

# Daily News 25 / 05 / 2018

## **President Juncker attends 100<sup>th</sup> anniversary of Georgia's first democratic republic**

Today President **Juncker** is travelling to Tbilisi, Georgia for the first time, together with Commissioner **Hahn**. This evening he will meet bilaterally with the President of Georgia, Giorgi Margvelashvili and will attend a dinner hosted by the Prime Minister of Georgia, Giorgi Kvirikashvili. President **Juncker**'s visit will continue on Saturday which marks the 100<sup>th</sup> anniversary of Georgia's first democratic republic and will attend the oath-taking ceremony for the occasion, together with Commissioner **Hahn**, where he will deliver a speech which can be followed live on [EbS](#). On Saturday President **Juncker** will also attend a lunch hosted by President Margvelashvili, before visiting the National Youth Palace where he will witness the imitation of the announcement of Georgia's First Independence Declaration. Photos of the visit will be available on [EbS](#). (For more information: Margaritis Schinas – Tel.: +32 229 60524)

## **EU Economic and Financial Dialogue with the Western Balkans and Turkey: deepening economic and social reforms**

The annual Economic and Financial Dialogue with the EU, the Western Balkans and Turkey took place today in Brussels. The EU, the Western Balkans partners and Turkey adopted [joint conclusions](#) based on the countries' [Economic Reform Programmes](#) agreeing to deepen economic and social reforms in order to improve the economy and boost competitiveness and inclusive growth. Valdis **Dombrovskis**, Vice-President for the Euro and Social Dialogue, also in charge of Financial Stability, Financial Services and Capital Markets Union, commented: *"The Economic Reform Programmes and today's high level dialogue are there to help our partner countries trigger more ambitious reforms. While progress achieved is welcome, more efforts are needed to improve fiscal frameworks and public finances, deepen macro-economic stability and support a shift to a more growth-friendly public spending"*. Johannes **Hahn**, Commissioner for European Neighbourhood Policy and Enlargement Negotiations, added: *"Today all seven partners committed themselves to deepen economic and social reforms with the overall aim of boosting competitiveness and growth. The focus should now be on the vigorous implementation of these reforms so that people in the region can see tangible results: more and better jobs and more inclusive growth"*. The jointly adopted policy guidance is based on [Economic Reform Programmes](#) (ERPs), which the authorities prepare annually and submit to the European Commission; similar to what EU member states do in the European Semester. The ERPs play a key role in improving economic policy planning and steering reforms to boost competitiveness and improve conditions for inclusive growth and job creation. More information is available [here](#). (For more information: Maja Kocijančič – Tel.: +32 229 86570; Christian Spahr, Tel.:+32 229-5005; Alceo Smerilli – Tel.:+32 229 64887; Annikky Lamp, Tel.: +32 229-56151)

**European Year of Cultural Heritage: 29 cooperation projects receive €5**

million

Today, the European Commission announced the 29 [cultural projects](#) selected for funding following a dedicated call for proposals launched on the occasion of the 2018 European Year of Cultural Heritage. A total budget of €5 million will be allocated to the projects under the [Creative Europe programme](#), the main EU programme supporting cultural and creative sectors. Commissioner for Education, Culture, Youth and Sport, Tibor **Navracsics**, said: *“These transnational projects will showcase and promote cultural heritage in all its different forms. They will be a source of inspiration for contemporary artistic creation and help to build bridges between people from all backgrounds. In the spirit of the European Year of Cultural Heritage these inspiring projects will help reinforce a sense of belonging to a common European space.”* The projects chosen vary, from the production of folk costumes from different regions using traditional skills, to the exploration of the Baroque era through music. Creative Europe is the EU programme that supports the cultural and creative sectors with a budget of €1.46 billion for 2014-2020. A press release is available [here](#). (For more information: Nathalie Vandystadt – Tel.: +32 229 67083; Joseph Waldstein – Tél.: +32 229 56184)

### **Alcoholic drinks: Commission tables update of rules governing alcohol excise duties**

The Commission has today proposed to reshape the rules governing excise duty on alcohol within the EU, paving the way for a better business environment and reduced costs for small alcohol-producing businesses and better protection for consumer health. Today’s announcement means that small and artisan alcohol producers (including, for the first time, small independent cider makers) will have access to a new EU-wide certification system confirming their access to lower rates of duty across the Union. Consumer health will also benefit from a crack-down on the illegal use of tax-free denatured alcohol to make counterfeit drinks. There will also be an increase in the threshold for lower strength beer to which reduced rates may apply. Finally, IT systems used to track excise duty goods will be updated – a move which will also help to remove market barriers for SMEs throughout the EU. Pierre **Moscovici**, Commissioner for Economic and Financial Affairs, Taxation and Customs, said: *“The EU’s common rules on the structures of excise duties on alcohol and alcoholic beverages are over 25 years old and in urgent need of an update so that they can keep pace with the challenges and opportunities offered by new technology and trade developments, while protecting public health. I encourage Member States to move ahead quickly and decisively with this review.”* Excise duties are indirect taxes on the sale or use of specific products, such as alcohol and are usually applied as an amount per quantity of the product e.g. per 1,000 litres. All revenues from excise duties go to national budgets and account for around 5-18% of tax revenues or 2 to 5 % of GDP of Member States. EU Member States are free to set national rates as they see fit, provided they respect EU-wide minimum thresholds. More information on the proposed amendments are available in the [press release published today](#). (For more information: Vanessa Mock – tel.: +32 229 56194, Patrick McCullough – tel.: +32 229 87183)

## **Justice fiscale: la Commission propose des mesures techniques définitives en vue de la création d'un futur système de TVA de l'UE étanche à la fraude**

La Commission a proposé aujourd'hui des modifications techniques détaillées des règles de l'UE relatives à la taxe sur la valeur ajoutée (TVA), qui viennent compléter la récente proposition de réforme du système visant à le rendre plus résistant à la fraude. Le paquet de mesures présenté modifie en profondeur les règles relatives à la TVA et devrait faciliter la tâche des entreprises dans l'ensemble de l'UE, mettant ainsi fin à 25 ans de régime «transitoire» de TVA au sein du marché unique. En octobre dernier, la Commission a proposé les grands principes en vue de la création d'un espace TVA unique dans l'UE qui contribuerait à mettre un terme à la fraude, estimée à 50 milliards d'euros, qui touche actuellement chaque année les budgets nationaux dans les États membres de l'UE. Grâce à ces mesures techniques, la Commission espère que les États membres entameront des discussions sur les grands [principes ou «fondements»](#) d'un système définitif de TVA de l'UE, plus simple et résilient, pour les échanges de biens au sein de l'UE. Pierre **Moscovici**, commissaire chargé des affaires économiques et financières, de la fiscalité et des douanes, a déclaré à ce propos: *«Les propositions que nous présentons aujourd'hui constituent les derniers éléments fondamentaux de la réforme du système de TVA de l'UE. Elles ouvriront la voie à des règles plus simples, des formalités administratives réduites et un système plus convivial, grâce à un guichet unique en ligne pour les opérateurs économiques. Il est temps que nos États membres se fassent mutuellement confiance lorsqu'il s'agit de percevoir la TVA sur les opérations intra-UE. Selon nos estimations, la réforme proposée pourrait réduire de 80 % la perte de recettes de 50 milliards d'euros par an due à la fraude à la TVA transfrontière. J'espère que les États membres saisiront à présent cette occasion pour mettre en place un système de TVA de qualité pour l'UE.»* Un [communiqué de presse](#) est disponible en ligne. (Pour plus d'informations: Vanessa Mock – tel.: +32 229 56194, Patrick McCullough – tel.: +32 229 87183)

## **Banking Union: Commission welcomes agreement to further reduce risk and strengthen European banks**

The Council of the European Union has today reached a general approach on the so-called [banking package](#), a comprehensive package of reforms that the Commission proposed to further strengthen the resilience of the EU banking sector. This marks an important milestone and provides the Council Presidency with the mandate to start negotiations with the European Parliament. This package contributes significantly to further reducing risks in EU banks and it's an essential element for the completion of Banking Union. It builds on existing banking rules and aims to complete the post-crisis regulatory agenda, making sure that outstanding challenges to financial stability are addressed. At the same time it ensures that banks can continue to support the real economy. Commission Vice-President Valdis **Dombrovskis**, responsible for Financial Stability, Financial Services and Capital Markets Union, said: *“I am delighted that after more than one year and a half of very complex and technical discussions, the Council has reached a general approach on this very important risk-reducing package. Europe needs a strong and diverse banking sector to finance the economy. The agreement reached in Council today*

*is an important step towards that goal. We now invite the European Parliament to define its negotiation position as soon as possible in view of a swift closure of the file. This lays the basis for further progress on completing Banking Union.” A full press release is available [online](#). (For more information: Vanessa Mock – tel.: +32 229 56194, Letizia Lupini – tel.: +32 229 51958)*

### **Modernising the Common Agricultural Policy: satellite data authorised to replace on-farm checks**

As part of its ongoing move to simplify and modernise the EU’s Common Agricultural Policy (CAP), the European Commission has adopted new rules that will for the first time expressly allow a range of modern technologies to be used when carrying out checks for CAP payments. This includes the possibility to completely replace physical checks on farms with a system of automated checks based on analysis of Earth observation data. The new rules, which came into force this week, will allow data from the EU’s [Copernicus](#) Sentinel satellites and other Earth observation data to be used as evidence when checking farmers’ fulfilment of requirements under the CAP. Under current CAP rules, EU member states are required to carry out a number of checks on farms as part of the [Integrated Administration and Control System](#), which ensures that any payments made to farmers from the CAP budget are made correctly. The new rules will allow those Member States that wish to do so to eventually replace or complement on-site checks with automated and less burdensome controls. Among other benefits, this will reduce significantly the time spent by farmers with inspectors in the field and farmers will also be able to benefit from synergies with other digital technologies, such as crop monitoring and yield forecasting, to manage their farms better. Paperwork can also be reduced through the improved automation of activity recording. Further measures aiming at simplifying and modernising the policy and its implementation for farmers and administrations will be unveiled next week as part of the proposals for the future CAP. More information on the new rules for satellite data is [online](#). (For more information: Daniel Rosario – Tel.: +32 229 56185; Clémence Robin – Tel.: +32 229 52509)

### **Marché unique numérique: la Commission présente au Conseil ses récentes initiatives sur les plateformes et l’intelligence artificielle**

Les ministres responsables de la compétitivité dans les pays de l’UE se réuniront à Bruxelles lundi et mardi (28 et 29 mai) pour débattre, entre autres, des dernières propositions de la Commission européenne relatives au marché unique numérique ainsi que de l’avancement d’initiatives législatives clés. La Commission a contribué à la réunion des dirigeants de l’UE à Sofia la semaine dernière avec une [communication](#) visant à concrétiser le marché unique numérique de l’UE avant la fin 2018. Lors de sa réunion, le Conseil aura l’occasion de progresser sur plusieurs propositions, notamment la [modernisation des règles de l’UE sur le droit d’auteur](#) pour mieux protéger les créateurs en ligne et faciliter l’accès aux œuvres européennes au-delà des frontières nationales. Andrus **Ansip**, vice-président pour le marché unique numérique, présentera également les nouvelles règles visant à accroître la transparence et l’équité dans les relations entre [plateformes en ligne](#) et les entreprises ou les commerçants qui les utilisent. Il participera enfin à une

discussion sur l'[approche européenne](#) sur l'intelligence artificielle visant à stimuler l'investissement et à fixer des lignes directrices en matière d'éthique. La Commissaire **Gabriel** en charge de l'économie et de la société numériques participera également au Conseil mardi pour discuter des initiatives de la Commission visant à développer les [superordinateurs](#) en Europe. De plus amples informations sur chaque initiative sont disponibles dans des fiches d'information récentes sur les initiatives liées aux [plateformes](#), à [l'intelligence artificielle](#), au [droit d'auteur](#) et aux [superordinateurs](#). (Pour plus d'informations: Nathalie Vandystadt – Tél.: +32 229 67083, Inga Höglund – Tél.: +32 229 50698)

### **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, 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. Credit Unions are small financial institutions that are not covered by the Bank Recovery and Resolution Directive (BRRD). Ireland has chosen to make a special sector-funded resolution scheme available to those credit unions, which has been used only three times since its set-up. The scheme is prolonged until 30 November 2018. The Commission initially approved the scheme in December 2011. It has been prolonged twelve times since then, the last time in [November 2017](#). More information will be available on the Commission's [competition](#) website, in the public [case register](#) under the reference SA.50953. (For more information: Lucía Caudet – Tel. +32 229 56182; Maria Sarantopoulou – Tel.: +32 229 13740)

### **Mergers: Commission clears acquisition of Alpine Electronics by Alps Electric**

The European Commission has approved, under the EU Merger Regulation, the acquisition of Alpine Electronics Inc. by Alps Electric Co. Ltd., both of Japan. Alpine Electronics develops, manufactures and sells car infotainment systems, car sound systems, drive assist systems and car information as well as telecommunication applications. Alps Electric is active in the development, manufacture and sale of a wide range of electronic components used in a variety of applications such as automotive, household, healthcare, energy and IT applications. The Commission concluded that the proposed acquisition would raise no competition concerns, given the parties' moderate combined market position, following the transaction. The transaction 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.8833](#). (For more information: Lucía Caudet – Tel. +32 229 56182; Maria Sarantopoulou – Tel.: +32 229 13740)

## **Mergers: Commission clears acquisition of Laird by Advent**

The European Commission has approved, under the EU Merger Regulation, the acquisition of sole control over Laird PLC of the UK by Advent International Corporation of the US. Laird is a global technology company which provides systems, components and solutions that enable connectivity in mission-critical wireless applications and antenna systems, and protect electronics from electromagnetic interference and heat. Advent is a global private equity investor. Amongst other portfolio companies, Advent owns Idemia which develops, manufactures and markets security technology products and services. The Commission concluded that the proposed acquisition would raise no competition concerns because the companies are active on different product markets and have minor vertical overlaps. The transaction 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.8872](#). *(For more information: Lucía Caudet – Tel. +32 229 56182; Maria Sarantopoulou – Tel.: +32 229 13740)*

## **Concentrations: la Commission autorise l'acquisition du contrôle conjoint de European Camping Group par Carlyle et OTTP**

La Commission européenne a approuvé, en vertu du règlement européen sur les concentrations, l'acquisition de European Camping Group SAS ("ECG", France), par le groupe Carlyle (Etats-Unis) et l'Ontario Teachers' Pension Plan Board ("OTTP", Canada). ECG est une société active sur le marché des séjours touristiques en mobile-homes par le biais de cinq marques (Homair, Eurocamp, Al Fresco, Roan et Go4Camp), principalement en France, Italie, Espagne et Croatie. Le groupe Carlyle est actif mondialement dans la gestion d'actifs et de fonds d'investissement. OTTP s'occupe du versement des prestations de retraite et du placement de l'actif de la caisse pour le compte d'enseignants retraités et actifs dans la province de l'Ontario au Canada. La Commission a conclu que l'opération envisagée ne soulèverait pas de problème de concurrence dans la mesure où les entreprises concernées ne sont pas actives sur le même marché ou sur des marchés liés ou complémentaires. La transaction a été examinée dans le cadre de la procédure simplifiée du contrôle des concentrations. De plus amples informations sont disponibles sur le [site internet](#) concurrence de la Commission, dans le [registre public](#) des affaires sous le numéro d'affaire [M.8899](#). *(Pour plus d'informations: Lucía Caudet – Tel. +32 229 56182; Maria Sarantopoulou – Tel.: +32 229 13740)*

## **STATEMENTS**

### **Security Union: New rules on EU Passenger Name Record data**

The EU Passenger Name Record (PNR) Directive – a key piece of EU security legislation to better identify travelling terrorists and criminals and trace criminal networks – entered into force on 24 May 2016 and the deadline for implementation by Member States is today. On this occasion the Commissioner

for Migration, Home Affairs and Citizenship Dimitris **Avramopoulos** and Commissioner for the Security Union Julian **King** said: *“Over the past three years, we have been continuously working to deny terrorists and criminals the means to act and to close down the space in which they operate. With the new EU rules on the use of Passenger Name Record (PNR) data, we have taken another step in closing an important security information gap. We have equipped ourselves with yet another tool to identify and stop criminals and terrorists more effectively, building a Europe more resilient to security threats – a Europe that protects. [...] For the PNR framework to be operational and reach its full potential it is crucial that all Member States have their systems up and running. The framework is only as strong as its weakest link. In the fight against terrorism and organised crime, Europe cannot afford weak links.”* The full [joint statement](#) and a [factsheet](#) on the new EU rules on Passenger Name Record (PNR) data are available online. (For more information: Natasha Bertaud – Tel.: +32 229 67456; Tove Ernst – Tel.: +32 229 86764; Katarzyna Kolanko – Tel.: +32 229 63444)

### **Security Union: A stronger EU Agency for the management of information systems for security and borders**

Yesterday, the European Parliament (LIBE Committee) and the Council (COREPER) reached a political compromise on the Commission’s proposal to strengthen the mandate of the eu-LISA, the EU Agency for the operational management of large scale IT systems for migration, security and border management. Welcoming the compromise agreement, Commissioner for Migration, Home Affairs and Citizenship Dimitris **Avramopoulos** said: *“The agreement represents another crucial building block towards a more secure and resilient European Union. A strengthened eu-LISA will be the nerve centre for the development and maintenance of all our information systems on migration, border management and security, and crucially, their interoperability. We want to connect all the dots, not just legally but also operationally – and a stronger and more efficient eu-LISA will precisely help us do this.”* Commissioner Julian **King** added: *“In the future, eu-LISA will play a pivotal role in helping keep Europe safe. The agreement means that the Agency will have the resources it needs to manage the EU’s information systems for security and border management, help them to interact more efficient and improve the quality of the data they hold – an important step forward.”* The compromised text agreed in yesterday’s trilogue will now have to be formally adopted by the European Parliament and the Council. More information is available [online](#). (For more information: Natasha Bertaud – Tel.: +32 229 67456; Tove Ernst – Tel.: +32 229 86764; Katarzyna Kolanko – Tel.: +32 229 63444)

### **ANNOUNCEMENTS**

#### **Commission Malmström travels to Valencia, Spain to participate in a citizens dialogue**

Commissioner for Trade Cecilia **Malmström** is today in Valencia, Spain to

discuss trade policy with members of Spanish civil society and others at a [Citizens Dialogue](#). The event can be watched [online](#). The Commissioner will also meet with Mr Ximo Puig, President of the Regional Government of Valencia, to exchange views as regards the regional perspective on global trade. In addition, the trip will provide the Commissioner with an opportunity to get a better understanding of trade-related concerns of [female entrepreneurs](#) from a large spectrum of Valencia's local industries. The Commissioner will also use the opportunity to visit the Ford car production plant in the nearby town of Almusafes, which illustrates benefits of foreign direct investment and economic openness by bringing an important contribution to the regional economy and employment. *(For more information: Daniel Rosario – Tel.: + 32 229 56185; Kinga Malinowska – Tel: +32 229 51383)*

## [Calendar](#)

Commissioners' weekly activities

[Upcoming events](#) of the European Commission (ex-Top News)