



Friday, 16 December, 2016



European Union delivers on its commitments in support of Ukraine

This morning, in the margins of the third meeting of the [European Union-Ukraine Association Council](#), the European Commission and Ukraine signed a number of agreements, further demonstrating the EU's ongoing commitment to Ukraine and to the ongoing reform efforts that Ukraine is undertaking. The agreement supporting Ukraine's public administration reform is worth €104 million, and is one component of a larger package totalling €300 million of EU support for accountable and transparent governance in Ukraine. In addition, a series of cross-border cooperation agreements were signed, confirming Ukraine's participation in EU-funded programmes involving Romania; Poland and Belarus; Hungary, Slovakia and Romania, and the Black Sea region. These programmes will promote continued economic and social development in regions on both sides of common borders and addressing common challenges in a range of priority areas, as well as to ensure efficient and secure borders. For more information on the agreements, visit the [website](#). This afternoon the European Investment Bank (EIB) and Ukraine will sign the latest set of loans, totalling approximately €600 million and underpinned partly by EU grants, in the total €3 billion financial assistance programme for 2014-2016. This is part of the €11 billion EU support package announced by the EU in March 2014, and demonstrates the EU's commitment to helping Ukraine stabilise its economic and financial situation, increase resilience, and act as a catalyst for prosperity for the citizens of Ukraine. The signing ceremony will be available [live on EbS at 14:00](#), at which time more information will be available in the [press release of the EIB](#). The Association Council was held one month after the successful [18th EU-Ukraine Summit](#), and a week after the EU released a [joint report](#) examining the state of play of Ukraine's implementation of its Association Agenda since 1 January 2015 (press release available [here](#)). For more information on the European Union's relations with Ukraine, see the [factsheet](#) and visit the [website of the EU Delegation in Ukraine](#) and the [European Commission's Support Group for Ukraine](#). The joint press release, issued upon the conclusion of the Association Council, is available [here](#).

Vice-President Ansip and Commissioner Jourová discuss new Data Protection Rules with businesses

Vice-President **Ansip** and Commissioner **Jourová** discussed today the implementation of the new Data Protection Regulation together with business associations. Adopted in April this year, the [new regulation](#) will enter into force in May 2018 and replace national legislation substituting the current Data Protection Directive. In order to facilitate its implementation, the Commission is regularly consulting Member States to ensure their national laws are adapted and repealed where necessary. Regular meetings are also held with all stakeholders involved, such as businesses and civil society, to discuss the application of the new Data Protection rules. At the same time, data protection authorities (Article 29 Working Party) have started issuing [guidelines](#) to ensure the consistent application of key principles of the new regulation across the European Union. The regulation is a modernisation of the EU data protection rules and is a crucial building block of the [Digital Single Market](#), allowing European citizens and business to fully benefit from the digital

economy. The [EU-U.S. Privacy Shield](#) will also be discussed. This new data exchange framework entered into effect on 1 August and more than 1,100 US companies have signed up to it (another 700 applications are being processed). The Privacy Shield's first annual review will take place next summer.

Commission publishes Public Finances Report 2016

The European Commission's Directorate General for Economic and Financial Affairs (EFCIN) is publishing its annual Report on Public Finances in Economic and Monetary Union today. It provides an overview of key policy developments and contains some of the analysis underpinning the Commission Opinions on Member States' Draft Budgetary Plans. In particular, the report focuses on recent trends in public finances in the EU. The report analyses the factors behind the investment gap in the EU and the criteria for an appropriate fiscal stance for the euro area. The Commission proposed a positive fiscal stance in its Communication Towards a Positive Euro Area Fiscal Stance, to promote growth in the context of a slow recovery while maintaining the sustainability of public finances. The Report on Public Finances in EMU 2016 will be [available on the website](#) of DG ECFIN together with an infographic and a [Q&A](#).

State aid: Commission publishes the non-confidential version of the final negative decision concluding that Ireland granted undue tax benefits of up to €13 billion to Apple

Today, the Commission has published the non-confidential version of the [final negative decision](#) adopted on 30 August 2016 concluding that Ireland gave illegal tax benefits to Apple worth up to €13 billion. This is illegal under EU state aid rules, because it allowed Apple to pay substantially less tax than other businesses. The decision is available under the case number [SA.38373](#) on the [competition](#) website.

State aid: Commission approves prolongation of Irish credit union resolution scheme

The European Commission has found the prolongation of an Irish scheme for the orderly winding-up of credit unions to be in line with EU state aid rules, and in particular with the [2013 Banking Communication](#) (see also [MEMO](#)). The objective of the scheme is to safeguard financial stability when a credit union becomes unable to meet regulatory requirements. It allows Ireland to provide aid for transferring the assets and liabilities of a failing credit union to an acquirer through a competitive process. This will help to achieve the maximum value for the assets and liabilities, ensuring that the aid is limited to the minimum necessary for an orderly winding-up and that no buyer gains an undue economic advantage through the acquisition of under-priced assets and liabilities. The scheme is valid until 30 June 2017. The Commission initially approved the scheme in December 2011. It was prolonged several times, the last time in [June 2016](#). More information will be available on the Commission's [competition](#) website, in the public [case register](#) under the reference SA.46951.

EUROSTAT: October 2016 compared with September 2016- Production in construction up by 0.8% in euro area- Up by 0.4% in EU28

In October 2016 compared with September 2016, seasonally adjusted production in the construction sector increased by 0.8% in the **euro area** (EA19) and by 0.4% in the **EU28**, according to first estimates from **Eurostat, the statistical office of the European Union**. In September 2016, production in construction fell by 0.8% in the **euro area** and by 0.1% in the **EU28**. [Full text available on EUROSTAT website](#)

EUROSTAT: Third quarter of 2016- Annual growth in labour costs up to 1.5% in euro area- Up to 1.9% in EU28

Hourly labour costs rose by 1.5% in the **euro area** (EA19) and by 1.9% in the **EU28** in the third quarter of 2016, compared with the same quarter of the previous year. In the second quarter of 2016, hourly labour costs increased by 1.0% in the **euro area** (EA19) and by 1.4% in the **EU28**. These figures are published by **Eurostat, the statistical office of the European Union**. [Full text available on EUROSTAT website](#)

ePrivacy: Europeans call for stronger protection of their online communications

The European Commission publishes today the results of a [Eurobarometer](#) survey and a [public consultation](#) on ePrivacy, showing that Europeans call for stronger protection, whereas industry and public authorities express more diverse views. According to the Eurobarometer, a large majority of the respondents consider the privacy of their personal information, their online communications and their online behaviour very important. Similarly, the public consultation shows that 83% of citizens, consumer and civil society organisations consider it relevant to have specific ePrivacy rules for the electronic communications sector on confidentiality. The consultations provide valuable insight for the ongoing review of the ePrivacy Directive which the Commission will unveil at the beginning of 2017. Andrus **Ansip**, Vice-President for the Digital Single Market said: *"Europeans want more privacy when they send messages and talk to each other regardless whether it is online or through traditional services. Our aim is to reinforce trust and security in digital services to boost the Digital Single Market."* Günther H. **Oettinger**, Commissioner for the Digital Economy and Society added: *"We want business to take advantage of data, to innovate and at the same time respect people's privacy. Our proposal will strike a balance between the need for protection demanded by Europeans and flexibility requested by companies."* The review of the ePrivacy Directive will complement the new General Data Protection Regulation (GDPR) and will widen its scope to also include services such as internet-based voice and messaging services ("over-the-top" services). The proposal will also simplify the provisions for browser cookies giving more choice to users. More details can be found [here](#).

State aid: Commission authorises UK support to convert unit of Drax power plant from coal to biomass

The European Commission has concluded that UK support for the conversion of one unit of the Drax power station from coal to biomass complies with EU state aid rules. The project will further EU environmental and energy targets without unduly distorting competition in the Single Market. The Commission opened an [in-depth investigation](#) in January 2016 to check that the state aid would not lead to overcompensation and undue distortions of competition in the biomass market. A detailed analysis of the project business case was carried out, taking into account the comments received from interested third parties, as well as further information submitted by the UK. On the basis of this analysis, the Commission has now concluded that the planned premium will not result in overcompensation. The project's contribution to increasing the share of renewable energy produced in the UK outweighs any potential distortions of competition that could be triggered by the government support. A full press release is available online in [here](#)

Commissioner Stylianides visited aid projects in Turkey

Commissioner for Humanitarian Aid and Crisis Management, Christos **Stylianides**, travelled to Turkey on 17 December. During his mission he visited the temporary refugee shelter centre at Kahramanmaraş and attended a meeting with EU-supported humanitarian partner organisations in Gaziantep. *"Turkey and its people have responded to this challenge with tremendous generosity. The EU stands in solidarity and will continue to deliver support to Syrian refugees and host communities under the Facility for Refugees in Turkey. In 2016 alone, we have contracted €1.3 billion and disbursed €677 million in assistance for refugees and I am confident that our support will continue to make a real difference for refugees in the country"*, said Commissioner **Stylianides**. EU assistance for refugees provides the most vulnerable among the refugees with protection, education, health, food and shelter. In September 2016, the EU together with the Turkish authorities, the World Food Programme and the Turkish Red Crescent launched the groundbreaking Emergency Social Safety Net (ESSN), with an initial budget of €348 million, to cover the everyday needs of vulnerable refugees through cash-transfers.

State aid: Commission approves public funding to promote move of freight transport from road to rail and sea in Italy

The European Commission has found two Italian public support schemes to encourage a shift of freight transport from road to rail and to sea, to be in line with EU state aid rules. The measures will further EU environmental and transport objectives whilst maintaining competition in the Single Market. Both measures support a mode of transport that is less polluting than road, which will have a positive impact on the environment. By decreasing road congestion it will also be beneficial in terms of mobility. The first measure, with a budget of €255 million, aims to boost the shift of freight traffic from road to rail in Italy by granting subsidies to rail transport operators. The Commission's assessment showed that the scheme is open to all railway companies operating on the freight market in Italy. The measure will in particular boost the Southern part of Italy, where the imbalance between rail and road is significantly more pronounced. The second measure, called Marebonus has a budget of €138 million to encourage freight transport by sea rather than by road. A full press release is available online in [here](#)

State aid: Commission approves amendments to Greek regional aid map for the period of 2017-2020

The European Commission has found amendments to Greece's regional aid map for granting state aid between 2017 and 2020 to be in line with EU state aid rules. The map defines the Greek regions that are eligible for regional investment aid under EU state aid rules and establishes the maximum levels of aid (so-called "aid intensities") that can be granted. The [2014 Guidelines on Regional State Aid](#) allow for a mid-term review of the regional aid maps approved by the Commission. This enables Member States to make amendments to the list of supported areas and/or the level of aid intensities in supported areas, in order to take into account recent changes in the social and economic circumstances of individual regions. The modifications to the maps need to comply with the criteria set out in the Guidelines. Greece notified a proposal to add Kriti, Dytiki Makedonia, Ionia Nisia and Sterea Ellada to the map as regions that are eligible for up to 25% aid intensity. This is because the GDP per capita in these areas is below 75% of the EU-28 average. Greece also proposed to increase the maximum aid intensity for large companies from currently 25% to 35% in seven areas (Voreio Aigaio, "Anatoliki Makedonia, Thraki", Kentriki Makedonia, Ipeiros, Thessalia, Dytiki Ellada and Peloponnisos). This is because the GDP per capita in these regions is now below 60% of the EU-28 average. Finally, for four areas (Dytiki Attiki, "Peiraias, Nisoi", "Kalymnos, Karpathos, Kos, Rodos" and "Andros, Thira, Kea, Milos, Mykonos, Naxos, Paros, Syros, Tinos"), Greece proposed to increase the maximum aid intensity from 10 to 20% for large enterprises, as they are now bordering regions, where large companies are eligible for the maximum aid intensity of up to 35%. The Commission approved these amendments and the modified map will be in force from 1 January 2017 until 31 December 2020. More information will be available on the Commission's [competition](#) website, in the [public case register](#) under the case number SA.46230.

State aid: Commission approves prolongation of Greek bank guarantee scheme

The European Commission has authorised the prolongation of the Greek guarantee scheme for credit institutions until 30 June 2017 under EU state aid rules. Whilst the liquidity situation of the Greek banks is gradually improving, the Commission has found that the 6-month prolongation of the guarantee scheme is in line with the [rules on state aid to banks during the crisis](#), in particular because the prolonged measure is targeted, proportionate and limited in time and scope. During the application of the crisis rules for state aid to banks, the Commission is authorising guarantee schemes on banks' liabilities for successive periods of six months in order to be able to monitor developments and adjust conditions accordingly. The Greek guarantee scheme was initially approved [in November 2008](#). The authorisation of the scheme was prolonged several times, last time in [June 2016](#) until end December 2016. More information is available on the Commission's [competition](#) website, in the [public case register](#) under the case number SA.46995.

State aid: Commission approves prolongation of guarantee scheme for export contracts in Poland

The European Commission has approved a prolongation of a state guarantee scheme to cover certain risks of default on export contracts of companies established in Poland. The Commission concluded that the extension of the guarantee scheme involves no state aid, as it is financed through market-based premiums paid by exporters, in line with the Commission [Notice on Guarantees](#). The premiums cover the normal risks associated with granting the guarantees, the administrative costs of the scheme and the yearly remuneration of sufficient capital. Guarantees can be issued at the request of Polish exporters for the direct benefit of foreign customers. The Commission initially [authorised the scheme](#) in July 2007 and [a first prolongation](#) in December 2011. More information will be available on the Commission's [competition](#) website, in the public [case register](#) under the reference SA.45857.

State aid: Commission approves prolongation of Polish bank guarantee scheme

The European Commission has authorised under EU state aid rules a prolongation of the Polish bank guarantee scheme until 30 June 2017. The scheme provides for State guarantees in favour of different types of solvent credit institutions in Poland. It was initially [approved in September 2009](#) and prolonged several times, last time in [July 2016](#). In [February 2012](#), the pricing conditions of the scheme were brought in line with the requirements of the [Commission's 2011 Communication on state aid to banks during the crisis](#). Other conditions of the original scheme remain unchanged. The Commission found the prolongation of the scheme to be in line with its [guidelines on state aid to banks during the crisis](#) because it is well targeted, proportionate and limited in time and scope. The Commission is authorising guarantee schemes on banks' liabilities for periods of six months in order to be able to monitor developments and adjust conditions accordingly. More information will be available on the Commission's [competition](#) website, in the [public case register](#), under the case number SA.46871.

State aid: Commission clears amendments to Romanian scheme promoting renewable energy

The European Commission has found amendments to the Romanian green certificate system for supporting the use of renewable energy sources to be in line with EU state aid rules. Green certificates are granted to electricity producers, who can sell them to energy suppliers. The latter need to buy a certain number of certificates, based on the quantity of electricity they supply to final consumers. The amendments slightly reduce the producers' revenues over the duration of the support, but increase the predictability of support, limiting the amount of certificates likely to remain unsold. The Commission concluded that the

amendments will increase the stability, transparency and sustainability of the Romanian renewable energy support system and minimise potential distortions of competition brought about by the public financing. The Commission initially [approved the green certificates](#) scheme in 2011 and [approved a first round of amendments](#) in 2015. The most recent amendments were notified by Romania in November 2016 and approved within three weeks. More information will be available on the Commission's [competition](#) website in the public case register under the case number SA.46894.

Mergers: Commission approves acquisition of WhiteWave by Danone, subject to conditions

The European Commission has cleared under the EU Merger Regulation the proposed acquisition of WhiteWave, a US-based manufacturer of packaged foods and beverages, by the French Danone group. The clearance is conditional upon the divestment of Danone's "growing-up milk" business in Belgium.

Danone is active in the European Economic Area (EEA) mainly in dairy products but also in early life nutrition products. WhiteWave manufactures plant-based products such as soy milk and yoghurts under its Alpro and Provamel brands. Alpro products also include plant-based "growing-up milk" (for children aged 1 to 3 years). The Commission had concerns that the proposed transaction would have significantly reduced competition for "growing-up milk" in Belgium. The commitments offered by Danone address these concerns. More information [here](#).

Mergers: Commission clears acquisition of Brevini Fluid Power and Brevini Power Transmission by Dana

The European Commission has approved, under the EU Merger Regulation, the proposed acquisition of Brevini Fluid Power and Brevini Power Transmission, both of Italy, by Dana of the United States. Dana supplies driveline, sealing and thermal-management products to vehicle manufacturers. Brevini Fluid Power and Brevini Power Transmission are suppliers of transmissions and hydraulic and electronic components for a variety of sectors, including agriculture, renewable energy and waste management. The Commission concluded that the proposed acquisition would raise no competition concerns because the companies' activities do not overlap. The operation 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.8240](#).

ANNOUNCEMENTS

High Representative/Vice-President Mogherini travels to Cairo for the 4th EU- League of Arab States Ministerial meeting

The High Representative for Foreign Affairs and Security Policy/Vice-President of the European Commission Federica **Mogherini** will travel to Cairo, where she will co-chair the 4th EU- League of Arab States (LAS) Ministerial meeting on 20 December, a unique forum of dialogue with the Arab world taking place biannually. This meeting will be the occasion to enhance the important partnership and institutional and socio-economic cooperation between the EU and the LAS, as well as to exchange on the current regional challenges facing both Europe and the Arab world particularly on Syria, Libya, Middle East Peace Process, Yemen, Iraq, counter-terrorism and migration. In the margins of the Ministerial, the HR/VP and Egyptian Minister of International Cooperation Sahar Nasr will sign two new assistance programmes, to support Egypt's economic development programme, strengthen social safety nets and foster inclusive and sustainable economic development. The HR/VP will also have a number of bilateral contacts. She will meet with the LAS Secretary General H.E. Mr. Ahmad Aboul-Gheit, with Egyptian Minister of Foreign Affairs

Mr. Sameh Shoukry, with Lebanese Minister of Foreign Affairs Mr. Gebran Bassil, with Jordanian Minister of Foreign Affairs Mr. Nasser Judeh, as well as with other Arab Ministers attending the Ministerial meeting. HR/VP **Mogherini** and Foreign Minister Judeh will announce together the adoption of the EU-Jordan Partnership Priorities, setting an ambitious framework for strong political coordination and cooperation for the coming years. The Partnership Priorities include the EU-Jordan compact with mutual commitments including an EU commitment of at least € 747 million for 2016-2017. All press opportunities will be available on [EbS](#).

High-Level Policy Summit on "Europe's Response to Sustainability Challenges – Delivering the 2030 Agenda"

Tomorrow, the European Political Strategy Centre (EPSC) together with the European Commission will host a [High Level Policy Summit](#) on "Europe's Response to Sustainability Challenges – Delivering the 2030 Agenda". Under the patronage of First Vice-President **Timmermans** and Vice-President **Katainen** and with the presence of UN SDG Ambassador Her Majesty Queen Mathilde of Belgium, the Summit will gather European and international stakeholders to discuss how to take decisive next steps for a sustainable European future. The Summit is a follow-up to the European Commission's [Communication on the Sustainable Development Goals](#), presented on 22 November, which laid out how EU policies and the Commission's 10 political priorities contribute to implementing the UN 2030 Agenda for Sustainable Development. In the Communication the Commission committed to using all the instruments at its disposal, including its better regulation tools to ensure that existing and new policies take into account the three pillars of sustainable development: social, environmental and economic. The Commission further committed to provide regular reporting of the EU's progress on the implementation of the 2030 Agenda as of 2017, to launch reflection work on developing a longer term vision with a post-2020 perspective and to organise a multi-stakeholder Platform to work in partnership with civil society. Today's Summit provides the first platform for this reflection. The speeches of First Vice-President **Timmermans**, Vice-President **Katainen** and Her Majesty Queen Mathilde of Belgium will be live streamed on [EBS](#). More information on Communication on the Sustainable Development Goals is available in the [press release](#).

Commissioner Avramopoulos in Thessaloniki for Citizens' Dialogue on migration and security challenges

Today, Commissioner for Migration, Home Affairs and Citizenship Dimitris **Avramopoulos** is in Thessaloniki, Greece to take part in a Citizens' Dialogue. Participants will include students, teachers, NGOs, representatives of municipalities and of the region of Central Macedonia. The topics of discussion will focus on the refugee crisis and security as common European challenges. Today's Citizens' Dialogue with Commissioner Avramopoulos is the 121st Citizens' Dialogue since the start of the mandate of the Juncker-Commission. The Citizens' Dialogue will be broadcast live and can be followed from 17.00h today [here](#).

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

