

# [Press release – Parliament approves increased water reuse](#)



The new law defines minimum requirements at European level for the first time for reclaimed water (i.e. urban wastewater that has been treated in a reclamation plant) to be used for agricultural purposes in a safe way, protecting people and the environment. It was adopted without a vote at the opening of the Plenary.

The new rules aim to ensure that treated wastewater is more broadly reused in order to limit use from water bodies and groundwater. The fall in groundwater levels, due in particular to agricultural irrigation, but also industrial use and urban development, is one of the main threats to the EU water environment

“Today marks another important milestone towards the transition to a circular economy for water resources. In this way, step by step, we are bringing concrete results for the environment”, said lead MEP [Simona Bonafè \(S&D, IT\)](#).

“We could potentially reuse 6.6 billion cubic metres of water by 2025, compared to the current 1.1 billion cubic metres per year. That would require an investment of less than EUR 700 million and would enable us to reuse more than half of the current volume of water coming from EU wastewater treatment plants theoretically available for irrigation, avoiding more than 5 % of direct extraction from water bodies and groundwater”, she added.

## **Next steps**

The adopted measures will enter into force on the twentieth day following its publication in the Official Journal of the European Union and shall apply three years after entry into force.

## **Background**

[According to the Commission's Report on the European Water Scarcity and Droughts Policy](#), water scarcity remains an increasingly big problem for many member states. At least 11% of the European population and 17% of its territory have been affected by water scarcity. During summer, over half of the population in the Mediterranean region is affected by water stress (Source: [European Commission](#)).

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## [ESMA highlights challenges for rating Collateralised Loan Obligations](#)

The report also highlights the impact that COVID-19 may have on CLO methodologies. ESMA expects CRAs to continue to perform regular stress-testing simulations and to provide market participants with granular information on the sensitivity of CLO credit ratings to key economic variables affected by the pandemic.

Steven Maijoor, Chair, said:

“ESMA’s assessment of CLO credit rating practices highlight a number of supervisory concerns and risks associated with rating this asset class and we expect CRAs to monitor these risks and address them as appropriate.

“The COVID-19 pandemic poses significant risks for CLO instruments, which will test the rigorousness of CRAs rating methodologies to respond to changing circumstances.

“ESMA will closely monitor CRAs response to COVID-19 and continue to assess the potential risks posed by CLOs, their ratings and associated rating processes to investors, markets and financial stability.”

### **ESMA’s main supervisory concerns**

In reviewing CRAs’ practices and methodologies for rating CLOs, ESMA has identified a number of issues which present risks, these relate to:

1. **The internal organisation of CRAs** – the CLO rating process is segmented between a CLO analytical team and a corporate analytical team in all CRAs. A smooth and ongoing exchange of information between internal teams is key to ensure a holistic assessment of CLO creditworthiness. CRAs should ensure the capacity for the timely identification of all inherent risks to CLOs;
2. **The interactions with CLO issuers** – as CLO arrangers and managers can identify which CRA may assign the best ratings for each CLO tranche, it is key that CRAs ensure the independence of their rating process from any influence from their commercial teams and/or arrangers;

3. **Model/third party dependencies leading to potential operational risks** – the dependency on rating models and data provided by third parties, and the high automation of processes, present operational risks which need to be monitored by CRAs to avoid potential errors in credit ratings;

4. **Rating methodologies, modelling risks and commercial influence** – CLO methodologies are underpinned by assumptions and modelling approaches that can impact credit ratings. ESMA highlights the importance of transparency to market participants on the limitations of methodological approaches. In addition, CRAs should ensure that evolutions in CLO methodologies are not influenced by commercial interests;

5. **The thorough analysis of CLOs** – it is key that CRAs continue to monitor market trends and to perform a thorough analysis of all relevant developments in CLO contractual arrangements.

#### **COVID-19**

The report is based on information collected up until March 2020. It is too early to assess the aggregated consequences of the COVID-19 outbreak as it will depend on the length of the health crisis and on the effects of the associated government interventions. In light of this, ESMA expects CRAs to continue to perform regular stress-testing simulations and to provide market participants with granular information on the sensitivity of CLO credit ratings to key economic variables.

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**[Press release – MFF and COVID-19 debate with Presidents Michel and von der Leyen from 16:00](#)**



During their summit on 23 April, EU leaders discussed progress on various dimensions of the EU response to the COVID-19 outbreak, endorsed the European roadmap towards lifting containment measures and a joint Roadmap for Recovery. They also tasked the Commission with working towards establishing a draft proposal on a recovery fund.

MEPs will discuss with Commission President von der Leyen how to prop up the new long-term budget (MFF) with an ambitious recovery plan and kick-start a sustainable EU economy. A resolution will be put to the vote on Thursday and Friday.

You can watch the plenary debates via [EP Live](#), and [EbS+](#).

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## [Launch of a special bi-annual EER Award 2021-2022 edition](#)



The jury of the European Entrepreneurial Region (EER) Award has decided to launch a **special bi-annual edition of the EER Award covering the years 2021-2022**. The decision has been motivated by the impact of the Covid-19 crisis, fundamentally changing the economic reality and outlook in EU regions and cities and thus triggering the need to amend the EER 2021 application process.

The lead theme of the new call is Entrepreneurship for a sustainable recovery. The deadline for applications is **28 October 2020**.

## What is the EER?

- A **label** awarded by the European Committee of the Regions each year to up to 3 cities or regions with outstanding, future-oriented strategies to support SMEs, start-ups and scale-ups
- A growing **network** of pioneering territories actively strengthening their entrepreneurial ecosystems, exchanging good practices and partnering up for European projects

## What's new in the EER 2021-2022?

- A special bi-annual edition of the EER aiming to encourage EU regions and cities to develop strategies boosting entrepreneurship and SMEs, taking account of the impact of the Covid-19 crisis
- Awarded applicants will hold the EER label for two years – 2021 and 2022, granting them sufficient time to implement their EER strategies to accelerate the economic and social recovery in their territories

## Who can apply?

All EU territories below the level of the Member State that are endowed with competences at a political level and able to implement an overall entrepreneurial strategy, including regions in the broadest sense, cities, EGTCs and Euroregions, are welcome to participate.

## Why should you apply?

The EER gives **recognition** and **visibility** to your entrepreneurial strategy and concrete projects. It helps you **reach out** to your entrepreneurial ecosystem's stakeholders and give a boost to the **ecosystem's maturation**. It provides you with **access to a network** of potential partners for cooperation initiatives.

Further details, including the application form can be found on the [EER website](#).

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**[Press release – Pre-session briefing on Wednesday 13 May at 14.00](#)**



The agenda for the plenary session includes debates on:

- review of the results of the COVID-19 summit with European Council President Michel,
- long-term EU budget revision and recovery plans with Commission President von der Leyen,
- COVID-19 emergency measures in Hungary and their impact on the rule of law,
- use of smartphone apps in managing the spread of the pandemic,
- the development of COVID-19 vaccines and treatments, and
- the 70th anniversary of the Schuman Declaration.

As well as votes on:

- MEPs' position on the revision of the long-term EU budget,
- a contingency plan to guarantee continuity of EU funding,
- €3 billion in loans to help EU neighbours and partner countries deal with COVID-19, and
- new tyre labels with information on energy consumption and grip.

Find all information on [EP plenary in our newsletter](#)

### **How to follow the briefing online**

Parliament will be using an interactive virtual press environment (with interpretation) based on Skype TX, in conjunction with the traditional EbS and web-streaming services.

**If you wish to ask a question:**

- **You will need a SKYPE account.**
- **Connect to VOXBOXEP and write your name and media organisation in the chat box**

Please use headphones and a microphone for better sound quality.

The system will be managed by Parliament's media services and you will be placed in a queue (virtual waiting room) before being invited to ask your question(s).

If you have any trouble connecting, you can contact: +32 22834220.

After asking a question / listening to the reply (and any follow-up), you should then disconnect from Skype so that the next journalist in line can be connected to the press briefing room.

**You should only connect through Skype if you wish to ask a question.**

- You can follow the briefing LIVE on [EP MMC](#) or [EBS](#).

**REMINDER: working conditions in Parliament for journalists in light of Coronavirus**

It is mandatory as of 13 May to wear a community mask that covers mouth and nose at all times while in Parliament's buildings. This is to continue to ensure Parliament's operational capacity, while at the same time avoiding health risks for Members, staff and other persons working in and visiting the European Parliament.

Journalists, who have to come to Parliament in person, are therefore asked to bring a mask and wear it in order to access Parliament's premises. There is no requirement as to the type of mask, as long as it covers both nose and mouth.

The wearing of a mask for journalists is now compulsory and necessary at all times. However, journalists could exceptionally and for the limited duration of a recording (stand-ups, interviews, studio recordings) remove their mask, if the social distancing measures are respected. This exception also applies to taking the floor in press conferences. Please note that masks should be put on again immediately after the recording. The exceptions do not apply to bilateral conversations or interviews that are not recorded.

To allow for this exception, journalists are required to keep a distance of 2 meters preventively.

Please refrain from coming to EP premises if you present any symptoms of a respiratory infection, if you have knowingly been in contact with an infected person in the last 14 days or if you have been to regions with very high transmission rates.