



Wednesday, 18 May, 2016

### **Spring 2016 European Semester package: Commission issues country-specific recommendations**

The European Commission today proposes its 2016 country-specific recommendations (CSRs), setting out its economic policy guidance for individual Member States for the next 12 to 18 months. In addition to efforts already identified and ongoing at [European level](#), this guidance focuses on priority reforms to strengthen the recovery of Member States' economies by boosting investment, implementing structural reforms and pursuing fiscal responsibility. The CSRs also reflect the Commission's efforts to make the European Semester of economic governance more effective and relevant. The Commission has this year proposed fewer recommendations with a focus on key economic and social priorities identified in its [Annual Growth Survey 2016](#). To strengthen national ownership, it has provided more time and more opportunities to engage and communicate with Member States and stakeholders at all levels. It has also added a greater focus on the euro area challenges and on the interdependence between economies, in line with the agreed recommendation for the economic policy of the euro area. As external factors supporting [Europe's moderate recovery](#) are fading, domestic sources of growth are gaining in importance. Today's recommendations therefore focus on the Commission's three priority areas: Investment is still low compared to pre-crisis levels but is gaining traction, also helped by [the Investment Plan for Europe](#). Faster progress on structural reforms is necessary to boost the recovery and raise the long-term growth potential of EU economies. All Member States need to pursue responsible fiscal policies and ensure growth-friendly composition of their budgets.

**For more information, see the**

[Press release](#) and [memo](#)

[Overview table of Member States in the European Semester](#)

[Country-specific recommendations 2016](#)

[Decisions under the Stability and Growth Pact](#)

[Memo on country-specific recommendations](#)

[Key Areas: Thematic fiches](#)

[European Semester 2016: Commission reminds Member States of fiscal obligations](#)

## [Spring 2016 Economic Forecast: Staying the course amid high risks](#)

## [European Semester 2016: fewer Member States have economic imbalances than a year ago](#)

## [The EU's economic governance explained](#)

## [European Semester 2016: winter package explained](#)

### **Commission adopts Third Report on Relocation and Resettlement: EU Member States must act to sustain current management of flows**

Today, the Commission adopted its latest progress report on the EU's emergency relocation and resettlement schemes, assessing actions taken up to 13 May 2016. Overall, progress remains unsatisfactory since the Commission's second report, despite signs of increased preparation for future action: few relocations have taken place since mid-April, though the pipeline of future relocations has been strengthened. Progress has been made on resettlement as part of the implementation of the EU-Turkey Statement, but must be accelerated to avoid migrants returning to irregular routes. Greater efforts on relocation are increasingly urgent in view of the humanitarian situation in Greece and the increase in arrivals to Italy. Commissioner for Migration, Home Affairs and Citizenship, Dimitris **Avramopoulos** said: *"We cannot be satisfied with the results achieved so far. More has to be done, and swiftly. We need to quickly respond to the urgent humanitarian situation in Greece and prevent any deterioration of the situation in Italy. The planning we see for upcoming relocations must be delivered. I urge all Member States to get ready to move at last. In parallel, we need to increase resettlements, mostly from Turkey, but also from other countries such as Lebanon and Jordan. Our recent progress in breaking the smugglers' business model is only sustainable if a safe legal channel also opens for asylum seekers. It is important to speed up the pace and deliver fully on the 1:1 mechanism as part of the EU-Turkey agreement."* A [press release](#) on the Report and an updated [fact sheet](#) on relocation and resettlement as well as a [video on relocation](#) are available.

### **College discusses a draft Rule of Law Opinion on the situation in Poland**

The College of Commissioners today discussed the current situation concerning the Rule of law in Poland – based on an oral presentation by First Vice-President Timmermans regarding the state of play of the intensive dialogue that has been ongoing with the Polish authorities since 13 January on the situation of the Constitutional Tribunal. The College examined a draft Rule of Law Opinion, structuring and formalising the assessment of the current situation, and empowered First Vice-President Timmermans to adopt the Opinion by 23 May, unless significant progress is made by the Polish authorities to resolve the concerns expressed by the European Commission before that date. A press release is available [here](#).

### **EUROSTAT: Annual inflation down to -0.2% in both euro area and EU**

Euro area annual inflation was -0.2% in April 2016, down from 0.0% in March. In April 2015 the rate was 0.0%. European Union annual inflation was also -0.2% in April 2016, down from 0.0% in March. A year earlier the rate was 0.0%. These figures come from Eurostat, the statistical office of the European Union.

In April 2016, negative annual rates were observed in seventeen Member States. The lowest annual rates were registered in Romania (-2.6%), Bulgaria (-2.5%) and Cyprus (-2.1%). The highest annual rates were

recorded in Belgium (1.5%) and Sweden (1.0%). Compared with March 2016, annual inflation fell in thirteen Member States, remained stable in seven and rose in eight.

The largest upward impacts to euro area annual inflation came from restaurants & cafés (+0.13 percentage points), rents (+0.08 pp) and tobacco (+0.05 pp), while fuels for transport (-0.54 pp), heating oil (-0.22 pp) and gas (-0.13 pp) had the biggest downward impacts. EUROSTAT is available [here](#).

### **Investment Plan for Europe: EIF signs deal with Alba Leasing to provide €80 million to Italian SMEs**

The European Investment Fund (EIF) and Alba Leasing have signed an InnovFin agreement in Italy to provide €80 million in loans over the next two years to innovative small and medium sized businesses in Italy. This transaction benefits from the support of the European Fund for Strategic Investments (EFSI), the heart of the [Investment Plan for Europe](#). Carlos Moedas, European Commissioner for Research, Science and Innovation, said: "*The EFSI-backed agreement being signed today by the EIF and Alba Leasing is very good news for innovative SMEs in Italy. We expect it to generate €80 million of bank loans. The Investment Plan and the InnovFin programme continue to make a real difference to small businesses across the EU and nowhere more so than in Italy.*" For more information see [here](#)

### **Mergers: The European Commission clears joint acquisition of four logistics assets by SEGRO and PSPIB**

The European Commission has approved under the EU Merger Regulation the acquisition of joint control over four logistics assets by SEGRO of the UK and Public Sector Pension Investment Board ("PSPIB") of Canada, via their joint venture SEGRO European Logistics Partnership. One of the assets is a warehouse and office building located in Hostivice, Czech Republic, and the three others are a warehouse and office buildings located northeast of Bologna and south of Milan, in Italy. SEGRO is a real estate investment trust that owns, manages and develops modern warehousing, light industrial and data centre properties. PSPIB invests the pension plans of the Canadian public sector in a diversified global portfolio including stocks, bonds, private equity, real estate, infrastructure and natural resources. The Commission concluded that the proposed transaction would raise no competition concerns because of its very limited impact on the market structure. The transaction was examined under the simplified merger review procedure. More information is available on the Commission's [competition](#) website, in the public [case register](#) under the case number [M.7985](#).

### **Mergers: The European Commission clears joint venture by Starwood Capital Group and Banco Sabadell**

The European Commission has approved under the EU Merger Regulation the creation of a joint venture by Starwood Capital Group of the US and Banco Sabadell of Spain. The joint venture will invest in and operate urban and vacation hotels in Spain. Starwood Capital Group is an investment company with a core focus on global real estate. Banco Sabadell offers banking services to retail and business clients and, via its subsidiary HIP, operates hotels and offers real estate services in Spain. The Commission concluded that the proposed transaction would raise no competition concerns because of its very limited impact on the market structure. The transaction was examined under the simplified merger review procedure. More information is available on the Commission's [competition](#) website, in the public [case register](#) under the case number [M.7992](#).

## **Mergers: Commission clears the creation of a joint venture by Saint-Gobain and Corning**

The European Commission has approved, under the EU Merger Regulation, the proposed creation of a joint venture by Compagnie de Saint-Gobain S.A. and Corning Incorporated. Saint-Gobain manufactures flat glass and is active in three main business sectors: (i) innovative materials, which includes glass and high-performance materials; (ii) construction products, which includes insulation, gypsum, exterior products, pipe systems and industrial mortars, and (iii) the retail of building materials, primarily for professional customers. Corning produces speciality glass, ceramics and optical physics for use in a wide range of industries. The joint venture will focus on the development, manufacture and commercialisation of new laminated lightweight automotive glazing solutions. The new laminated lightweight automotive glazing solutions will incorporate soda-lime glass (traditional glass used in the automotive industry), manufactured by Saint-Gobain, and at least one layer of thin aluminosilicate glass ("TAG"), a specialty glass manufactured by Corning. The Commission concluded that the proposed transaction would raise no competition concerns, because the joint venture will remain subject to competition from a number of credible suppliers of TAG and alternative technical solutions to that of the joint venture will likely be developed and produced by other market participants. The transaction was examined under the normal merger review procedure. More information is available on the Commission's [competition](#) website, in the public [case register](#) under the case number [M.7941](#).

## **European Commission strengthens its department for Migration and Home Affairs by appointing a new Deputy Director-General**

The European Commission has appointed Mr Olivier Onidi to the position of Deputy Director-General "Migration and Asylum" - with the specific task to coordinate the Commission-wide work related to the Central Mediterranean Route - in its department for Migration and Home Affairs (DG HOME) as of 1 June 2016. This appointment will further strengthen DG HOME which is at the forefront of the Commission's efforts to address the refugee crisis. Mr Onidi, a French national, started his career in the European Commission in 1993. During his career he held a number of challenging assignments and gathered wide-ranging experience across the Commission, including as policy assistant to former Secretary-General Carlo Trojan and as Deputy Head of Cabinet for Commissioner Günther Oettinger during the previous mandate. Mr Onidi has extensive management experience, with his first Head of Unit assignment starting in February 2002. He is currently a Director in the Commission's department for Mobility and Transport (DG MOVE) since June 2012.

## **ANNOUNCEMENTS**

### **First Vice-President Timmermans travels to Lisbon: marks one year since adoption of the Better Regulation Package**

First Vice-President Frans **Timmermans** will be in Lisbon, Portugal on Thursday 19 May. One year after the Commission adopted its Better Regulation Agenda, the First Vice-President will attend the launch of Portugal's Simplex+ Programme, a new national initiative on simplification of public services. At this event, he will deliver a short speech and hold a press point alongside António Costa, Prime Minister of Portugal and Maria Manuel Leitão Marques, Minister for Administrative Modernisation. First Vice-President Timmermans will also meet with the European Affairs Committee of the Portuguese Parliament in the morning, and in the afternoon will take part in a Citizens' Dialogue focused on the refugee crisis at the Universidade Católica; registration for the Citizens' Dialogue is possible [here](#). In the evening, the First Vice-President will meet over dinner with Prime Minister Costa.

## Health and Food Safety Commissioner to hold Citizens' Dialogue in Copenhagen

Tomorrow, 19 May 2016, Commissioner Vytenis **Andriukaitis** will participate in a Citizens' Dialogue at the University of Copenhagen. He will share the stage with MEP Christel Schaldemose. For one and a half hours, the Commissioner will discuss with the public the issues of health and food safety but also the challenges the EU is facing. Commissioner Vytenis **Andriukaitis** said: "*Health and food safety are issues that touch people's daily lives. I look forward to hearing about participants' views and concerns, and to discuss how the EU can add value in these areas.*" Citizens and journalists can attend by [registering](#) in advance. The event will take place from 16:30 and will be live streamed [here](#).

## Upcoming Events

**[Thursday 26 May: The Commission adopts its monthly infringements package](#)** European Commission - Upcoming events The news: On Thursday 26 May 2016, the European Commission will adopt its monthly infringements package. These decisions seek to enforce EU law across Europe so that citizens and businesses can benefit fully from the internal market.

**[26-27 May: The EU at the G7 summit in Japan](#)** European Commission - Upcoming events The news: The 42nd edition of the G7 will take place from 26 to 27 May in Ise-Shima, in the Mie Prefecture (Japan), under Japanese presidency. The European Union, who is a full member of the G7 (and the G20), will be jointly represented by the President of the European Commission, Jean-Claude Juncker, and the President of the European Council, Donald Tusk.

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Find out [here](#) what will be discussed next week in the European Commission, the European Council and the European Parliament.