

WEEK IN BRUSSELS

Week ending Friday 16 September

EU interim forecast shows the economic recovery stalling

The interim economic forecast from the EU has shown that economic growth is slowing down, amid the financial market crisis. After growing strongly in the first quarter of 2011, GDP expanded less in the second quarter. GDP growth is now expected to remain subdued in the second half of the year, coming close to standstill at year-end. On account of the stronger-than-expected performance in the first quarter, annual growth is still projected at 1.6% in the euro area and 1.7% in the EU. However, growth forecasts for the second half of the year have been revised down considerably, by ½ percentage point for the euro area as well as the EU compared to the Commission's spring forecast. EU Economic and Monetary Affairs Commissioner Olli Rehn stated: "The outlook for the European economy has deteriorated. To get the recovery back on track, it is crucial to safeguard financial stability and put budgets on a path that is sustainable beyond doubt. This requires steadfast continuation of the strategy of differentiated, growth-friendly fiscal consolidation and the implementation of the decisions to support financial stability". (Source: Europa)

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/11/1035&format=HTML&aged=0&language=EN&guiLanguage=en>

"Eurovignette" directive adopted

The Council of the European Union has approved the European Parliament's amendments to "Eurovignette" legislation, a directive on road use charges for heavy goods vehicles. The Council's approval means that the "Eurovignette" directive has now been adopted and member states will have two years to transpose it into their national legislation, following the publication of the directive in the EU's Official Journal. The new European framework law, which is a revision of the "Eurovignette" directive of 1999, aims at reducing pollution from road freight transport and making traffic flow smoother by levying tolls that factor in the cost of

air and noise pollution due to traffic, and help avoid road congestion. To this end, member states may apply an "external cost charge" on lorries, complementing the already existing infrastructure charge designed to recover the costs of construction, operation, maintenance and development of road infrastructure. It has also been advised that member states earmark revenue generated by the infrastructure and external cost charges for projects in the transport sector, in particular in support of the trans-European transport network. (Source: Europa) http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/trans/124568.pdf

Frankfurt Motor Show 2011 commences

The 64th International Motor Show in Frankfurt opened on Thursday 15 September, and will continue until Sunday 25 September. The Frankfurt Motor Show (IAA Cars) is the world's most comprehensive show of the automotive industry for everybody who develops, manufactures or uses passenger cars. Special features include the large presence of suppliers throughout the whole automotive value added chain, including special interest media, workshop equipment, engineering services, tuning and telematics solutions. UK Business Minister Mark Prisk hosted a reception at the event, where he delivered a speech to over 80 car industry leaders stating that the UK Government wants to put the automotive sector "right at the heart of rebalancing our economy". (Source: IAA)

<http://www.iaa.de/>



European Parliament approve resolution on stricter rules on greenhouse gases

A resolution approved by the European Parliament has called for an integrated policy on non-CO₂ emissions. MEPs have called on the EU to reduce emissions of "black carbon" (or soot), through stricter testing of car emissions and other such measures. Black carbon particles contribute to climate change through the absorption of heat from the sun in the air, and the speeding up of melting snow and ice on the ground. Action on HFCs and black carbon could begin within 2-3 years and be substantially under way within 5-10 years, say MEPs. Targeting these emissions could be highly cost-effective, they add, since HFCs can be reduced at a public cost of 5-10 cents per tonne, compared to €13 per tonne for carbon. (Source: Europa)

<http://www.europarl.europa.eu/en/pressroom/content/20110914IPR26626/html/Beyond-CO2-MEPs-demand-stricter-rules-on-greenhouse-gases>



August new passenger car registrations in the EU increase by 7.1%

ACEA, the European Automobile Manufacturers Association, has announced that new passenger car registrations increased by 7.7% in August, recording growth for the third time in the year. A total of 753,709 new cars were registered in the EU last month with most markets expanding, including Germany (+18.3%), the UK (+7.3%), Spain (+5.9%), France (+3.1%) and Italy (+1.5%). However from January to August, 8,888,793 new cars were registered in the EU, or 1.3% less than in the first eight months of 2010. (Source: ACEA)

http://www.acea.be/index.php/news/news_detail/passenger_cars_registrations_down_1.3_over_eight_months



Week ahead

European Commission
No relevant activity

Council of Ministers
No relevant activity

European Parliament (Committees Brussels)
Monday 19 September
ITRE – European Parliament resolution on the Climate Change conference in Durban
ENVI – United Nations Framework Convention on Climate Change in Durban South Africa

Thursday 22 September
INTA – Trade and investment barriers