



Thursday, 31 August, 2017

New and improved car emissions tests become mandatory on 1 September

As of 1 September 2017, new car models will have to pass new and more reliable emissions tests in real driving conditions ("Real Driving Emissions" – RDE) as well as an improved laboratory test ("World Harmonised Light Vehicle Test Procedure" – WLTP) before they can be driven on European roads.

The Vice-President for Jobs, Growth, Investment and Competitiveness, Jyrki **Katainen** said: *"The new emissions tests are a milestone in our ongoing work for cleaner and more sustainable cars over the coming years. But more remains to be done. The emissions scandal has shown that we need more independence in car testing, stronger market surveillance and the possibility for the Commission to intervene in case of wrongdoing. The Commission presented a proposal in January 2016 to achieve just that. It has been on the table since and it is high time that the European Parliament and Council adopt it. And we need to decisively pursue EU-wide efforts to foster low emissions mobility."* Read Press Release [here](#) and Factsheet

Investment Plan supports medical research, digital innovation and small businesses

The Investment Plan continues to deliver. Over the last week, the Plan's European Fund for Strategic Investments (EFSI) has backed finance for [digital innovation in Sweden](#), access to finance for [small businesses in Poland](#) and [medical research in Austria](#). The European Investment Bank (EIB) is providing Swedish software developer inRiver with €8 million in financing to invest in research and development, expand its market reach and grow its customer base. The European Investment Fund (EIF) and national promotional bank Bank Gospodarstwa Krajowego (BGK) are doubling the size of their loans to Polish SMEs to PLN 2 billion (ca. €500 million). The loans are expected to reach close to 10,600 small businesses and entrepreneurs across Poland. The EIB is providing €25 million of financing to Austrian biotech company Apeiron Biologics to support the development of new pharmaceutical products to treat cancer, particularly a rare type affecting children. This is the second medical research project to be signed in recent weeks, after the EIB agreed a €35 million loan to German medical device company [MagForce](#) to support the development of a new approach to treating brain tumours. This new approach makes it possible to combat the tumour from within, while sparing surrounding healthy tissue. All of these agreements were made possible through the support of the Investment Plan for Europe, the so-called Juncker Plan. European Commission Vice-President Jyrki **Katainen**, responsible for Jobs, Growth, Investment and Competitiveness, said: *"These transactions demonstrate the diversity, quality and impact of the investments made possible by the European Fund for Strategic Investments. Whether it is through supporting medical research projects or helping small businesses access the finance they need to expand and create jobs, the Investment Plan is delivering real results across the EU. A final agreement on the extension and reinforcement of the EFSI will allow it to do even more. Therefore we look forward to a swift conclusion to*

the negotiations by the co-legislators." The Investment Plan is now expected to trigger over €225 billion across Europe. For the latest figures country-by-country, see [here](#).

Euro area annual inflation up to 1.5%

Euro area annual inflation is expected to be 1.5% in August 2017, up from 1.3% in July 2017, according to a flash estimate from Eurostat, the statistical office of the European Union.

Looking at the main components of euro area inflation, energy is expected to have the highest annual rate in August (4.0%, compared with 2.2% in July), followed by services (1.6%, stable compared with July), food, alcohol & tobacco (1.4%, stable compared with July) and non-energy industrial goods (0.5%, stable compared with July). Full text available [here](#)

Eurostat: July 2017-Euro area unemployment at 9.1%-EU28 at 7.7%

The euro area (EA19) seasonally-adjusted unemployment rate was 9.1% in July 2017, stable compared to June 2017 and down from 10.0% in July 2016. This is the lowest rate recorded in the euro area since February 2009. The EU28 unemployment rate was 7.7% in July 2017, stable compared to June 2017 and down from 8.5% in July 2016. This remains the lowest rate recorded in the EU28 since December 2008. These figures are published by Eurostat, the statistical office of the European Union. Full text available [here](#)

State aid: Commission asks Spain to recover €5.8 million from Iberpotash

The European Commission has asked Spain to recover €5.8 million of illegal State aid granted to Iberpotash S.A. (renamed ICL Iberia Súría & Sallent in 2014), a company which operates various mines of potash in Catalonia. The Commission's [in-depth investigation](#) found that Iberpotash benefitted from two illegal support measures: unduly low financial guarantees for the restoration of its mining sites in Súría and Balsareny/Sallent, and full public funding of a €7.9 million investment to cover a waste heap in Vilafruns. As regards the first measure, mining companies must provide guarantees to public authorities that can be drawn on to restore the environmental conditions of the site they operate. This ensures that these costs are not shifted on to the State, if the mining company fails to meet its environmental protection obligations. In the case of the guarantees provided by Iberpotash for Súría in 2006 and Balsareny/Sallent in 2008, Spanish national courts have found that restoration costs for the sites had been set at an unjustifiably low level. Indeed, in 2016 the regional environmental authorities estimated the costs and set the guarantees at a significantly higher level. As regards the second measure, regional authorities financed the entire investment cost to reduce the negative environmental impact of the waste heap in Vilafruns in 2008 and 2009. EU rules do allow State aid to cover part of the investment costs incurred in improving environmental conditions beyond mandatory levels, but still require Iberpotash to bear 50% of such costs. As a result of both support measures, Iberpotash did not have to bear the costs of environmental protection that competing mining companies have to bear in the Union, thus gaining an undue competitive advantage. On this basis, the Commission concluded that Iberpotash must pay guarantee fees reflecting the true remediation costs of its sites until 2016 and also return the excess investment costs that were entirely borne by the public authorities. In line with its standard practice, the Commission is asking Spain to recover from Iberpotash these amounts, totalling €5.8 million. More information will be available on the Commission's [competition](#) website, in the [public case register](#) under the case number [SA.35818](#).

ANNOUNCEMENT

Commissioner Hahn in Budapest for the preparation of the Eastern Partnership Summit

Johannes **Hahn**, Commissioner for European Neighbourhood Policy and Enlargement Negotiations is in Budapest, Hungary, today to participate at the informal Eastern Partnership [V4](#) ministerial meeting. The meeting is organised by the [Visegrád Group](#) and will focus on the preparation of the upcoming [Eastern Partnership Summit](#) (that will take place on 24 November in Brussels), as well as on stepping up cooperation on energy infrastructure, including energy efficiency. Commissioner met this morning with Ministers of Foreign Affairs of the Visegrád Group - Czech Republic, Hungary, Poland and Slovakia - and of the Eastern Partnership countries - [Armenia](#), [Azerbaijan](#), [Belarus](#), [Georgia](#), the [Republic of Moldova](#) and [Ukraine](#). Earlier this morning, Commissioner Johannes **Hahn** said: "*The upcoming Summit will be an opportunity to build on our achievements and to inject new dynamism into our relations. Differentiation and ownership remain pivotal in our engagement. Following this approach we have achieved crucial results such as three Association Agreements including their Deep and Comprehensive Free Trade Areas (DCFTA), the agreement we have negotiated with Armenia and the ongoing negotiations with Azerbaijan. Also, we are working full speed to implement and update the "20 deliverables for 2020", which results have an important impact on the life of the people. More must be done, our work and engagement has to continue and a non-confrontational nature of the Partnership is crucial for our joint success.*" The full [speech](#) is available online.

European Commission appoints new Head of Regional Office in Milan

Mr Massimo Gaudina has been appointed the new Head of the European Commission's Regional Office in Milan. Mr Gaudina, an Italian national, will take up office on 1 September 2017. He brings over 30 years of experience, of which over 20 years of institutional communications in the EU context. In his role, Mr Gaudina will represent the European Commission and will encourage the debate on EU issues, mainly in Northern Italy. More information is available in the press release [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.