

### Chancellor Osborne continues talks on reforming the EU in Berlin

Chancellor George Osborne held talks with the German finance Minister Wolfgang Schäuble, and the vice-chancellor, Sigmar Gabriel, in Berlin on Monday. George Osborne said he would use the trip to set out more details of the UK's bid to renegotiate its EU membership. Mr Osborne's Berlin visit is the latest in a long line of trips by the prime minister and the chancellor to see other EU leaders to discuss a new relationship for the UK and Europe before the in/out referendum by the end of 2017. Last week, a spokesperson for the prime minister confirmed that a letter outlining the reform plans was likely to be sent to European council president Donald Tusk during the week starting 9 November. David Cameron's demands will be formally debated for the first time by the EU's 28 leaders at an EU summit in Brussels in mid-December. Although it is understood that the letter will not go into great detail about how David Cameron's proposals should be implemented, it is expected to demand that the agreed package is a legally binding commitment from other EU leaders. David Cameron's demands are expected to include:

- Forcing Brussels to make an explicit statement that Britain will be exempted from the EU's founding principle of an "ever closer union".
- Requesting an explicit statement that the euro is not the official currency of the EU.
- Restructuring the EU to prevent the nine countries that are not in the eurozone being dominated by the 19 member states that are.
- Creating a new "red card" system to allow national parliaments to stop and scrap unwanted EU directives.
- Demanding that Britain is able to ban EU migrants from claiming in-work benefits for four years.

(Source: [The Guardian](#))

### Investment to go to large-scale transport infrastructure

The European Commission will invest more into transport projects around Europe and will focus its attention on large infrastructure and technology for traffic management. Critics of the Commission's new round of investment say it's leaving behind small transport infrastructure that needs public funding. A total of €7.56 billion in grants will be shelled out from the Commission's Connecting Europe Facility, a fund worth a total of €30 billion, with €24 billion dedicated to transport infrastructure. The executive started accepting applications today (6 November) for the programme's second funding round and will review proposals early next year with a payout slated for September 2016. Transport Commissioner Violeta Bulc said that the funds will target large infrastructure and are supposed to pitch in to meet the Commission's digital single market goals by financing tech-heavy projects. Digital transport features set to rake in some of the funds include intelligent transport systems that the Commission hopes will cut traffic congestion and fuel use.

(Source: [Euractiv](#))



## Call for more research and innovation in the field of connected road transport

The theme of 'connected to the future' the European Council for Automotive R&D (EUCAR) brought close to 300 stakeholders together during its annual conference, with the aim of ensuring that automotive research and innovation (R&I) continues to strengthen Europe's competitiveness. One year after the implementation of Horizon 2020, it proves more important than ever to address the industry's strategic priorities and societal challenges through common R&I initiatives. Günther H. Oettinger, European Commissioner for Digital Economy and Society, underlined that "it is time to act. Close cross-sector cooperation is needed to conquer global markets with digital innovations".

(Source: [EUCAR](#))

## EU economy set for 'modest' recovery

The economic recovery within the European Union and the eurozone should continue at "a modest pace" next year, the EU has forecast. The economy of the 28-nation EU is set to grow by 1.9% this year, 2.0% in 2016 and by 2.1% the year after. The 19-nation eurozone is expected to grow by 1.6% this year, rising to 1.8% next year and 1.9% in 2017. The EU said growth was being helped by factors such as low oil prices and a weaker euro exchange rate. Another factor cited was the European Central Bank's attempts to stimulate the eurozone economy through its bond-buying programme. However, the report also warned that new challenges to growth were appearing, including the slowdown in China and emerging market economies, and geopolitical tensions. The EU's executive arm expects three million migrants to arrive in Europe by 2017 as they flee war and poverty in Syria and other conflict zones. It predicts the increase in labour supply could boost GDP growth in the medium term provided the correct policies are in place. Greece, which is receiving up to €86bn in a three-year bailout, is expected to see its economy shrink by 1.4% this year and by 1.3% in 2016, but is forecast to grow by 2.7% in 2017. The EU also noted that the recent emissions scandal could affect business. (Source: [BBC](#))

## Week ahead

### European Council

Tuesday 10 November

- Economic and Financial Affairs Council: Economic governance and Climate finance
- Informal meeting of heads of state or government to discuss the migration crisis

Friday 13 November

- Economic and Financial Affairs Council – preparation of the negotiations with the European Parliament on the 2016 EU budget

### European Parliament

Monday 9 November

- ECON – exchange of views with Commissioner for Competition
- ENVI – Towards a new international climate agreement in Paris
- ITRE – Green Action Plan for SMEs: opportunities and challenges, Exchange of views with Commissioner for Digital Economy, Towards a European Energy Union, Briefing by the Commission on TTIP negotiations

Tuesday 10 November

- ECON – Economic Dialogue with the President of the Eurogroup, Corporate Tax Policies in the EU, Recommendations to the European Commission on the negotiations for TiSA
- ITRE – Towards a Digital Single Market Act: Consideration of amendments
- IMCO – Single Market Governance within the European Semester 2016

Thursday 12 November

- ECON – Annual Report on EU Competition Policy
- INTA – EU's Future Trade and Investment Strategy: Hearing

