NEWS FROM THE COMMISSION MIDDAY BRIEFING



Thursday, 18 May, 2017

Positive trade balance for EU agri-food products after record value in monthly exports

According to the latest figures published today by the European Commission, the monthly value of EU agri-food exports in March 2017 reached a value of almost €12.7 billion, which is €1.31 billion (+11.3%) higher than in March 2016. This is the highest monthly export value seen over the last 5 years. Highest increases in monthly export values (March 2017 compared to March 2016) were recorded for the USA, Japan, Russia and Switzerland. Following the strong increase in exports, the trade balance in March 2017 reached €1.8 billion. When looking at the last 12 months, from April 2016 to March 2017, EU agri-food exports reached a value of €133.5 billion, corresponding to an increase by 3.6% in value terms compared to the same period one year ago. Focusing on the EU export performance per product category over the last twelve months, it confirms the trend of pig meat exports' recovery. Main origins for EU agri-food imports over the past 12 months were Brazil, USA, Argentina and China, followed by Switzerland, Turkey, Indonesia, Ukraine and Ivory Coast. The full report is online.

EU and 79 African, Caribbean, Pacific countries in joint push to implement global climate deal

The European Union and 79 African, Caribbean and Pacific (ACP) developing countries, who together make up more than half of the signatories to the Paris Agreement on climate change, today reaffirmed their strong and steadfast commitment to full implementation of the agreement, urging all partners to keep up the momentum created in 2015. The EU and the African, Caribbean and Pacific Group of States made the call at a UN climate change conference taking place in Bonn, ahead of the upcoming G7 and G20 leaders' summits and the next annual UN climate negotiations COP23 in November. Commissioner for Climate Action and Energy Miguel Arias Cañete said: "Today more than ever, Europe stands by its long-term partners most vulnerable to climate change. We, developed and developing countries together, will defend the Paris Agreement. We are all in, and our joint commitment to this Agreement today is as in Paris: irreversible and non-negotiable." The ACP Group and EU have agreed common positions on the next steps to implement the Paris Agreement and strengthened cooperation to promote low-emission, climate-resilient development. As an example of this increased cooperation, the EU has announced support of EUR 800 million for the Pacific Region up to 2020, with around half earmarked for climate action. The EU will also provide EUR 3 million to support Fiji's COP23 Presidency. The UN climate conference is currently taking

place from 8-18 May to prepare the ground for the next <u>Conference of the Parties COP23</u>, to be held on 6-17 November 2017 in Bonn. For more information consult the <u>Commission</u>'s website.

Revised European Neighbourhood Policy: supporting stabilisation, resilience, security

Today, the European Commission and the High Representative has published the report on the implementation of the European Neighbourhood Policy (ENP). The Report shows that the new policy approach ensures stronger joint ownership and more flexibility by recognising different aspirations and diversity of each partner. The revised ENP reinvigorated the relations between the European Union and its neighbours to the East and South, with a greater focus on stabilisation, resilience and security. The High Representative/Vice-President Federica Mogherini said: "The European Union has been investing a lot in economic development, resilience, security, democracy and the rule of law in our Eastern and Southern neighbours. One year and a half after the review of the European Neighbourhood Policy, we have managed to build - in cooperation and full partnership - a tailor made approach with each and every country, to ensure it addresses the real needs and interests, for the sake of all our citizens". Commissioner for European Neighbourhood Policy and Enlargement Negotiations, Johannes Hahn commented: "We consulted widely before updating the Neighbourhood Policy – and this report shows how we are really putting into action the results of that consultation: a stronger focus on mutual interests, greater differentiation to reflect the diversity of our partners, a greater sense of shared ownership of the policy and more flexibility in how it is implemented ". Available online are the full press release, a Q&A and the joint communication.

Juncker Plan set to trigger more than EUR 194 billion in investments across all 28 Member States

Following this week's meeting of the European Investment Bank's Board of Directors, the <u>Juncker Plan</u> is now expected to trigger EUR 194 billion in investments across all 28 Member States. This represents well over half of the EUR 315 billion target of total investments to be mobilised by the European Fund for Strategic Investments (EFSI), the heart of the Juncker Plan, that was originally earmarked. The operations approved under the EFSI represent a total financing volume of just under EUR 37 billion. The EIB has now approved 224 EFSI-backed projects under the EFSI's Infrastructure and Innovation Window, worth just under EUR 28 billion in EFSI financing. The European Investment Fund (EIF) has now approved 275 SME financing agreements, with total financing under the EFSI of almost EUR 9 billion. Given its success so far, President **Juncker** has made it clear that the <u>proposal to extend and reinforce the EFSI</u> (the so-called "EFSI 2.0") is among the Commission's top legislative priorities. The proposal has already made good progress. The <u>Commission welcomed this week's European Parliament vote</u> on the EFSI 2.0 and now calls on the Parliament and Member States to continue working towards the final adoption of the EFSI 2.0 proposal as quickly as possible.

Commission welcomes the signature of EU technical support programme

The European Commission welcomes today's signature of the new EUR 142.8 million Structural Reform Support Programme (SRSP). The programme will allow to address new requests for reform support from the Member States and tailor the support specifically to the needs of each Member State and each situation.

Already now there is a widespread interest from Member States as regards the support for design and implementation of reforms. Preliminary expressions of interest cover various reform areas, ranging from public administration reforms, public financial management reviews, building capital markets and better targeting of social welfare systems. Valdis **Dombrovskis**, Vice-President for the Euro and Social Dialogue said: "This new EU programme will allow the Commission to expand the reform support it provides to help Member States, upon their demand, to carry out essential reforms that can help modernise economies, strengthen competitiveness and encourage investment. We will shortly present our policy guidance under the European Semester - reform priorities for each Member State. With the new EU programme, countries have a possibility to benefit from best expertise and know-how to shape and implement reforms."

European Commission reports on the application of the Charter of fundamental rights in the EU in 2016

Today, the European Commission has published its annual Report on the application of the EU Charter of Fundamental Rights. The report outlines the initiatives taken in 2016 by the EU to strengthen fundamental rights. It also looks at how these rights were applied across a range of EU policies and in the Member States in 2016. First Vice-President Frans **Timmermans** said: "The European Union is not just a market or a currency, it is first and foremost a Union of values. As guardian of the Treaties the European Commission has a special duty to uphold the fundamental rights and the rule of law throughout this Union, a responsibility which we share with all the EU's institutions and Member States." Věra Jourová, Commissioner for Justice, Consumers and Gender equality added: "The European Commission has been working in all areas of EU law to safeguard fundamental rights across Europe. (...) We must continue to make sure that rights are a reality for everyone across Europe. Fundamental rights are for all." This year's Report concludes that recent developments pose serious threats to fundamental rights. The Commission will ensure that all EU legislative proposals and all bodies bound by the Charter will continue to respect it. We will pay particular attention to the important system of checks and balances, in particular the key role of supreme courts and constitutional courts in upholding the EU's common values. The report also announces that the 2017 Fundamental Rights Colloquium will focus on the promotion and protection of women's rights and gender equality next November. A press release and the full report are available online.

Education: new report shows positive trends in the teaching and learning of foreign languages

Pupils in primary education have started learning their first foreign language at an earlier age and are continuing with it throughout the years of compulsory education. The numbers of lower secondary students learning two foreign languages is up compared with ten years ago. And most countries now have provisions in place to support migrant children who need to learn the language of their host country. These are some of the main results of a report on 'Key Data on Teaching Languages at School in Europe' published today by the European Commission's Eurydice network. Less positive is the fact that the level of ambition for learning a second foreign language is still remarkably low. It is also worth noting that more than half of language teachers in Europe have travelled abroad for professional reasons, many of them with the support of funding from EU programmes such as Erasmus+, the EU Programme for education, training, youth and sport. Tibor Navracsics, EU Commissioner for Education, Culture, Youth and Sport, said: "Speaking several languages is becoming an essential skill in Europe, not only for finding a job but also for participating in society. We need to make better use of innovative teaching methods and new technology to improve young people's language learning experience." The Eurydice report, which covers EU Member States and some other European countries, combines evidence from various sources with in-depth analysis on language learning and teaching.

Mergers: Commission fines Facebook &110 million for providing misleading information about WhatsApp takeover

The European Commission has fined Facebook €110 million for providing incorrect or misleading information during the Commission's 2014 investigation under the EU Merger Regulation of Facebook's acquisition of WhatsApp. The EU Merger Regulation obliges companies in a merger investigation to provide correct information that is not misleading as this is essential for the Commission to review mergers and takeovers in a timely and effective manner. This obligation applies, regardless of whether the information has an impact on the ultimate outcome of the merger assessment. When Facebook notified the acquisition of WhatsApp in 2014, it informed the Commission that it would be unable to establish reliable automated matching between Facebook users' accounts and WhatsApp users' accounts. However, in August 2016, WhatsApp announced updates to its terms of service and privacy policy, including the possibility of linking WhatsApp users' phone numbers with Facebook users' identities. On 20 December 2016, the Commission addressed a Statement of Objections to Facebook detailing its concerns. The Commission has found that, contrary to Facebook's statements in the 2014 merger review process, the technical possibility of automatically matching Facebook and WhatsApp users' identities already existed in 2014, and that Facebook staff were aware of such a possibility. Commissioner Margrethe Vestager, in charge of competition policy, said: "Today's decision sends a clear signal to companies that they must comply with all aspects of EU merger rules, including the obligation to provide correct information. And it imposes a proportionate and deterrent fine on Facebook. The Commission must be able to take decisions about mergers' effects on competition in full knowledge of accurate facts." A full press release is available online here

Mergers: Commission alleges Altice breached EU rules by early implementation of PT Portugal acquisition

The European Commission has sent a Statement of Objections alleging that multinational telecommunications company Altice (the Netherlands), breached the EU Merger Regulation by implementing its acquisition of telecommunications operator PT Portugal before notification or approval by the Commission. The EU's Merger Regulation requires that merging companies notify transactions prior to their implementation ("the notification requirement"), and do not implement transactions unless and until they have been notified and cleared by the Commission ("the standstill obligation"). Compliance with these obligations is essential for legal certainty, enables the Commission to conduct a correct analysis of the impact of mergers in the market and prevents the potentially detrimental impact of transactions on the competitive structure of the market. In this way, market forces work for the benefit of consumers. In today's Statement of Objections, the Commission takes the preliminary view that Altice actually implemented the acquisition prior to the adoption of the Commission's clearance decision, and in some instances, prior to its notification. Commissioner Margrethe Vestager, in charge of competition policy, said: "If companies jump the gun by implementing mergers prior to notification or clearance, they undermine the effective functioning of the EU merger control system. The Statement of Objections sent to Altice shows how seriously the Commission takes breaches of the rules designed to protect the merger control system ". A full press release is available online here

ANNOUNCEMENTS

Commissioner Stylianides participates in Citizens' Dialogue in Ioannina, Greece

Today, EU humanitarian aid and crisis management Commissioner Christos **Stylianides** will participate in a <u>Citizens' Dialogue</u> in Ioannina, Greece. During the event, Commissioner **Stylianides** will engage in an open discussion withcitizens about the future of Europe, focusing on the challenges and priorities for Europe in the coming years. The title of the dialogue is: "What kind of Europe do we want? Forming together the path to the future" and it can be followed <u>live on Facebook</u> at 18:00 CET.

MEX/17/1384



Find out <u>here</u> what will be discussed next week in the European Commission, the European Council and the European Parliament.