

Commission welcomes agreement on new rules for organic production

Today, the negotiators of the Council and the European Parliament reached an agreement to update the rules for organic production, thereby accommodating the needs of a growing sector.

Following the decisive meeting, Commissioner for Agriculture Phil **Hogan** said: *"We welcome the successful conclusion to today's trilogue and the agreement reached on the Organics Regulation and believes that the new legislative framework will match the dynamism and expectations of this fast-growing sector, support its development and its capacity to innovate and help it to reach its full potential."*

After more than three years of negotiation, the agreement will remove obstacles to the sustainable development of organic production in the EU, thus guaranteeing fair competition for farmers and operators, while also improving controls and consumer confidence.

Following the trilogue, the Commission looks forward to the agreement reached today being endorsed by the European Parliament's Agriculture & Rural Development Committee and the Council of Agriculture Ministers, thus allowing the new legislation to come into effect as soon as possible."

For More Information

[Organic farming in the EU](#)

Milestone in the fight against the Illegal Drug Trade

The Turnbull Government has published new figures revealing authorities are succeeding in their efforts to crack down on the illegal methamphetamine trade.

Australia's law enforcement agencies have prevented more than 12 tonnes of methamphetamine, including ice from hitting our streets since 2013.

The biggest haul has been seized in New South Wales, followed by Victoria, Western Australia and Queensland.

The figures confirm the Turnbull Government's targeted investments and initiatives are putting a major dent in the scourge of ice in Australia.

The Coalition Government is tackling the supply of ice through increased international cooperation, enhanced intelligence sharing, better controls of precursor chemicals and greater law enforcement efforts to prevent ice reaching our shores.

The Government has:

- Established Taskforce Blaze – a joint agency taskforce between the Australian Federal Police and the Chinese National Narcotics Control Commission focussed on investigating organised criminal syndicates responsible for the exportation of ice and other illicit drugs to Australia. This is the first ever joint agency taskforce of its kind. Australian and Chinese authorities have intercepted more than 10 tonnes of illicit drugs in the past 18 months.
- Invested \$116 million to establish National Anti-Gangs Squad strike teams. The teams have now been rolled out in NSW, Queensland, Victoria, Western Australia and South Australia with liaison officers in other jurisdictions. The Squads' work has resulted in the seizure of \$5.6 million in cash and illegal drugs – including more than 170 kilograms of ice.
- Invested \$3.6 million from the proceeds of crime to the Australian Criminal Intelligence Commission to collect data as part of the first ever National Wastewater Drug Monitoring Report, following a recommendation by the National Ice Taskforce. This report assists our agencies to detect ice hotspots, and pinpoint targets to flush out the crooks responsible for this evil trade and protect the communities they are targeting. The report has confirmed that ice is the most highly consumed illicit drug of those tested in all regions of Australia.
- Established the \$1 million 'Dob in a Dealer' campaign to encourage the public to report information on drug manufacture and distribution in their community.

Proportionally, Australia uses more ice than almost any other country in the world. Conservative estimates suggest that there are well over 200,000 ice users in Australia.

These figures drive home the message that we cannot simply arrest our way out of this problem – we must tackle the demand for illicit drugs in Australia.

The Coalition Government is investing almost \$300 million to support actions resulting from the National Ice Action Strategy to improve treatment, after care, education, prevention and community engagement.

Conservative estimates suggest that there are well over 200,000 ice users in Australia.

The Coalition Government has taken the lead in taking a national approach to deal with Australia's methamphetamine problem.

Make no mistake; the Coalition Government will use every weapon in our arsenal to break the business models of serious and organised crime gangs that thrive on the evil profits of ice and other drugs.

[The EESC calls for a long-term action plan for the Social Economy by 2018](#)

2nd European day of Social Economy Enterprises gathers social economy players and policy-makers to create synergies and explore needed measures

During the 2nd **European day of Social Economy Enterprises (SEEs)** at the European Economic and Social Committee (EESC), over 130 social economy representatives called on policy-makers to **scale-up their efforts to enable the development of the Social Economy.**

In his opening speech, **Michael Smyth**, EESC Vice-President, said: *“Social Economy Enterprises have become crucial, not only because they contribute to social integration, territorial cohesion and new economic models, but also because they play a role in shaping the future of Europe”.*

He also called for a long-term roadmap for the Social Economy and to make it a real part of the Commission’s Work Programme for 2018.

“Europe has a chance to redefine itself, and we should promote the social economy in a very tangible way to address three key challenges: climate, the digital revolution and social issues”, said **Nicolas Schmit**, Minister of Labour, Employment and Social and Solidary Economy, Luxembourg.

The EESC has been working on the Social Economy for more than 10 years, and creating synergies with EU institutions to promote this agenda, explained **Oliver Röpke**, President of the EESC’s Permanent Study Group on SEEs. He invited all participants to actively contribute to *“shaping the future of Europe together”*.

The event introduced **four case studies** of innovative and successful European social start-ups:

- [PermaFunghi](#) (Brussels), an urban project to produce mushrooms from coffee grounds while creating sustainable jobs for low-skilled people.
- [Solidarity Salt](#) (Greece), aims to empower refugee women and develop the local economy. Gourmet sea salt is extracted from Greek salinas and packed in handmade bags.
- [HopHopFood](#) (Paris) is a digital platform aiming to reduce food waste and poverty by allowing consumers to use geolocation to exchange food.
- [6zerol](#) (Luxembourg) is a social economy enterprise incubator supporting entrepreneurs through training, funding and advice to help develop economically viable activities.

These success stories inspired the workshops, in which participants discussed the potential of SEEs to develop **new economic models**, promote the **integration**

of migrants and boost territorial cohesion. Participants highlighted the positive role of SEEs in putting people before profit, building a more cohesive society, bringing innovation and empowering citizens.

They agreed that policy-makers have an important role to play in creating a favourable environment for the social economy to flourish, and urged them to create a EU legal framework for SEEs, reinforce public-private partnerships and ensure increased and easier access to funding.

Each workshop also made specific requests for policy-makers:

- The workshop on **new economic models** stressed the need to protect SEEs by creating a level playing field and putting an end to abuse of mainstream enterprises.
- The workshop on **integration of migrants** stressed the need for better EU migration policies to facilitate early access to the labour market and involve the media in sharing positive stories.
- The workshop on **territorial cohesion** called for a project at EU and local level to disseminate the good practices of **pro-bono activities** for the social economy by involving companies.

In the closing session, **Jens Nilsson**, Member of the European Parliament, called on the Commission to show more will in developing an overall EU action plan for the Social Economy.

Slawomir Tokarski, Director of DG GROW, European Commission, collected the messages from civil society and expressed the commitment to continue working together for a more social Europe.

"The Social Economy is not just an economic model; it is the solution to recover from the crisis, create quality jobs and make Europe more resilient and competitive", concluded **Martin Siecker**, president of the EESC's Section for the Single Market, Production and Consumption.

The EESC recently approved an opinion on the [Start-Up and Scale-Up Initiative](#) and will vote on an opinion on [The external dimension of social economy](#) at its July plenary.

Mergers: Commission approves acquisition of Magnesita Refratários by RHI, subject to conditions

RHI and Magnesita are both manufacturers of **refractory products**. These are non-metallic materials that are able to withstand very high temperatures and corrosive or chemically aggressive environments. They are used, for instance,

as heat buffers or linings in kilns, furnaces and ovens in the manufacturing processes for steel, cement, glass and other non-ferrous metals.

The Commission's investigation focused on the market for basic refractory products such as dolomite-based and magnesite-based refractories, whose largest customers are steel manufacturers. The Commission found that refractory products have different properties and applications, and can be distinguished according to shape (shaped or unshaped), main component (dolomite- or magnesite-based) and thermal treatment (fired or unfired).

The Commission was concerned that the acquisition would reduce competition, with possible price increases for **shaped and unshaped dolomite-based refractory products**. The Commission also raised competition concerns for **shaped unfired magnesite-based refractories**

The proposed remedies

To address these competition concerns, RHI offered to divest the following activities:

- All of Magnesita's activities for unfired magnesite-based refractory products in the European Economic Area (EEA)
- All of RHI's dolomite activities in the EEA.

These assets will have to be divested as a package to one purchaser to be approved by the Commission. The divestitures also include the main sources of raw materials necessary for the manufacturing of the final products. Specifically, the remedies provide for the divestiture of RHI's dolomite mine in Italy, as well as a long-term agreement allowing the buyer of the divested businesses to access critical raw materials from a Magnesita-owned mine in Brazil.

These commitments fully remove the overlap between RHI and Magnesita in the markets where the Commission had identified competition concerns.

The Commission therefore concluded that the proposed transaction, as modified by the commitments, would no longer raise competition concerns in the EEA. The decision is conditional upon full compliance with the commitments.

Companies and products

RHI, based in Austria, is a global supplier of refractory products, systems and services. It is active on all steps along the refractory value chain, from mining of raw materials to the removal and recycling of consumed refractory products.

Magnesita Refratários, based in Brazil, is active in mining, production and marketing of refractory materials and services. Magnesita operates in various locations around the world, including Europe.

Merger control rules and procedures

The transaction was notified to the Commission on 5 May 2017.

The Commission has the duty to assess mergers and acquisitions involving companies with a turnover above certain thresholds (see Article 1 of the [Merger Regulation](#)) and to prevent concentrations that would significantly impede effective competition in the EEA or any substantial part of it.

The vast majority of notified mergers do not pose competition problems and are cleared after a routine review. From the moment a transaction is notified, the Commission generally has a total of 25 working days to decide whether to grant approval (Phase I) or to start an in-depth investigation (Phase II). This deadline is extended to 35 working days in cases where remedies are submitted by the parties, such as in this case.

More information will be available on the Commission's [competition](#) website, in the Commission's [public case register](#) under the case number [M.8286](#).

[Ukraine: Council confirms political agreement on temporary trade](#)

On 28 June 2017, EU ambassadors endorsed the agreement reached between the Presidency and the European Parliament on **temporary autonomous trade measures** in favour of Ukraine.

“These measures are a gesture on our part of tangible political and economic support to Ukraine. Given the difficult situation Ukraine is currently facing, we hope to proceed swiftly with the implementation of this regulation “

Christian Cardona, Minister for the economy, investment and small business of Malta

The proposal is aimed at **improving access** for Ukrainian exporters to the EU market, in view of the difficult economic situation and the economic reform efforts undertaken by Ukraine.

It **adds to** trade provisions already introduced under an EU-Ukraine association agreement signed in 2014. Those provisions have been provisionally applied since 1 January 2016.

Applying for a **three-year period**, the proposed measures consist of:

1) additional annual import quotas at zero tariff for the following **agricultural products** ('tariff rate quotas' at 0%):

- Natural honey – 2500 tonnes

- Processed tomatoes – 3000 tonnes
- Grape juice – 500 tonnes
- Oats – 4000 tonnes
- Wheat – 65 000 tonnes
- Maize – 625 000 tonnes
- Barley – 325 000 tonnes
- Groats and pellets of certain cereals – 7800 tonnes

2) full removal of import duties on several **industrial products**, such as fertilisers, dyes, pigments and other colouring matters, footwear, copper, aluminium, as well as television and sound recording equipment.

Safeguard measures will apply. Ukraine will be obliged to respect the same principles as under the association agreement. These include respect for democratic principles, human rights and fundamental freedoms and for the principle of the rule of law, as well as continued and sustained efforts with regard to the fight against corruption and illegal activities.

The INTA committee endorsed the deal on behalf of the Parliament on 20 June. The Parliament and the Council will now formally adopt the text by the end of July. The regulation should be published and enter into force by the end of September.

An **EU-Ukraine summit** is scheduled for 12-13 July 2017 in Kiev.