

WEEK IN BRUSSELS

Week ending Friday 11 November

Political change in Greece and Italy in response to euro zone crisis

Following the last two weeks of increased uncertainty regarding the euro zone crisis, the political landscape in Greece and France are set to change. Following the resignation of former Greek Prime Minister George Papandreou, a government of national unity has been established, led by former European Central Bank Vice-President Lucas Papademos. The new government will be looking to secure the backing of Parliament in a confidence vote and approve measures needed to secure the €130 billion international bailout package. In Italy, Prime Minister Silvio Berlusconi is set to resign after losing his majority in Parliament. Mr Berlusconi announced his intention to leave government following the passage of budget reforms agreed at the recent European summit. It is expected that early elections in Italy will take place in January, but it is not certain whether any new coalition government in Italy will reassure the markets. Key dates before the end of the year include 20 November when Spanish elections will take place, 29 November with a final vote on Portugal's 2012 budget, 29-30 November meeting of European finance ministers and 6 December when the new Irish budget for 2012 is decided. Meanwhile, German and French officials have been reported to be discussing fundamental reform to the EU and proposals to reduce the size of the euro zone. (Source: Euractiv) <http://www.euractiv.com/euro-finance/italy-greece-political-vaccum-adds-eu-woes-news-508852>

EP Rapporteur criticises EU energy taxation proposal

Centre-right Luxemburger MEP Astrid Lulling has said that new legislation proposed by the European Commission on energy taxation would have a "significant and destabilising effect" on European economies. Ms Lulling who is the European Parliament's Rapporteur for the dossier presented a

draft resolution on the issue to the Parliament's Economic and Monetary Affairs Committee. Her argument against the proposals includes reservations around the level to which the EU is proposing to intervene in Member States' domestic fiscal arrangements. As it currently stands, the Commission's proposed directive looks to change the system that sets the minimum taxation thresholds for energy sources that fall outside of the EU Emissions Trading Scheme. Two minimum charges would be implemented, one based on the electricity or fuel's energy content and the other on carbon dioxide emissions. Ms Lulling contends that diesel prices would increase through this system, causing a disruption to European-led diesel technology developments as well as increasing the level of inflation. (Source: ENDS/European Parliament) http://www.europarl.europa.eu/meetdocs/2009_2014/documents/econ/pr/879/879700/879700en.pdf



European Environment Agency publishes 2011 air quality report

The European Environment Agency (EEA) has published its 2011 'Air Quality in Europe' report. The report shows that air quality in Europe has improved between 1990 and 2009, but warns there is still room for improvement, as many EU countries are expected to exceed the emissions ceilings in 2010 for at least one pollutant. The report points out that concentration levels of ground-level ozone and particulate matter have remained flat over recent years, even though there has been a drive to improve air quality. Of

specific note in the report, the EEA says that 80 to 90% of the EU urban population is exposed to levels of particulate matter (PM10) which exceeds World Health Organisation (WHO) air quality guidelines, where the situation is not improving. Jacqueline McGlade, EEA Executive Director, said: "Europe's air quality is generally getting better, but concentrations of some pollutants are still endangering people's health. To improve air quality further, we need to use many different kinds of policies and measures. These could include reducing emissions levels at source, better urban planning to reduce people's exposure and lifestyle changes at the individual level." (Source: EEA)

http://www.eea.europa.eu/highlights/ozone-and-particulates-most-serious?utm_campaign=ozone-and-particulates-most-serious&utm_medium=email&utm_source=EEASubscriptions



EU unemployment rises to 9.7% in September 2011

The European Commission has issued its latest Labour Market Fact Sheet that shows EU-wide unemployment has risen to 9.7% in September 2011. This increase marks a 0.3% increase on March 2011 and is the same level as the peak recorded in the first half of 2010. Youth unemployment is at 21.4%,

equaling a high reached in February 2010. The overall number of unemployed in Europe is 23.3 million in September, 75,000 short of the peak recorded in April 2010. Germany, Belgium, the Czech Republic, Sweden, Hungary and Ireland have seen slight falls in unemployment, but many Member States have seen the number of job-seekers grow. (Source: European Commission)

<http://ec.europa.eu/social/BlobServlet?docId=7201&langId=en>

Week ahead

European Commission

Tuesday 15 November

Communication on the Commission Work Programme 2012

Council of Ministers

Monday 14 November

Foreign Affairs Council – Discussion on preparations for EU-Russia Summit, EU-Ukraine Summit, EU-China Summit.

Friday 18 November

Economic and Financial Affairs Council (Budget) – Ministers expected to adopt an agreement on the joint text of the Union Budget for 2012.

European Parliament (Plenary Session, Strasbourg)

Tuesday 15 November

Presentation of the Commission work programme for 2012 and debate