October

- Transport, Telecommunications and Energy Council

European Parliament

Plenary meeting Monday 5 – Thursday 8 October

Tuesday 6 October

- Limitation of emissions of certain pollutants into the air