

WEEK IN BRUSSELS

Week ending Friday 30 September

German parliament passes eurozone rescue fund bill

The German parliament has passed an increased rescue fund for stricken eurozone countries by a large majority, in a vote seen as crucial to stem financial market turmoil within Europe and further afield. The bailout, part of the European Financial Stability Facility (EFSF), needs to be ratified by all 17 eurozone countries in order to boost the fund to €440bn and at present 11 countries have approved the measures. As Europe's largest economy, Germany's commitment to the EFSF would rise from €123bn to €211bn.

Speculation around the vote focused on whether Chancellor Merkel would need to rely on opposition support to pass the vote, as a reliance on this support would have cast into doubt the ability to get forthcoming votes on a further bailout for Greece and a permanent successor to the EFSF, through the Bundestag. However the vote was passed with the support of her coalition. (Source: EUBusiness)

<http://www.eubusiness.com/news-eu/finance-economy.cjx>

President Barroso admits EU faces a crisis of confidence in State of the Union speech

European Commission President José Manuel Barroso, has admitted that the EU is confronted with the most serious crisis of confidence in its history and has outlined proposals for moving toward an economic union, calling EU leaders to support further integration, stating: "Europe has a future", in his annual State of the Union speech. Barroso also firmly reiterated the commitment to keep Greece as a member of the euro area, and also stated that the Commission would soon be making a proposal for a unified external representation of the eurozone. Barroso also announced that the Commission has adopted a proposal for a Financial Transaction Tax, which would generate revenue of over €55 billion a year. The European Parliament, in response to the escalating financial crisis, has passed a series of six

budget laws (known as the "six-pack") intended to make it harder for eurozone countries to ignore EU warnings, giving more powers to Brussels in policing debt. The new rules allow stricter implementation of the Stability and Growth Pact, which limits public debt and deficits to 60% and 3% of GDP respectively in the eurozone. Commenting on the announcement, Parliament President Jerzy Buzek stated: "With the adoption of the 'six-pack', the EU significantly strengthens its budget discipline and moves towards a true economic governance. We can not turn the clock back, but the package will ensure that member states budgets will be credible in the future".

(Source: EurActiv)

<http://www.euractiv.com/euro-finance/union-faces-huge-crisis-confidence-admits-barroso-news-507991>

<http://www.euractiv.com/euro-finance/eu-ratifies-crisis-makeover-stability-growth-pact-news-507996>



European Parliament passes resolution to halve road deaths by 2020

The European Parliament has passed a resolution on European Road Safety 2011-2020. The resolution, drafted by Rapporteur Dieter-Lebrecht Koch provides the Parliament's response to the Commission's non-legislative proposal to halve the number of road deaths by 2020 starting from 2010. Outlining 103 measures to ensure this target is met, the resolution also proposes a target of reducing serious injuries by

40% and child deaths by 60% by 2020. Specific details in the resolution include the promotion of the use of 'alcolocks' on commercial goods and passenger vehicles, seeking of an EU wide 30km/h speed limit in residential areas, and the increased use of Intelligent Transport Systems which can help prevent drink driving and are the bases for the electronic emergency call 'eCall.'. (Source: Europa) <http://www.europarl.europa.eu/en/headlines/content/20110916FCS26869/6/html/Road-safety-103-measures-to-halve-road-accident-deaths-by-2020>



Commercial vehicle registrations up 15.7% in August

ACEA, the European Automobile Manufacturers Association, has announced that commercial vehicle registrations in Europe, increased by 3.0% in July and 15.7% in August, leading to an 8.3% increase over the two summer months compared to the same period last year. From January to August, a total of 1,261,244 new commercial vehicles were registered across the region, or 12.1% more than in the first eight months of 2010. Most major markets posted growth, ranging from 6.4% in France to 21.1% in the UK and 23.3% in Germany, with Spain the only market to contract, down 6.3%.

Week ahead

European Commission

No relevant activity

Council of Ministers

Wednesday 4 October

Economic & Financial Affairs Council

Wednesday 4 October

Transport, Telecommunications and Energy Council - Transport

European Parliament

Meetings of Committees (Brussels)

Monday 3 October

ENVI – A Roadmap for moving to a competitive low carbon economy in 2050

Consideration of working document

