

WEEK IN BRUSSELS

Week ending Friday 28 August

EU Referendum – George Osborn visit to European capitals

George Osborne visited Helsinki, Stockholm and Copenhagen this week to build support for the UK's EU reform package. Mr Osborne argued that a wave of public support for change across Europe makes it the right time to act. Furthermore he argued that the UK's plan to renegotiate its relationship with the EU will benefit other nations. Mr Osborne's talks also focussed on expanding trade with growing economies and protecting the rights of non-eurozone countries. Mr Osborne's latest tour comes after he took centre stage in the UK's attempts to reform its relationship with the EU by launching a diplomatic tour that began in Paris last month. The latest visit is one of a series of meetings he will hold in Europe over the next few months to build on discussions David Cameron held with counterparts.

(Source: [BBC](#))

Europe sales advance 9% in July as economies rebound

European new-car registrations rose 9.1% in July as recession-hit countries such as Portugal and Ireland, along with the major markets of Germany, the UK, France and Italy, performed strongly. Registrations increased to 1.18 million vehicles from 1.08 million a year earlier, according to data from market analysts JATO Dynamics. Seven-month sales were up 8.6% to 8.59 million vehicles, marking 23 consecutive months of growth. Europe's top five markets all reported robust demand in July, with sales in Germany jumping 7.4%, while registrations in the UK increased 3.2% and the French market was up 2.3%. Spain's registrations rose 24% while in Italy, sales increased by 15%.

(Source: [CLEPA](#))

Alexis Tsipras launches election campaign

Outgoing Greek Prime Minister Alexis Tsipras launched his election campaign this week, with President Prokopis Pavlopoulos expected to dissolve parliament at the end of this week and call a general election on 20 September. Faced with deep divisions in his Syriza party, Alexis Tsipras defended his resignation and the bailout deal reached earlier this month. The prime minister said he would not govern with opposition parties after the upcoming election. He did not exclude altogether the possibility of a national unity government, but he said he would not lead it. Alexis Tsipras, who resigned in the wake of the agreement with Greece's lenders for a €86 billion bailout, is looking for a fresh mandate from Greek voters with an absolute majority.

(Source: [EU Observer](#))

Greek privatisation will go ahead

A major sell-off of Greek public assets promised as part of its international bailout will go ahead as planned, the outgoing economy minister said, despite upcoming elections. Greece pledged to take on a major privatisation programme as part of the latest bailout, which also saw Alexis Tsipras agreeing to tax rises, spending cuts and weeping economic reforms in exchange. The privatisations are expected to raise some 50 billion euros by the end of 2017, half of which would be used to recapitalise Greek banks.

(Source: [EU Business](#))

Angela Merkel and François Hollande meet to tackle Europe's migrant crisis

The German chancellor, Angela Merkel, and French president, François Hollande, met in Berlin this week to renew European efforts to tackle the biggest migrant crisis in 50 years. Their priorities include compiling a list of countries whose nationals would not be considered asylum seekers except in exceptional personal circumstances. The European Union has previously failed to draw up a common list of such countries. The French and German leaders will also try to speed up the establishment of reception centres in Greece and Italy to help identify asylum seekers and illegal migrants. The diplomatic efforts come as the EU is grappling with an unprecedented influx of people in what the bloc has described as its worst refugee crisis since the Second World War. Official figures show a record 107,500 migrants crossed into the EU in July and there are mounting calls for it to adopt a more unified approach to deal with the influx. (Source: [The Guardian](#))

European markets slide after China's "Black Monday"

European stock markets fell after Chinese shares had their worst day since 2007 – adding to a stock market rout driven by fears about the world's second-biggest economy. The FTSE 100 plunged as much as 3% in early trading to 5,995 points, wiping more than £40bn off the index of leading UK shares. It was the first time the index had dropped below the 6,000 mark since early 2013, with all companies in the red, and followed a week of declines last week. The biggest fallers were mining companies that rely on demand from Chinese manufacturers for their products. Anglo American, Glencore, Fresnillo and BHP Billiton all fell more than 5%. Germany's Dax index also fell 3%, dipping into bear market territory after losing 20% of its value since April. The French CAC index was down 2.7%. European shares tumbled after turmoil returned to the Chinese stock market on Monday. Shares plunged and the country's benchmark stock index lost all its gains since the beginning of this year. As the Shanghai Composite Index sank by nearly 9% - its biggest one-day drop since 2007 - Xinhua, Beijing's official news agency, admitted China was facing a "Black Monday".

(Source: [The Guardian](#))

Mass protest against TTIP and CETA in Berlin

More than 30 organisations are teaming up for a major demonstration against TTIP and CETA, with concerns ranging from the end of cultural diversity in Europe to effects the deals could have in developing countries. Over 50,000 demonstrators are expected to gather in front of Berlin's central train station on 10 October to protest against the EU's planned free trade agreements with the United States and Canada, TTIP and CETA. The event is a joint effort by more than 30 organisations including "Stop TTIP and CETA", the Confederation of German Trade Unions (DGB) with its member trade unions, agricultural and consumer associations as well as environmental, cultural and development organisations. Together, they are criticising the lack of transparency surrounding negotiations and condemning the agreements as a threat to ecological and social standards.

(Source: [Euractiv](#))

Week ahead

The European Parliament is in summer recess until 1 September 2015.

