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The EU at the UN Climate Action Summit in New York today

The United Nations Climate Action Summit, convened by the UN Secretary General António Guterres, starts in New York today. First Vice-President Frans **Timmermans** and Commissioner Miguel **Arias Cañete** will join the President of the European Council Donald Tusk at its opening. The Summit comes at an important moment, both in terms of international climate action and the EU's engagement in domestic action and commitments. The European Union has a [strong story to tell at the Summit](#): it is the only major economy to have legislated on its Paris Agreement commitments and has presented a [Strategic long-term vision for a prosperous, modern, competitive and climate neutral economy by 2050 – A Clean Planet for All](#). The EU is also the largest contributor of international [climate finance](#). Climate change is too big for any government to tackle on its own. The European Union continues to promote and support multilateral solutions within the United Nations. It is time all parties play an active part in reversing global warming. For more information, please find a video message by Commissioner **Arias Cañete** pronounced at the occasion of the Climate Action Summit [here](#). (For more information: Anna-Kaisa Itkonen – Tel.: +32 229 56186; Lynn Rietdorf – Tel.: +32 229 74959)

EU and UN: a partnership that delivers

First Vice-President of the Commission Frans **Timmermans** and High Representative/Vice-President Federica **Mogherini** met with the United Nations Secretary-General António Guterres on Sunday afternoon in New York for their [annual meeting in the context of the UN General Assembly](#). During the meeting, the European Union expressed its determination to further strengthen the strategic partnership with the UN in advancing and shaping the multilateral agenda and reiterated its strong determination to be a global trailblazer, increasing ambition for collective responses to global challenges. The UN Summits on Climate and Sustainable Development Goals underline the urgent need for a much stronger and urgent global response to climate change and sustainable development. The European Union stressed its commitment to strengthen its role as a global peace and security provider. The meeting was also an opportunity to exchange views on the latest developments in Africa, Syria, Libya, Middle East Peace Process, Venezuela as well as Gulf/Iran and JCPOA (Joint Comprehensive Plan of Action). See the full press release [here](#). For more information on EU – UN relations, see the factsheets [here](#) and [here](#). (For more information: Maja Kocijancic – Tel.: +32 229 86570; Xavier Cifre Quatresols – Tel.: +32 229 73582)

L'UE soutient les micro-entreprises italiennes avec 60 millions d'euros supplémentaires dans le cadre du programme européen pour l'emploi et

L'innovation sociale

Aujourd'hui, le [Fonds européen d'investissement](#) et la banque italienne UniCredit ont signé un accord de soutien de 60 millions d'euros aux micro-entreprises italiennes. Cette aide, qui est un micro financement, est appuyée par le [programme européen pour l'emploi et l'innovation sociale](#). Grâce à elle, environ 3000 micro-entreprises italiennes auront accès à des prêts d'un montant maximal de 25.000 euros. Les micro-entreprises seront soutenues dans le développement de leurs activités et auront accès à un réseau de partenaires industriels pertinents. Marianne **Thyssen**, commissaire chargée de l'emploi, des affaires sociales et des compétences et de la mobilité des travailleurs, a déclaré: « *Je suis ravie que nous ayons conclu un accord de garantie de microfinance EaSI supplémentaire de 60 millions d'euros avec UniCredit, qui donnera un coup de pouce supplémentaire à 3000 micro-entrepreneurs en Italie. Cela montre que la première garantie signée l'année dernière a atteint son objectif et que nous continuons à aider les personnes qui ont des difficultés à obtenir du crédit. L'UE reste déterminée à garantir l'égalité des chances pour tous et à ne laisser personne pour compte.* » Cette signature fait suite au premier accord signé en mars 2018 qui comprenait une enveloppe de 50 millions d'euros à répartir entre environ 2500 micro-entreprises italiennes. Plus d'informations sont disponibles dans ce [communiqué de presse](#). (Pour plus d'informations: Christian Wigand – Tél. +32 229 62253; Sara Soumillion – Tél. +32 229 67094)

Publication des derniers chiffres du commerce agroalimentaire: l'UE reste forte en matière d'exportations agroalimentaires

Le dernier [rapport mensuel sur le commerce agroalimentaire](#) de l'Union européenne publié aujourd'hui montre que les exportations et les importations de l'UE dans ce secteur ont augmenté en juillet 2019 comparé au même mois de l'année précédente. En juillet 2019, les exportations de produits agroalimentaires de l'UE ont en effet atteint 13,07 milliards d'euros, soit 12,6% de plus qu'en juillet 2018. Avec des importations d'un montant de 9,92 milliards d'euros, le solde positif de la balance commerciale de l'UE s'élevait donc en juillet 2019 à 3,15 milliards d'euros. Les plus fortes hausses en terme de valeurs d'exportations mensuelles (en juillet 2019 comparé à juillet 2018) ont été enregistrées vers les États-Unis, la Chine et le Japon. Les catégories ayant le plus bénéficié de hausses d'exportations en valeur ce mois-ci sont la viande de porc, les spiritueux et les liqueurs, le lait en poudre et le vin. En parallèle, la valeur des importations a augmenté pour les fruits tropicaux, les céréales secondaires et les huiles végétales. Le [rapport mensuel](#) de juillet 2019 fournit un tableau présentant la balance commerciale, son détail par catégorie de produits et les principaux partenaires commerciaux d'août 2017 à juillet 2019. (Pour plus d'informations: Daniel Rosario – Tél.: +32 229 56185; Clémence Robin – Tél: +32 229 52509)

EU support to UN Peace Architecture: building and sustaining peace globally

In the framework of the 74th session of the UN General Assembly, the European

Union is today further strengthening support to the United Nations' work in preventing conflict and sustaining peace, by making a first-ever direct contribution to the [UN Peacebuilding Fund](#) (PBF), and by contributing fresh funding to the [Joint UN Development Programme \(UNDP\) – UN Department of Political and Peacebuilding Affairs \(DPPA\) Conflict Prevention Programme](#), and the [UN Office on Genocide-Prevention and the Responsibility to Protect](#) (€6 million). This strong commitment to the close partnership with the United Nations on security and peace will be demonstrated at the signing ceremony of relevant documents in New York on Monday. The EU-UN partnership is at the heart of global efforts to prevent conflict and build and sustain peace. EU support to the global UN peace and security architecture, including support to UN mediation efforts and to stability-related UN in-country projects, amounts to a total of over €300 million. (For more information: Maja Kocijancic – Tel.: +32 229 86570; Xavier Cifre Quatresols – Tel.: +32 229 73582)

Concentrations : La Commission autorise l'acquisition de Powerlines par Engie

La Commission européenne a approuvé, en vertu du règlement européen sur les concentrations, l'acquisition de Powerlines Group GmbH (« Powerlines »), entreprise basée en Autriche, par Engie S.A., basée en France. Powerlines est active dans l'électrification ferroviaire et la fourniture de lignes aériennes de contact, ainsi que dans l'installation d'équipements de transport et de distribution d'électricité. Engie est un groupe industriel actif dans les secteurs du gaz, de l'électricité et des services énergétiques, en ce compris l'électrification ferroviaire. La Commission a conclu que la concentration envisagée ne soulèverait pas de problème de concurrence au regard des chevauchements limités entre les activités des entreprises, de leurs parts de marché modérées, ainsi que de l'existence d'une série de fournisseurs alternatifs sur les marchés pertinents, en particulier en Belgique. La transaction a été examinée dans le cadre de la procédure normale de contrôle des concentrations. De plus amples informations sont disponibles sur le [site internet concurrence](#) de la Commission, dans le [registre public](#) des affaires sous la référence [M.9483](#). (Pour plus d'informations: Lucía Caudet – Tél. +32 229 56182; Maria Tsoni – Tél.: +32 229 90526)

ANNOUNCEMENTS

EU@UNGA74 TODAY

After a Sunday full of events on the eve of the 74th UN General Assembly week, First Vice-President Frans **Timmermans** and Commissioner Miguel **Arias Cañete** will today attend the opening of the [UN Climate Summit](#). First Vice-President **Timmermans** will then deliver a presentation on the EU's commitment to forest protection at two events, one celebrating the anniversary of the [New York Declaration on Forests](#) (15:10 local time, 21:10 CET) and the second at the Tropical Forest Alliance meeting (16:45 local time, 22:45 CET). He will deliver a speech on the future of Europe at the Town Hall Meeting on Europe organised by the Columbia University (13:00 local time, 19:00 CET). High Representative/Vice-President Federica **Mogherini** will host a ministerial meeting of the International Contact Group on Venezuela to

discuss the latest development in the country and its effects on the region (14:00 local time, 20:00 CET), followed by the consultation of ICG with the CARICOM group. She will then chair the traditional informal meeting of EU Foreign Ministers with the presence of the UN Special Representative's Envoy to Libya Ghassan Salamé. Commissioner Vytenis **Andriukaitis** will deliver a speech on behalf of the EU at the [high-level meeting on Universal Health Coverage](#) (around 12:00 local time, 18:00 CET). In the afternoon, he will participate in an event on Nutrition in Universal Health Coverage hosted by the EU together with Ecuador and Uruguay. Commissioner Christos **Stylianides** will co-host the event "How are we going to stop the war on children?" together with Belgium and Save the Children (15:30 local time, 21:30 CET). Commissioner Karmenu **Vella** will deliver a speech at the high-level side event on Climate and Oceans (15:00 local time, 21:00 CET). Audio-visual coverage of all these engagements held by the EU representatives will be available on [EbS](#). (For more information: Maja Kocijancic – Tel.: +32 229 86570; Xavier Cifre Quatresols – Tel.: +32 229 73582)

A week of events open to citizens will focus on future EU research and scientific excellence

Tomorrow and until 26 September, the first [European Research and Innovation Days](#) will open in Brussels. 4,000 participants are expected to take part, including Commissioners, government representatives, researchers, academics and businesses, who will take stock of the achievements of EU-funded research and [European scientific excellence](#) and discuss future developments in the field. The event includes a [policy conference](#), the '[Science is Wonderful!](#)' exhibition and prize ceremonies such as the [European Capital of Innovation \(iCapital\) Award](#), the [Horizon Prize for Social Innovation](#), the [Horizon Impact Award](#) as well as the [Innovation Radar Prize](#). The week will end with the 14th edition of the popular [European Researchers' Night](#) on 27 September, with events in more than 370 cities in 29 EU and neighbouring countries that will enable people to discover science in an engaging way. Carlos **Moedas**, Commissioner for Research, Science and Innovation, said: "*Research and innovation are key to the success of the economic, ecological and societal transition that we are facing. The first Research and Innovation Days are, therefore, an opportunity to come together to discuss ways of addressing societal challenges, spurring innovation and triggering investment, all of which will help us shape the next research and innovation framework programme, Horizon Europe.*" Commissioner for Education, Culture, Youth and Sport, Tibor **Navracsics**, said: "*Science impacts our daily lives. Initiatives like the European Researchers' Night and 'Science is Wonderful!' offer fun ways to engage with research and innovation and can help inspire more young people to study science, technology, engineering and maths, and to potentially pursue related careers.*" In addition to Commissioners **Navracsics** and **Moedas**, Vice-President Maroš **Šefčovič** and Commissioners Karmenu **Vella**, Phil **Hogan**, and Mariya **Gabriel** will participate in the event. Side events include the 3rd edition of the [Falling Walls Lab-Marie Skłodowska-Curie Actions](#), a scientific competition reserved for [Marie Skłodowska-Curie Actions](#) fellows (25 September). The Commission supports all these events as part of the Marie Skłodowska-Curie Actions (more information in this [factsheet](#) and recent [publication](#)). Finally, on Friday 27 September, Commissioner **Moedas**

will discuss the importance of European research and innovation for the economy and for tackling climate change in a Competitiveness Council [meeting](#) in Brussels. (For more information: Lucía Caudet – Tel. +32 229 56182; Nathalie Vandystadt – Tel. +32 229 67083; Marietta Grammenou – Tel. +32 229 83583)

2019 European Week of Sport kicks off in Espoo, Finland

Today, Jyrki **Katainen**, Vice-President for Jobs, Growth, Investment and Competitiveness, and Tibor **Navracsics**, Commissioner for Education, Culture, Youth and Sport, are in Espoo, Finland, to launch the 2019 edition of the [European Week of Sport](#), the Commission's #Beactive initiative to promote sport and physical activity across Europe. Commissioner **Navracsics** will also open the [conference](#) organised by the Finnish Presidency on Safeguarding Children in Sport on 24 September. The 5th edition of the European Week of Sport will be the biggest ever with 47 partner associations in 42 countries. The aim of the Week is to invite everyone to be active during the Week but also throughout the year, regardless of age, background or fitness level. Following last year's success, a #BeActive Night will take place on Saturday, 28 September, with several activities and events organised across Europe. Commissioner **Navracsics** said: *"I am pleased to open the 2019 European Week of Sport in Finland, the European country with the highest rate of people exercising or playing sport regularly. Sport and physical activity are not only essential for our personal health and well-being, but for society as a whole. Sport is a major tool for inclusion and helps us overcome division and conflict and build strong communities. That is why promoting physical activity has been a priority for me during my mandate."* For five years, the European Week of Sport has helped tackle inactivity by encouraging Europeans to embrace a healthy and active lifestyle, growing from 5 million participants and 7,000 events in 2015 to almost 14 million participants across 50,000 events in 2018. For more information on what the EU is doing for sport, see [Sport in the EU](#). (For more information: Nathalie Vandystadt – Tel.: +32 229 67083; Joseph Waldstein – Tel.: +32 229 56184)

Commissioner Jourová participates in high-level conference on LGBTI equality

This afternoon, Commissioner for Justice, Consumers and Gender Equality, Vera **Jourová**, will participate in the [high-level conference 'Advancing LGBTI equality in the EU: from 2020 and beyond', taking place in Brussels](#). The conference is organised jointly by the European Commission and the Finnish Presidency of the EU and aims to take stock of the achievements made since the Commission's presentation of [a 'List of Actions to advance LGBTI equality' in December 2015](#). Participants at the Conference, which include representatives from Member States, the European Parliament, the European Commission and civil society, will also discuss how to advance LGBTI equality in the years to come. The Conference will also be an occasion for the European Commission to present the 2019 LGBTI-specific data from the Eurobarometer on discrimination. Even though figures show a significant improvement in how LGBTI people are perceived across the EU, discrimination remains widespread and varies widely across Member States. More than half

(53%) of Europeans say that in their country discrimination based on sexual orientation is widespread. Commissioner **Jourová** said: *“Four years ago, I presented a List of Actions to advance LGBTI equality. Since then, we supported civil society organisations in almost all Member States in drawing up a Code of Conduct together with major IT companies to combat hate speech online, we created awareness-raising campaigns and we supported Member States in improving the situation for LGBTI people in their country. The Eurobarometer survey on discrimination published today shows that 76% of Europeans agree that gay, lesbian or bisexual people should have the same rights as heterosexuals. This is an improvement compared to our previous survey in 2015, but there’s still work to do. Discrimination, harassment, hate speech and violence continue to be a daily reality for many LGBTI people in the EU. I thank the Finnish Presidency for co-hosting this high-level conference that shows our willingness and determination to continue to fight all forms of discrimination.”* The results of the Special Eurobarometer on discrimination are available [here](#). You can find an overview of the main results in a [factsheet online](#). More information on the Commission’s efforts in the field of LGBTI equality is available [here](#). (For more information: Christian Wigand – Tel. +32 229 62253; Sara Soumillion – Tel. +32 229 67094; Athina Reuter – Tel. +32 229 82390)

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

[Mario Draghi: Hearing at the Committee on Economic and Monetary Affairs of the European Parliament](#)



SPEECH

Introductory Statement by Mario Draghi, President of the ECB, at the ECON committee of the European Parliament

Brussels, 23 September 2019

Introduction

Madam Chair,

Honourable members of the Economic and Monetary Affairs Committee,

Ladies and gentlemen,

I would like to start by congratulating all of you on your election, and you, Madam Chair, on your recent appointment as Chair of this Committee.

It is a pleasure to appear before this Committee in this new legislative term and before my term as ECB President comes to an end.

The legitimacy of the ECB's independence, as enshrined in the EU Treaties, crucially relies on our accountability. And the Treaties have conferred this Parliament with a central role in holding the ECB accountable.

Hearings before this Committee play an essential role here. In my time as President, I have found them to be extremely beneficial.

When I appeared before the ECON Committee for the first time, in December 2011, the euro area was rife with financial instability; it was falling into a second recession, which eventually led to sustained disinflation and, at times, heightened risks of outright deflation.^[1] The euro area has come a long way since the crisis, in part thanks to the support provided by the ECB's monetary policy. The unemployment rate in the euro area was 7.5% in July this year, the lowest level since July 2008.

Over the past years, the ECB has repeatedly and clearly shown its readiness and determination to fulfil the primary objective of achieving price stability, as laid down in the Treaties. This readiness and determination has been critical in addressing the economic crisis and the downside risks to our objective.

It was with this same determination that, two weeks ago, the ECB's Governing Council decided to act in response to the continued shortfall of inflation with respect to its aim.

I am happy to be able to discuss these decisions with you today. I will first review the main developments in the euro area economy since my last appearance before this Committee. I will then present the monetary policy decisions that were taken by the Governing Council in the light of the

economic outlook. As requested by this Committee, I will conclude by drawing some lessons from the past eight years that could be relevant when discussing the policy responses to the challenges that lie ahead of us.

The euro area economic outlook

Since my last hearing before this Committee earlier in the year, euro area growth momentum has slowed markedly, more than we had previously anticipated. Real GDP growth is now projected to be 1.1% in 2019, down by 0.6 percentage points from the December 2018 staff projections, and 1.2% in 2020, down by 0.5 percentage points from the December projections.

This slowdown is mainly due to the weakness of international trade in an environment of persistent uncertainties related to protectionist policies and geopolitical factors. These factors are increasingly weighing on economic sentiment and, in particular, on the manufacturing sector, which is more trade-oriented and exposed to foreign influences.

Of course, countries which have a relatively large manufacturing sector are more vulnerable to any turn in the global economic cycle. Germany, for example, accounts for 28% of euro area GDP, but for as much as 39% of euro area manufacturing value added. Accordingly, Germany is today one of the euro area members most affected by the slowdown.

While the euro area services sector continues to be resilient, we should not be complacent about its capacity to remain robust to negative spillovers. The longer the weakness in manufacturing persists, the greater the risks that other sectors of the economy will be affected by the slowdown.

Looking ahead, recent data and forward-looking indicators – such as new export orders in manufacturing – do not show convincing signs of a rebound in growth in the near future and the balance of risks to the growth outlook remains tilted to the downside.

In the context of this more protracted weakness of the euro area economy, both realised and projected inflation have been persistently below levels that are in line with the ECB Governing Council's medium-term aim.

Headline inflation remains well below 2%, while inflation excluding the more volatile food and energy components has been hovering around 1% for an extended period of time. Underlying inflation remains muted, as the weaker economic outlook may imply a delay in the pass-through of wages to prices. In particular, firms are absorbing increases in labour costs in their profit margins rather than passing them on to customers. Meanwhile, indicators of inflation expectations stand at low levels. Although the likelihood of deflation remains limited, market expectations of inflation over the medium term are settling around values that are not consistent with our inflation aim.

Since my last hearing here, we have revised down the inflation outlook over the entire projection horizon, first in the March 2019 staff projections and then again in September, reflecting weaker economic activity and lower energy

prices. Inflation is currently expected to average 1.2% in 2019, 1.0% in 2020 and 1.5% in 2021, which is well below the Governing Council's medium-term aim of below, but close to, 2%.

The ECB's response to the current outlook

So when the Governing Council met two weeks ago, it was confronted with a more rapid and extended slowdown than previously anticipated, persistent and prominent downside risks to the growth outlook, and a further delay in the convergence of inflation towards our aim. A strong monetary policy response was therefore essential.

In pursuit of our mandate, we decided on a comprehensive package of measures to ensure that inflation moves towards our aim in a sustained manner.

We lowered the interest rate on the deposit facility from -0.40% to -0.50%. This rate provides an anchor for short-term market interest rates, which serve as the reference for many types of loans and financial instruments. Lowering the deposit facility rate helps to further improve the borrowing conditions of households and businesses. Negative rates also encourage banks to lend to the real economy instead of holding onto liquidity, thus supporting the portfolio rebalancing channel of the asset purchase programme (APP).

The impact of the cut in the deposit facility rate is reinforced by our strengthened forward guidance on the likely direction of our monetary policy in the future. Specifically, we clarified that we expect our policy rates to stay *"at their present or lower levels until we have seen the inflation outlook robustly converge to a level sufficiently close to, but below, 2% within our projection horizon, and such convergence has been consistently reflected in underlying inflation dynamics"*. This enhanced guidance provides a clear signpost for rate expectations by linking our policy to more stringent conditions for the inflation outlook.

The Governing Council's statement that we want to see inflation rising to a level that is *sufficiently close to, but below, 2%* reasserts what we said after the July monetary policy meeting: that the values of realised and projected inflation seen in recent times are too low and inconsistent with the Governing Council's medium-term inflation aim. While the new formulation of forward guidance reflects the characteristic forward-looking orientation of the ECB's monetary policy framework, we have added two safeguards to ensure that policy rate normalisation only begins once inflation is sustainably on course to reach our medium-term aim. The phrase *"robustly converge"* means that the Governing Council wants to be sure that the process of convergence is sufficiently mature and realistic before starting to lift policy rates. The reference to the inflation outlook being *"consistently reflected in underlying inflation dynamics"* means that the path of realised inflation should underpin our inflation outlook.

Our enhanced guidance helps to reduce uncertainty about the expected path of interest rates in the short to medium term and will ensure that financial conditions adjust in line with inflation dynamics. Moreover, by maintaining

the easing bias on rates, we indicate that we still have space to cut rates further, if needed.

We also decided to restart net asset purchases at a monthly pace of €20 billion from November onwards. These purchases are expected to run for as long as necessary to reinforce the accommodative impact of our policy rates, and to end shortly before we start raising the key ECB interest rates. In addition, we reiterated our intention to continue reinvesting, in full, the principal payments from maturing securities purchased under the APP for an extended period of time past the date when we start increasing interest rates, and in any case for as long as necessary to maintain favourable liquidity conditions and an ample degree of monetary accommodation.

The net purchases and longer reinvestment horizon reinforce the accommodative impact of our other measures, thereby further easing the funding costs for businesses and households in the euro area. In addition, these measures help keep down longer-term interest rates by mitigating the undue tightening that would otherwise mechanically arise from the reduction in the average maturity of our portfolio. Finally, net purchases also signal our commitment to use all instruments in pursuit of our price stability objective, which can have a powerful effect on the formation of inflation expectations.

As a complement to the policy measures I just outlined, we also decided to change the modalities of the new series of targeted longer-term refinancing operations (TLTRO III) that we announced in June. Banks can now obtain this long-term funding at lower rates with a longer maturity. This will also help to ensure that our accommodative policies pass through entirely to the funding costs of households and firms.

Finally, we also announced a two-tier system for reserve remuneration, in which part of banks' excess reserves will be exempt from our negative rates. The two-tier system is designed to strike a balance between two outcomes: it seeks to preserve the incentives for banks to pass through the stimulus generated by the negative interest rate on their reserves, while mitigating the adverse effects that these negative rates might have on banks' lending behaviour by affecting their profitability. The euro area needs financial intermediaries to remain engaged and active in monetary transmission, and the new two-tier system will make sure that the ability of banks to extend loans to their customers at favourable terms remains unimpaired.

The different elements of this comprehensive package will be mutually reinforcing in supporting favourable financing conditions for businesses and households, which will sustain investment and consumption. Greater business and household expenditure, in turn, will support inflation dynamics and make sure that they durably converge to our aim.

Overall, in view of the outlook and uncertainties we are facing, monetary policy needs to remain highly accommodative for a prolonged period of time. The measures we took at our last meeting underscore our determination and readiness to provide the necessary monetary stimulus in pursuit of our price stability objective. We continue to stand ready to adjust all of our instruments if warranted by the inflation outlook.

Looking back, looking forwards: achievements and future direction of Economic and Monetary Union

The conventional and unconventional measures the ECB has taken over the past decade have been successful in addressing the deflationary risks, restoring the functioning of the monetary policy transmission mechanism and providing vital support to the euro area economy.

But the ECB does not operate in a vacuum and other economic policies matter too. Allow me to recall my first appearance before this Committee in 2011. At that time, half of my introductory remarks were about the functioning of Economic and Monetary Union (EMU) and the need for other European policymakers to act.

So I will conclude my final statement to you by highlighting some lessons that have emerged from these eight years, which I hope can help in addressing the challenges ahead.

When comparing the crisis response of the euro area with that of other advanced economies, it is evident that the latter were able to achieve a better macroeconomic policy mix at the time, thanks to more decisive actions in both the fiscal and financial domains.

The Governing Council has reiterated that we are determined to ensure that inflation moves towards our aim in a sustained manner, and that we continue to stand ready to adjust all of our instruments. At the same time, a better policy mix, including fiscal policy, structural reforms and prudential measures, can help achieve this objective faster and with fewer side effects.

We will continue to carefully monitor – as we always have done – the possible side effects of accommodative monetary conditions. It is crucial to remain vigilant and to use the available micro- and macroprudential policy tools as necessary. I will say more on this during the hearing in my capacity as Chair of the European Systemic Risk Board.

The low yield environment needs to be understood in the context of the protracted decline in real yields we have witnessed since the 1980s. And this trend is not unique to the euro area. It largely reflects more structural factors such as a slowdown in productivity growth, which can be reversed through an ambitious structural reforms agenda.

In other words, we need a coherent economic strategy in the euro area that complements and enhances the effectiveness of monetary policy.

This is why there was unanimous consensus in the Governing Council that fiscal policy must make a more decisive contribution. In view of the weakening economic outlook and the continued prominence of downside risks, governments with fiscal space that are facing a slowdown should act in an effective and timely manner. Where fiscal sustainability is ensured, the potential effectiveness of countercyclical fiscal policy is reinforced in the current environment, given that fiscal multipliers are higher in a low

interest rate environment. At the same time, governments in countries with high public debt should pursue prudent policies and deliver on structural balance targets.

Another key difference compared with other advanced monetary unions like the United States is the lack of a central fiscal instrument to act countercyclically at the federal level.

I fully acknowledge the political difficulties in building such an instrument in the euro area. Similar difficulties also exist when discussing the completion of the banking union and the establishment of a genuine capital markets union.

At the same time, we should remain fully committed to the goal of achieving a genuine Economic and Monetary Union. Ignoring the need to fix the remaining institutional weaknesses of EMU would seriously damage what has already been achieved through the commitment and hard work of everyone involved. As I argued in this Committee eight years ago, we need to show “a clear trajectory for the future evolution” of EMU and thus frame the “expectations of both citizens and financial markets”.

Allow me to take a longer-term perspective to draw the last lesson. While the euro area did not have a fiscal policy response comparable with that of other advanced economies, the ECB’s response was fully comparable with that of the other major central banks.

Thanks to its independence, the ECB has been able to adapt its policy response and reaction function. Preserving this key asset will allow the ECB to adapt to future circumstances and ensure the effectiveness of its measures. This is all the more important considering that the desirability and relevance of central bank independence are increasingly being challenged around the world.

As I argued in my introduction, the best way to preserve the ECB’s independence is to ensure a commensurate degree of central bank accountability. During the past eight years, our accountability practices have evolved and intensified in response to the quest for scrutiny that emerged from the crisis.^[2] I have always appreciated the ability of this Parliament to react to citizens’ demands, support, concerns and channel them in a constructive manner during our discussions here. And I would like to personally thank you for this.

I am confident that this Parliament – and this Committee in particular – will continue the good work it has done during my term as ECB President. This, in turn, will further strengthen the effectiveness of the ECB’s actions and citizens’ trust in the EU project.

Thank you for your attention. I am now at your disposal for questions.

Statement by the European Commission following today's meeting between Michel Barnier, the European Commission's Chief Negotiator, and Steve Barclay, the UK Secretary of State for Exiting the EU.

Michel Barnier met Steve Barclay in Brussels today where they had a discussion on the state of play of the ongoing Brexit talks, both in relation to the backstop to avoid a hard border on the island of Ireland and the Political Declaration on the Future Relationship.

Michel Barnier and Steve Barclay agreed that technical talks will continue. These talks deal with a first set of concepts, principles and ideas that the United Kingdom has put forward in talks with TF50.

It is essential that there is a fully workable and legally operational solution included in the Withdrawal Agreement. We remain willing and open to examine any such proposals that meet all the objectives of the backstop.

Michel Barnier and his team will keep the European Parliament and the Council informed.

EU@UNGA 74: Working towards a more peaceful, secure and prosperous world

A high-level European Union delegation will be in New York for the 74th United Nations General Assembly next week. The EU representatives will host and participate in a large number of events and meetings with world leaders. The EU continues to be a leader in global cooperation: joining forces with partners in support of multilateralism to uphold and promote international law and human rights, to support peace and democracy, to promote sustainable development and to stand side-by-side with people in need all over the world.

First Vice-President Frans **Timmermans** and High Representative/Vice-President Federica **Mogherini** will kick-off the week on Sunday, 22 September, with a bilateral meeting with UN Secretary General António Guterres, further strengthening the strategic EU-UN partnership.

On Monday, First Vice-President **Timmermans** and Commissioner Miguel **Arias Cañete** will join the President of the European Council Donald Tusk at the UN Climate Action Summit following up on the EU's commitments made under the Paris Agreement to cut emissions by at least 40% by 2030 and on the EU's progress in developing a climate neutrality strategy. The Commission adopted a Communication last week detailing the EU's contribution to the Summit.

On Tuesday, First Vice-President **Timmermans** together with Commissioner Neven **Mimica** will represent the EU at the first UN Summit on the Sustainable Development Goals since the adoption of the 2030 Agenda in 2015 to call for more ambitious and accelerated action to implement the 2030 Agenda for Sustainable Development and the 17 Sustainable Development Goals.

On Tuesday, First Vice-President **Timmermans** and High Representative/Vice-President **Mogherini** will join the President of the European Council Tusk for the opening of the General Debate of the 74th UN General Assembly.

EU Flagship events during the week

The EU will host or co-host a number of **flagship events** in the margins of the General Assembly:

- Commissioner Arias **Cañete** will host the **High Ambition Coalition** Ministerial meeting on 22 September.
- On Monday, 23 September, High Representative/Vice-President **Mogherini** together with UNICEF will launch the global campaign for the 30th Anniversary of the UN Convention on the Rights of the Child called **#TheRealChallenge**. In the afternoon, Commissioner **Stylianides** will co-host together with Belgium and UNICEF the event "**Stop the war on children**".
- Between 22 and 24 September, Commissioner Karmenu **Vella** will represent the European Commission at the **World Economic Forum's Champions for Nature meeting**, as well as other high-level events, showing the EU's commitments to work on nature-based solutions to climate change, actions to halt and reverse biodiversity loss and address the link between oceans and climate change.
- On Tuesday, 24 September, the EU will host the sixth high-level event on the **Syria crisis**, chaired by High Representative/Vice-President **Mogherini** and Commissioner Christos **Stylianides**, reaffirming EU and international support to a political solution to the Syria conflict and address the humanitarian and resilience needs of those affected by the crisis inside Syria and across the region.
- Commissioner **Stylianides** will co-host an event on **safeguarding the humanitarian space in the context of counterterrorism and sanctions regimes** on Wednesday, 25 September, together with the Belgian Minister of Foreign Affairs Didier Reynders. On the same day, Commissioner Dimitris **Avramopoulos** will speak at the tenth **Global Counter-Terrorism Forum Ministerial Plenary Meeting**. The meeting will be an opportunity to take stock of the Forum's efforts and achievements at international, national and regional level to prevent, combat and prosecute terrorist acts.
- On Thursday, 26 September, High Representative/Vice-President **Mogherini**

will host, together with the High Commissioner for Human Rights Michelle Bachelet and the EU Special Representative for Human Rights Eamon **Gilmore**, a new edition of the **Good Human Rights Stories** initiative. This year the focus will be on building quality lives through economic, social and cultural rights in the world. High Representative/Vice-President **Mogherini** and Commissioner Neven **Mimica** will host an event on the **EU-UN Spotlight Initiative**, aimed at eliminating all forms of violence against women and girls.

Other high-level events of the week

EU representatives will have a full agenda of high-level debates and side events, as well as numerous bilateral meetings:

- On 22 September, the eve of the UN's General Assembly week, Commissioner Vytenis **Andriukaitis** will join leaders at the **Walk the Talk: The Health for All** event organised by the World Health Organisation in Central Park. High Representative/Vice-President **Mogherini** will meet leaders from the **Western Balkans** over a working dinner.
- On 23 September, Commissioner **Andriukaitis** will represent the EU at the high-level meeting on **Universal Health Coverage**. The same day, the International Contact Group on **Venezuela** will convene to assess the latest developments and the situation in the country. Following this meeting, High Representative/Vice-President **Mogherini** will chair the traditional informal meeting of **EU Foreign Affairs Ministers**.
- Commissioner **Andriukaitis** will participate at a breakfast meeting on the 2019 Champions Strategy on **Food waste** on 24 September. In the evening, First Vice-President **Timmermans**, along with High Representative/Vice-President **Mogherini**, will open the annual **EU reception**.
- High Representative/Vice-President **Mogherini**, Commissioner Cecilia **Malmström** and Commissioner Pierre **Moscovici** will attend the **Bloomberg Global Business Forum** on 25 September.
- On 26 September, Commissioner **Mimica** will represent the EU at the High-Level Dialogue on Financing for Development, including a ministerial round-table discussion with the UN and pioneer countries on **Integrated National Financing Frameworks** to support the implementation of the Sustainable Development Goals. On the same day, Commissioner **Avramopoulos** will participate in a Ministerial side event focussing on **accountability for atrocity crimes committed by DAESH**.*
- On 28 September, Commissioner **Mimica** will take part in the **post-Cotonou** chief negotiators' meeting on a new partnership agreement with 79 countries in Africa, the Caribbean and the Pacific. The future agreement will succeed the Cotonou Agreement.

The agenda of the individual EU representatives can be found on their [websites](#).

For More Information

For the 74th session of the UN General Assembly, the EU will focus on conflict prevention, peace and security; a common positive agenda with the promotion and protection of human rights at the heart of multilateralism; as

well as an expanding global engagement on issues such as climate action, the environment, sustainable development goals, and the non-proliferation of weapons of mass destruction. For more details, check the EU's priorities [here](#).

Collectively, the EU and its Member States are the single largest financial contributor to the UN system.

Press and audio-visual material will be available on [EEAS](#), [Europa](#) and [Consilium](#).

Join the conversation online on Twitter, [Instagram](#) and Facebook using #UNGA, #EU and follow [@EUatUN](#) and the Commissioner's accounts for live updates throughout the week.

[Factsheet: The EU at the United Nations](#)

[Factsheet: EU – UN: A partnership that delivers](#)

[Council Conclusion on EU priorities at the United Nations and the 74th United Nations General Assembly](#)

[Key documents on the Commission's long-term vision "A Clean Planet for All"](#)

[Commission Communication on the 2019 Climate Action Summit hosted by the United Nations Secretary General](#)

[European Union presents its progress towards sustainable development](#)

[The EU and the Sustainable Development Goals](#)

* Modified on September 2019, at 17:34

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EU@UNGA 74: Working towards a more peaceful, secure and prosperous world

A high-level European Union delegation will be in New York for the Ministerial week of the 74th United Nations General Assembly next week. The EU representatives will host and participate in a large number of events and meetings with world leaders. The EU continues to be a leader in global cooperation: joining forces with partners in support of multilateralism to uphold and promote international law and human rights, to support peace and democracy, to promote sustainable development and to stand side-by-side with people in need all over the world. On Sunday, 22 September, First Vice-President Frans **Timmermans** and High Representative/Vice-President Federica **Mogherini** will kick-off the week with a bilateral meeting with UN Secretary General António Guterres, further strengthening the strategic EU-UN

partnership. On Monday, First Vice-President **Timmermans** will join the President of the European Council Donald Tusk at the opening of the UN Climate Action Summit. The Commission [adopted](#) a Communication last week detailing the EU's contribution to the Summit. On Tuesday, First Vice-President **Timmermans** together with Commissioner Neven **Mimica** will represent the EU at the first UN summit on the Sustainable Development Goals to call for more [ambitious and accelerated action](#) to implement the 2030 Agenda for Sustainable Development and the 17 Sustainable Development Goals. On Tuesday, First Vice-President **Timmermans** and High Representative/Vice-President **Mogherini** will join President of the European Council Tusk for the opening of the general debate of the 74th UN General Assembly. The EU will be hosting a number of flagship events in the margins of the General Assembly, and EU representatives will have a full agenda of high-level debates and side events, as well as numerous bilateral meetings. For more details on the agenda, see the full press release [here](#). Press and audio-visual material will be available on [EEAS](#), [Europa](#) and [Consilium](#) websites. For more information on EU – UN relations, see the factsheets [here](#) and [here](#). (For more information: Maja Kocijancic – Tel.: +32 229 86570; Xavier Cifre Quatresols – Tel.: +32 229 73582)

Alliance circulaire sur les matières plastiques: plus de cent signataires s'engagent à utiliser dix millions de tonnes de plastique recyclé d'ici à 2025

Une centaine de partenaires publics et privés représentant l'ensemble de la chaîne de valeur des plastiques signeront aujourd'hui la [déclaration de l'alliance circulaire sur les matières plastiques](#) en faveur d'actions volontaires pour un marché performant des plastiques recyclés à l'échelle de l'Union. La déclaration décrit comment atteindre l'objectif d'utiliser chaque année dix millions de tonnes de plastique recyclé pour fabriquer de nouveaux produits en Europe d'ici à 2025. Cet objectif, fixé par la Commission européenne dans [sa stratégie de 2018 sur les matières plastiques](#), s'inscrit dans ses efforts visant à développer le recyclage des plastiques en Europe. Le Premier vice-président Frans **Timmermans**, chargé du développement durable, a dit: « *Je salue les engagements pris par l'industrie pour repenser la manière dont nous produisons et utilisons les plastiques. Grâce à un recyclage efficace des plastiques, nous rendrons notre planète plus propre et lutterons contre le changement climatique, en remplaçant les combustibles fossiles par des déchets plastiques dans le cycle de production.* » Elżbieta **Bieńkowska**, commissaire pour le marché intérieur, l'industrie, l'entrepreneuriat et les PME, a ajouté: « *Nous avons la possibilité de faire de notre industrie un leader mondial dans le domaine des plastiques recyclés. Il nous faut saisir pleinement cette opportunité pour protéger l'environnement, créer de nouveaux emplois dans ce secteur et rester compétitif.* » La déclaration de l'Alliance restera ouverte à la signature sur [le site de la Commission](#) pour permettre à un plus grand nombre de signataires de s'y associer, en particulier les autorités publiques de toute l'Europe. Un communiqué de presse est disponible [ici](#). (Pour plus d'informations: Lucía Caudet – Tél. +32 229 56182; Sophie Dupin de Saint-Cyr – Tél.: +32 229 56169)

Deux ans après son entrée en application, l'accord commercial entre l'UE et

Le Canada confirme ses bénéfices

Entré en vigueur provisoirement depuis deux ans aujourd'hui, l'Accord économique et commercial global (AECG) confirme son impact bénéfique concret pour l'Union européenne et le Canada. En 2018, les exportations de marchandises de l'Union européenne vers le Canada ont augmenté de 15% soit 5,3 milliards d'euros comparé à la moyenne des exportations sur les trois années précédentes. La commissaire européenne chargée du commerce, Cecilia **Malmström**, dans un discours prononcé lors du séminaire organisé aujourd'hui à Bruxelles par des organisations représentant des entreprises canadiennes et européennes pour marquer ce deuxième anniversaire, a dit : « *Les premiers signes sont prometteurs. L'accord montre que l'UE et le Canada sont prêts à défendre un commerce mondial ouvert. Notre attention se porte maintenant sur la mise en œuvre. En pratique, cela signifie qu'il faut que nous nous assurions que ces nouvelles opportunités bénéficient au plus grand nombre, et que nos engagements communs par rapport à l'égalité des sexes, le climat et les droits des travailleurs soient respectés.* » Parmi les principaux bénéficiaires de l'accord comptent : le secteur pharmaceutique avec une augmentation d'exportations de 29%, le secteur de machines et d'appareils mécaniques avec une augmentation de 16% et le secteur automobile avec une augmentation de 11%. En ce qui concerne les produits agro-alimentaires, les exportations de l'UE vers le Canada ont augmenté de 7% en 2018, soit 231 millions d'euros, plaçant le Canada en 8ème position des destinataires d'exportations agricoles en provenance de l'Union européenne. Les exportations de fromage ont augmenté de 33%, les pâtes et pâtisseries de 16% et le vin de 10%. Le discours est disponible [en ligne](#). Plus d'informations sont disponibles sur [le site web de l'AECG](#). (Pour plus d'informations : Daniel Rosario – Tél.: +32 229 56185; Kinga Malinowska – Tél: +32 229 51383)

Employment and social developments in Europe: labour market outlook remains broadly positive

The autumn edition of the Commission's [Employment and Social Developments in Europe \(ESDE\) Quarterly Review](#) published today confirms that the EU labour market continues to break records, with 241.4 million people in employment in the EU (160 million in the euro area) during the second quarter of 2019. EU employment has been growing for 25 consecutive quarters, and since the start of the Juncker Commission 14.1 million jobs have been created. Total hours worked have now slightly exceeded the peak of 2008. Marianne **Thyssen**, Commissioner for Employment, Social Affairs, Skills and Labour Mobility, said: "It is an important message that the European labour market is going strong. Never before have there been so many people in employment in the EU. Let's keep our focus on delivering the European Pillar of Social Rights to ensure that this positive development continues to reach all citizens across Europe." Most of the new jobs created in the beginning of 2019 are quality jobs: In the first quarter of 2019, permanent jobs increased by 2.5 million compared with the same quarter of the previous year. Over the same period, also self-employment was on the rise (+350,000 people), while the number of temporary employees went down (-600,000 people). The report further confirms that unemployment in the EU has receded by 11 million people since its peak

observed in April 2013 and now stands at its lowest level ever recorded. Youth and long-term unemployment continued their decline, too. More information on the review is available [here](#). (For more information: Christian Wigand – Tel.: +32 229 62253; Sara Soumillion – Tel.: + 32 229 67094)

Mergers: Commission clears acquisition of Telford Homes by CBRE

The European Commission has approved, under the EU Merger Regulation, the acquisition of Telford Homes PLC of the UK by the CBRE Group, Inc. (“CBRE”) of the U.S. Telford Homes develops residential-led, mixed-use sites in the UK. CBRE provides commercial real estate services on a worldwide basis. The Commission concluded that the proposed acquisition would raise no competition concerns, given that the overlaps between the activities of the companies are very limited and a number of strong players would remain in the market after the merger. 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.9458](#). (For more information: Lucía Caudet – Tel. +32 229 56182; Maria Tsoni – Tel.: +32 229 90526)

ANNOUNCEMENTS

Commissioner Avramopoulos in Malta to discuss migration and asylum

On Sunday, Commissioner for Migration, Home Affairs and Citizenship Dimitris **Avramopoulos** will travel to Malta where he will meet with President George Vella. On Monday, the Commissioner will visit the European Asylum Support Office and participate in a meeting with Interior Ministers organised by the Maltese authorities to discuss temporary arrangements following disembarkation for persons rescued at sea. (For more information: Natasha Bertaud – Tel.: +32 229 67456; Tove Ernst – Tel.: +32 229 86764; Ciara Bottomley – Tel.: +32 229 69971)

[Commissioners’ weekly activities](#)

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