

WEEK IN BRUSSELS

Week ending Friday 2 March

ACEA President calls for a strong European industrial policy

Sergio Marchionne, President of ACEA, the European Automobile Manufacturers' Association, and CEO of Fiat S.p.A., has called for the EU to "counter the economic headwind with a strong industrial policy to underpin Europe's manufacturing base". In a speech to key decision makers in Brussels, Marchionne stated that the EU urgently needs to refocus on its industrial future and address the fundamental issues that constrain the region's competitiveness, steering away from the short-term national interests that he believes hampers the prosperity of Europe's citizens in the long run. Marchionne went on to note that at present, very few manufacturers make money in Europe, highlighting excess capacity as a key obstacle to the competitiveness of the EU industry. However, Marchionne assured his counterparts in Brussels that the European auto industry wants to be part of shaping the future for the region, stating that, the European automobile industry is a world leader, operating globally, whilst, at the same time, is fully part of European society and its local communities; "We're in the DNA of Europe, and Europe is in our DNA", stated Marchionne. ACEA are predicting a challenging year for Europe and for the automobile industry in 2012. In terms of auto sales in Europe, the "most optimistic forecast" is for new vehicle registrations in Europe to be flat through 2014.

(Source: ACEA)

http://www.acea.be/news/news_detail/marchionne_eu_must_counter_economic_headwind_with_a_strong_industrial_policy/

EU leaders sign new treaty for budget discipline

European Union leaders have signed a treaty designed to force governments to adopt balanced budgets through a "golden rule" or face fines. The Treaty for Stability, Co-ordination and Governance, the response to a two-year public debt crisis that forced bailouts for Greece, Portugal and Ireland, was signed by 25 of the bloc's 27 leaders,

with the UK and Czech Republic abstaining. EU president Herman Van Rompuy stated that the treaty will help to prevent a repetition of the sovereign debt crisis. The treaty will take effect once 12 of the 25 states have ratified the pact. If states do not ratify, they will be blocked from bailout funding from a related rescue firewall, being set up as of July this year. In the pact, states that fail to adequately implement the rules in national law will be put before the European Court of Justice. At present, few of the 25 states approving the treaty are within the EU's traditional deficit ceiling of 3.0% of GDP. Under the "golden rule," a country's structural deficit should be capped at 0.5% of GDP, whilst countries with debts comfortably below the 60% of GDP threshold will get more leeway, up to 1.0% of GDP for the structural deficit, which will not include one-off effects such as debt repayments. However, "automatic consequences," or brakes, are triggered where this goal is missed by too great a margin, with the EU ultimately levying fines on those who persistently breach these commitments. (Source: EUBusiness) <http://www.eubusiness.com/news-eu/summit-finance-debt.fio>



Herman Van Rompuy re-elected president

Herman Van Rompuy has been re-elected as president of the European Council in a unanimous vote by EU heads of state. This will be Mr Van Rompuy's second term in office, and will run for two and a half years, from 1 June 2012 to 30 November 2014. He is the first full-time president of the

European Council, following the creation of the post on 1 December 2009 under the Treaty of Lisbon. Mr Van Rompuy was also designated as president of the Euro Summit for the same term of office. (Source: European Council)

http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ec/128419.pdf

MEPs vote on energy efficiency bill

MEPs have opted to start negotiations with the EU Council on the Energy Efficiency Directive, before the vote in the plenary session next month. Despite previous disagreements over the directive, the Industry, Research and Energy Committee voted 31-22 to start inter-institutional negotiations as soon as possible. The bill is to face tough talks with member states, which are asking for more flexibility and a number of country-specific considerations. Accelerating negotiations after the vote gives the Danish presidency the chance to save some time and reach an agreement on the directive, even if not a formal signature, by the end of its mandate on 1 July – a priority in its agenda. A large part of the compromise amendments to the bill were adopted by MEPs, providing the text that will now enter negotiations with the Council. To succeed, the directive will have to satisfy national governments that are less supportive of binding efficiency legislation. (Source: EurActiv) <http://www.euractiv.com/energy-efficiency/meps-give-green-light-negotiate-energy-efficiency-bill-news-511158>

Commercial vehicle registrations down 4.7% in January

Figures published by ACEA, the European Automobile Manufacturers' Association, show demand for new commercial vehicles in the EU, decreased by 4.7% in January to 141,120 units. Germany was the only major market to post growth (+3.1%), while France (-1.8%), the UK (-8.1%), Spain (-21.1%) and Italy (-31.2%) all contracted. The month counted on average one more working day across the region than January 2011. (Source: ACEA)

http://www.acea.be/index.php/news/news_detail/commercial_vehicles_registrations_down_4.7_in_january



Week ahead

European Commission

Wednesday 7 March - DG Environment
Communication on improving the implementation of EU environment law

Council of Ministers

Friday 9 March - Environment Council

The Council will adopt conclusions on:

- The follow-up to the Durban Climate Conference of December 2011.
- A Roadmap for Moving to a Competitive Low-Carbon Economy in 2050.
- Rio+20: Pathways to Sustainable Future. These conclusions will set out the EU's position ahead of the UN Conference to be held from 4-6 June 2012.

Ministers are expected to discuss:

- A proposal for a Regulation on the establishment of a programme for the environment and climate action (LIFE) for the period 2014-2020.

European Parliament (Parliamentary Committee week in Brussels)

- No relevant activity